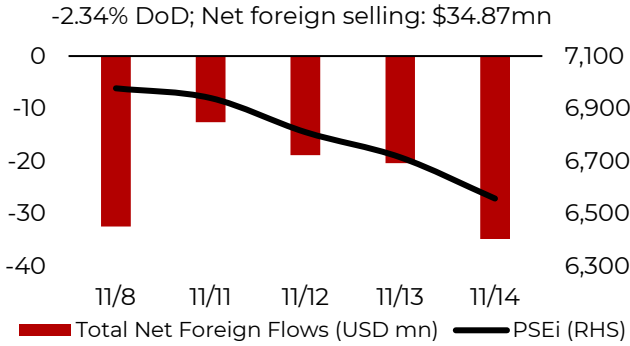


The Morning View

November 15, 2024

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,557.09	-2.34%
3-mo bond yield	5.54%	+0.28 bps
2-yr bond yield	5.80%	+0.41 bps
10-yr bond yield	5.98%	+3.26 bps
USDPHP	58.78	+0.07%
Oil (Brent, \$ / barrel)	72.56	+0.39%

According to the Philippine Statistics Authority, foreign investment pledges surged by 434.4% YoY to Php146.75 billion in 3Q24. The sharp increase can be attributed to the liberalization of investment laws. The manufacturing sector received the most pledges, while South Korea was the top source country of pledges.

JG Summit Holdings, Inc. (PSE Ticker: JGS) will inject up to Php17.1 billion into its petrochemical unit to finance maturing obligations. JGS' petrochemical business reported a nine-month net loss of P11.4 billion amid "unfavorable global market conditions."

Local equities tumbled due to heightened net foreign selling as uncertainties around Trump's policies and rising local and US bond yields weighed on sentiment. The PSEi closed at 6,557.09 (-2.34% DoD).

Local fixed income yields rose as investors digested a faster US consumer price index (CPI) inflation print in October. On average, yields rose by 0.83 bps, with the 2Y closing at 5.80% (+0.41 bps) and the 10Y closing at 5.98% (+3.26 bps).

The **Philippine peso** closed flat ahead of the release of the US October producer prices inflation data overnight. The USD/PHP pair closed at 58.78 (+0.07% DoD).

US Fed Chair Jerome Powell said that there is no need rush rate cuts given the resilient economic growth and job market. Powell said that recent economic data will allow the central bank to approach policy decisions carefully. Nonetheless, he affirmed that policymakers still consider inflation to be on a sustainable path to the 2% target.

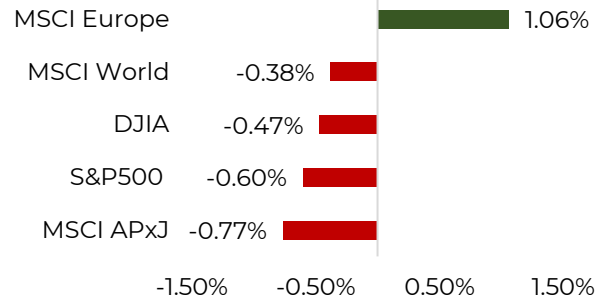
US Producer Price Index (PPI) inflation accelerated to 2.4% YoY in October (Sept.: revised +1.9%), above market's expectations. This was driven by the increase in services costs, particularly portfolio management and airline fares.

US equities fell as the quicker-than-expected US PPI inflation print and Fed Chair Powell's remark urging caution on rate cuts dampened investor sentiment. The S&P 500 closed at 5,949.17 (-0.60% DoD) and the DJIA closed at 43,750.86 (-0.47% DoD).

US Treasury yields ended mixed but rose on average after Fed Chair Powell signaled patience in cutting rates amid the resilient US economy. Investors also digested the rebound of PPI inflation in October. On average, yields rose by 0.63 bps, with the 2Y closing at 4.35% (+5.90 bps) and the 10Y closing at 4.44% (-1.40 bps).

The **US dollar** strengthened on the back of the faster-than-expected October PPI inflation print and the hawkish remarks of Fed Chair Powell. The DXY closed at 106.87 (+0.36% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,949.17	-0.60%
DJIA	43,750.86	-0.47%
3-mo US Treasury yield	4.53%	+3.00 bps
2-yr US Treasury yield	4.35%	+5.90 bps
10-yr US Treasury yield	4.44%	-1.40 bps
DXY	106.87	+0.36%

This material, which is strictly for information purposes only, is for your sole use, does not constitute a recommendation or an offer to sell or a solicitation to buy any financial product. Any information is subject to change without notice and BPI Wealth is not under any obligation to update or keep current the information contained herein. You are advised to make your own independent judgment with respect to the matter contained in this document. No liability whatsoever is accepted for any loss that may arise (whether direct or consequential) from any use of the information contained herein.

All funds managed by BPI Wealth are Trust and/or Investment Management Funds, which do not carry any guarantee of income or principal, and are NOT covered by the Philippine Deposit Insurance Corporation. Past performance is not a guarantee of future results. BPI Wealth Investment Funds are valued daily using the marked-to-market method.