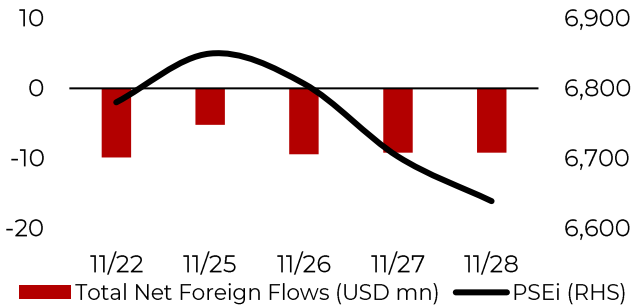


The Morning View

November 29, 2024

Philippine Stock Exchange Index

-0.96% DoD; Net foreign selling: \$9.18mn



| | Level | DoD |
|--------------------------|----------|-----------|
| PSEi | 6,638.54 | -0.96% |
| 3-mo bond yield | 5.62% | +2.16 bps |
| 2-yr bond yield | 5.92% | +0.50 bps |
| 10-yr bond yield | 6.04% | -0.37 bps |
| USDPHP | 58.67 | -0.07% |
| Oil (Brent, \$ / barrel) | 73.28 | +0.62% |

Bangko Sentral ng Pilipinas (BSP) Governor Eli Remolona said that the Philippine peso could possibly hit a fresh record low of 60 to a dollar. However, he said that monetary authorities will ensure that the drop will not be abrupt.

San Miguel Corp. (PSE Ticker: SMC) partners with Megawide Construction Corp. (PSE Ticker: MWIDE) for SMC's Boracay terminal. SMC plans to build a terminal building with a capacity of seven million passengers which may take up to three years to build.

Local equities slid to a two-week low as investors continued to digest the potential impact of Trump's tariff policies on inflation. Markets also weighed the US Personal Consumption Expenditure (PCE) inflation which rose to 2.3% in October, tempering interest rate cut expectations. The PSEi closed at 6,638.54 (-0.96% DoD).

Local fixed income yields ended mixed as investors digested the US PCE inflation data in October, which accelerated to 2.3% but came in line with expectations. On average, yields rose by 0.63 bps, with the 2Y closing at 5.92% (+0.50 bps) and the 10Y closing at 6.04% (-0.37 bps).

The **Philippine Peso** closed flat after the US PCE price index accelerated in October but still came in line with expectations. The USD/PHP pair closed at 58.67 (-0.07% DoD).

Germany's Consumer Price Index (CPI) EU harmonized inflation was flat at 2.4% YoY in November. This was driven by higher food prices but partially offset by lower energy costs. Bundesbank President Joachim Nagel said inflation is still high and the trade policies of the new US administration could be an upside risk.

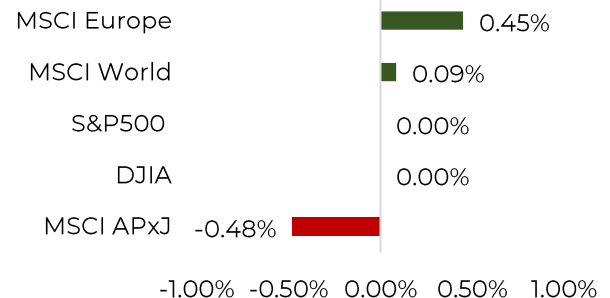
Tokyo's core consumer inflation, excluding fresh food and fuel, accelerated to 2.2% YoY in November (October: 1.8% YoY). This remained above the Bank of Japan's 2% target and higher than the market's expectation of 2.0%. The increase was driven by higher service-sector prices.

US equities were unchanged as US markets were closed for the Thanksgiving holiday. The S&P 500 closed at 5,998.74 (0.00% DoD) and the DJIA closed at 44,722.06 (0.00% DoD).

US Treasury yields ended flat as the markets were closed in observance of the US Thanksgiving holiday. On average, yields rose by 0.02 bps, with the 2Y closing at 4.23% (0 bp) and the 10Y closing at 4.27% (0 bp).

The **US dollar** was flat amid muted trading as US markets were closed due to the Thanksgiving holiday. The DXY closed at 106.16 (+0.07% DoD).

Global Stock Indices



| | Level | DoD |
|-------------------------|-----------|----------|
| S&P 500 | 5,998.74 | 0.00% |
| DJIA | 44,722.06 | 0.00% |
| 3-mo US Treasury yield | 4.51% | 0.00 bps |
| 2-yr US Treasury yield | 4.23% | 0.00 bps |
| 10-yr US Treasury yield | 4.27% | 0.00 bps |
| DXY | 106.16 | +0.07% |

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