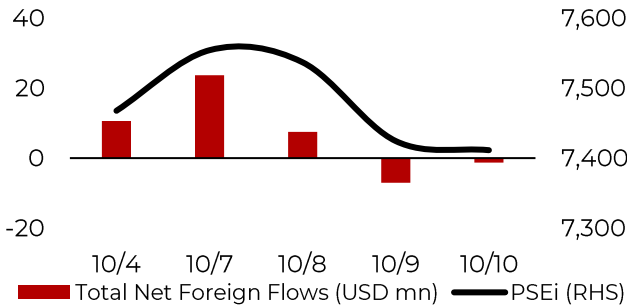


# The Morning View

October 11, 2024

## Philippine Stock Exchange Index

-0.18% DoD; Net foreign selling: \$1.28mn



	Level	DoD
PSEi	7,411.47	-0.18%
3-mo bond yield	5.06%	-4.20 bps
2-yr bond yield	5.56%	-1.37 bps
10-yr bond yield	5.76%	+2.65 bps
USDPHP	57.36	+0.60%
Oil (Brent, \$ / barrel)	79.40	+3.68%

**The Bangko Sentral ng Pilipinas (BSP) reported that the net inflows of foreign direct investments (FDI) soared to \$820 million in July (+5.5% YoY), a five-month high.** Investments in debt instruments rose by 2.7% YoY to \$610 million, while net investments in equity capital jumped by 16.8% to \$76 million.

**International Container Terminal Services, Inc. (PSE Ticker: ICT) purchased a 27-hectare property for the expansion of its 900-meter berth terminal.** The newly purchased property is part of ICT's \$800-million investment to expand its port facilities in Southern Luzon.

**Local equities** fell amid continued profit-taking. Investors also remained cautious due to the Philippine Peso's depreciation and ahead of the release of the US inflation data. The PSEi closed at 7,411.47 (-0.18% DoD).

**Local fixed income yields** were mixed amid cautious sentiment after the Fed meeting minutes release and ahead of the US inflation data release. On average, yields rose by 0.60 bps, with the 2Y closing at 5.56% (-1.37 bps) and the 10Y closing at 5.76% (+2.65 bps).

The **Philippine peso** weakened to a two-month low after the Fed meeting minutes tempered expectations of aggressive Fed rate cuts this year. The USD/PHP pair closed at 57.36 (+0.60% DoD).

**US Consumer Price Index (CPI) rises by 2.4% YoY in September (Aug: 2.5%).** This was the smallest gain since February 2021 but above the street expectation of 2.3% YoY. The increase was primarily driven by higher grocery store food prices.

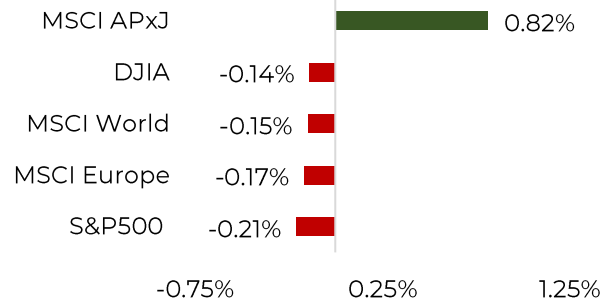
**New York Fed President John Williams said that he sees more rate cuts ahead as the US economy remains healthy amid a resilient job market.** He added that the September inflation print helped affirm that inflationary pressures are abating, which could provide the Fed more room to cut rates further over time.

**US equities** fell as higher-than-expected inflation and rising jobless claims data dampened investors' sentiment. Jobless claims increased to 258,000, exceeding the 230,000 estimate amid the impact of Hurricane Helene. The S&P 500 closed at 5,780.05 (-0.21% DoD) and the DJIA closed at 42,454.12 (-0.14% DoD).

**US Treasury yields** declined as investors digested the cooler September CPI inflation print, dovish remarks from New York Fed President Williams, and higher jobless claims data. On average, yields fell by 1.82 bps, with the 2Y closing at 3.96% (-6.50 bps) and the 10Y closing at 4.07% (-1.00 bps).

The **US dollar** closed flattish after the September CPI inflation print eased from August but came out faster-than-expected. The DXY closed at 102.99 (+0.06% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	5,780.05	-0.21%
DJIA	42,454.12	-0.14%
3-mo US Treasury yield	4.65%	-1.30 bps
2-yr US Treasury yield	3.96%	-6.50 bps
10-yr US Treasury yield	4.07%	-1.00 bps
DXY	102.99	+0.06%

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