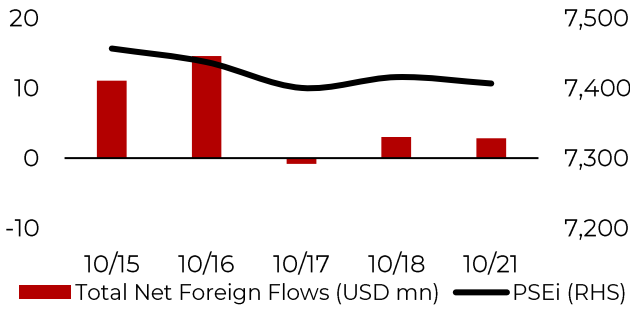


## Philippine Stock Exchange Index

-0.12% DoD; Net foreign buying: \$2.80mn



	Level	DoD
PSEi	7,406.63	-0.12%
3-mo bond yield	5.20%	+4.82 bps
2-yr bond yield	5.51%	+0.34 bps
10-yr bond yield	5.77%	+2.91 bps
USDPHP	57.59	+0.14%
Oil (Brent, \$ / barrel)	74.29	+1.68%

**Moody's Analytics is projecting that the Bangko Sentral ng Pilipinas (BSP) will further cut its policy rate by 25 bps in December.** Moody's noted that the BSP is convinced that domestic price pressures are manageable and that inflation expectations are anchored.

**Manila Electric Co.'s (PSE Ticker: MER) renewable power generating unit, Mgreen, may consider an initial public offering in the next 5 years.** Meralco PowerGen Corp. President and Chief Executive Officer Emmanuel V. Rubio added that he is seeing a growing investor appetite for green companies in the Philippines.

**Local equities** slightly fell on the back of profit-taking. This was also amid cautious sentiment as investors awaited more 3Q24 local corporate earnings results and digested concerns over the Middle East tensions. The PSEi closed at 7,406.63 (-0.12% DoD).

**Local fixed income yields** inched up as investors stayed on the sidelines amid escalating tensions in the Middle East. On average, yields rose by 2.08 bps, with the 2Y closing at 5.51% (+0.34 bps) and the 10Y closing at 5.77% (+2.91 bps).

The **Philippine peso** weakened on cautious trading, driven by heightened Middle East tensions following leaks of Israel's plans to attack Iran. The USD/PHP pair closed at 57.59 (+0.14% DoD).

**China cut its 1-year and 5-year loan prime rate by 25 bps to 3.10% and 3.85%, respectively.** These reductions are a part of the previously announced stimulus package by the People's Bank of China to help revive the economy.

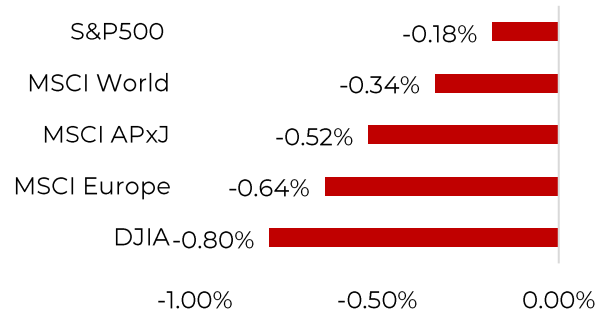
**Several US Fed policymakers called for a gradual lowering of interest rates.** Citing the strength of the US economy, they prefer to avoid outsized moves and to move carefully in managing risks and upholding the Fed's inflation and employment mandates.

**US equities** fell as rising US Treasury yields and concerns over high valuations weighed on market sentiment. Investors are also closely keeping an eye on corporate earnings results and US presidential election developments. The S&P 500 closed at 5,853.98 (-0.18% DoD) and the DJIA closed at 42,931.60 (-0.80% DoD).

**US Treasury yields** climbed as investors digested the cautious remarks from the speeches of Minneapolis Fed President Kashkari and Dallas Fed President Logan. On average, yields rose by 8.18 bps, with the 2Y closing at 4.03% (+8.40 bps) and the 10Y closing at 4.20% (+11.30 bps).

The **US Dollar** strengthened following remarks from Kansas Fed President Schmid, Minneapolis Fed President Kashkari, and Dallas Fed President Logan, hinting at a gradual pace of rate cuts amid a strong economy. The DXY closed at 104.01 (+0.50% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	5,853.98	-0.18%
DJIA	42,931.60	-0.80%
3-mo US Treasury yield	4.64%	-0.30 bps
2-yr US Treasury yield	4.03%	+8.40 bps
10-yr US Treasury yield	4.20%	+11.30 bps
DXY	104.01	+0.50%

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