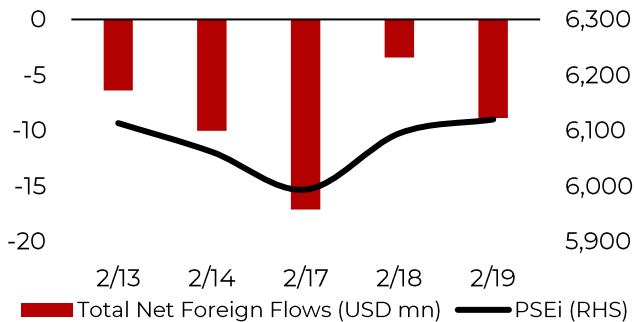


The Morning View

February 20, 2025

Philippine Stock Exchange Index

+0.41% DoD; Net foreign selling: \$8.87mn



	Level	DoD
PSEi	6,119.88	+0.41%
3-mo bond yield	5.28%	+4.07 bps
2-yr bond yield	5.82%	+0.69 bps
5-yr bond yield	5.96%	-0.07 bps
10-yr bond yield	6.13%	-0.12 bps
USDPHP	58.09	-0.11%
Oil (Brent, \$ / barrel)	76.04	+0.26%

President Ferdinand Marcos, Jr. signed Executive Order (EO) 83, which will lower the real property tax (RPT) for independent power producers (IPP) engaged in build-operate-transfer deals with government-owned and -controlled corporations. The EO grants IPPs an effective reduction in RPT by setting an assessment level of 15% of the fair market value.

Monde Nissin Corp. (PSE Ticker: MONDE) guided that it expects core net income to grow by over 25% YoY for FY24 from Php7.63 billion in FY23. It also anticipates consolidated sales growth to exceed 3% YoY. The company also signaled that it expects a significant impairment charge between GBP80 million and GBP100 million.

Local equities rose, local fixed income yields were mixed, and the Philippine peso slightly strengthened as investors weighed the ongoing peace talks between US and Russia on the war in Ukraine. Optimism following the overnight gains in US equities also lifted the local stock market.

The PSEi closed at 6,119.88 (+0.41% DoD).

On average, yields rose by 0.54 bps, with the 2Y closing at 5.82% (+0.69 bps) and the 10Y closing at 6.13% (-0.12 bps).

The USD/PHP pair closed at 58.09 (-0.11% DoD).

The minutes of the Federal Reserve's January meeting showed that policymakers were concerned about the upside risks to the inflation outlook due to Trump's initial policy proposals. Participants cited the potential changes in trade and immigration policy, possible disruptions to supply chains, and the stronger-than-expected household spending.

US overall housing starts dropped by 9.8% MoM in January to a seasonally adjusted annual rate of 1.366 million units (Dec.: +15.8%). Single-family housing starts, which accounted for majority of homebuilding, fell by 8.4% MoM (Dec.: +6.2%) amid snowstorms and frigid temperatures.

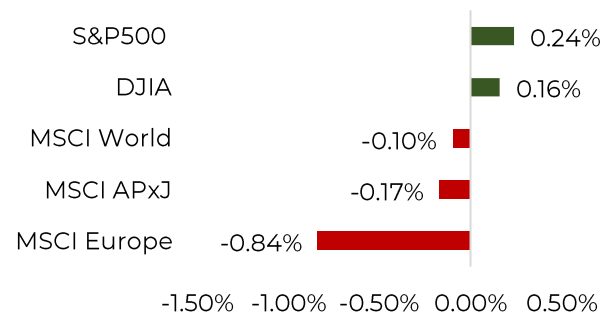
US equities inched up, US Treasury yields were mixed, and the US dollar slightly strengthened as investors parsed through corporate earnings and the US Fed's January meeting minutes, which showed that policymakers want to see more progress on inflation before cutting rates further.

The S&P 500 closed at 6,144.15 (+0.24% DoD) and the DJIA closed at 44,627.59 (+0.16% DoD).

On average, yields fell by 3.82 bps, with the 2Y closing at 4.22% (-9.50 bps) and the 10Y closing at 4.52% (-2.90 bps).

The DXY closed at 107.17 (+0.11% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,144.15	+0.24%
DJIA	44,627.59	+0.16%
3-mo US Treasury yield	4.33%	+0.50 bps
2-yr US Treasury yield	4.22%	-9.50 bps
5-yr US Treasury yield	4.34%	-6.10 bps
10-yr US Treasury yield	4.52%	-2.90 bps
DXY	107.17	+0.11%

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