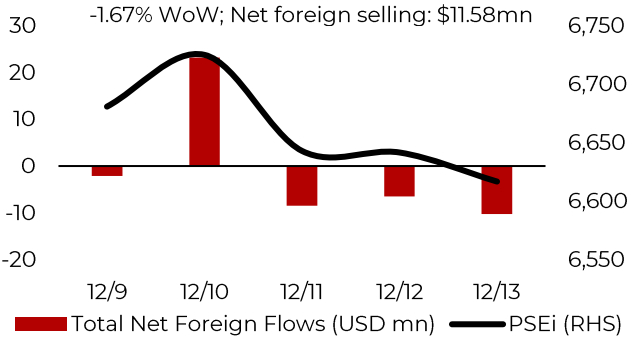


The Weekly Review

December 16, 2024

Philippine Stock Exchange Index



	Level	WoW
PSEi	6,616.51	-1.67%
3-mo bond yield	5.84%	+14.49 bps
2-yr bond yield	5.95%	+2.63 bps
10-yr bond yield	5.92%	+3.26 bps
USDPHP	58.47	+1.27%
Oil (Brent, \$ / barrel)	74.49	+4.74%

Local equities declined as concerns over the wider local trade deficit in October and the World Bank's downgrade of its FY24 PH economic growth forecast to 5.9% from 6.0% dampened sentiment.

Top performers were Century Pacific Food Inc. (PSE Ticker: CNPF; +7.14%), Puregold Price Club Inc. (PGOLD; +3.33%), and Semirara Mining And Power Corporation (SCC; +2.10%). Meanwhile, Ayala Land Inc. (PSE Ticker: ALI; -6.34%), ACEN Corporation (ACEN; -9.23%), and Bloomberry Resorts Corporation (BLOOM; -9.67%) were the laggards of the week.

▼ The PSEi closed at 6,616.51 (-1.67% WoW).

Local fixed income yields climbed following the increase in the November US consumer price index (CPI) and producer price index (PPI) inflation to 2.7% and 3.0%, respectively.

▲ On average, yields rose by 3 bps, with the 2Y closing at 5.95% (+3 bps) and the 10Y closing at 5.92% (+3 bps).

The Philippine peso weakened as the faster November US inflation reports reinforced expectations of a slower pace of Fed rate cuts ahead. Traders also digested the two-year high Philippine trade deficit of \$5.8 billion in October.

▼ The USD/PHP pair closed at 58.47 (+1.27% WoW).

US equities declined as investors digested the faster US November inflation reports. US CPI inflation accelerated to 2.7% YoY (Oct.: 2.6%) but came in line with market consensus. Meanwhile, US PPI inflation rose faster-than-expected to 3.0% YoY (Oct.: 2.6%).

▼ S&P 500 closed at 6,051.09 (-0.64% WoW).

▼ DJIA closed at 43,828.06 (-1.82% WoW).

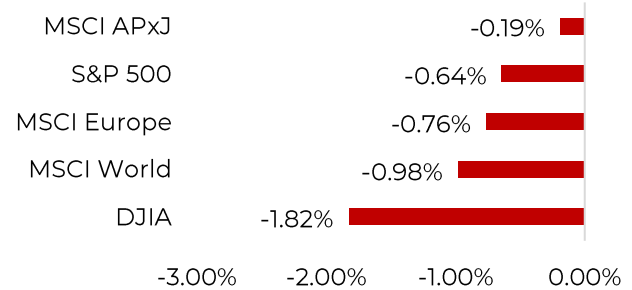
US Treasury yields soared following the faster US CPI and PPI inflation prints in November. The market also awaited the policy decision of the US Federal Reserve this week.

▲ On average, yields rose by 14 bps, with the 2Y closing at 4.25% (+14 bps) and the 10Y closing at 4.40% (+24 bps).

The **US Dollar strengthened** as the November US CPI posted its largest monthly gain since April and PPI inflation data exceeded expectations, supporting bets for gradual rate cuts by the Fed in 2025.

▲ The DXY closed at 107.00 (+0.89% WoW).

Global Stock Indices



	Level	WoW
S&P 500	6,051.09	-0.64%
DJIA	43,828.06	-1.82%
3-mo US Treasury yield	4.33%	-7.80 bps
2-yr US Treasury yield	4.25%	+14.30 bps
10-yr US Treasury yield	4.40%	+24.40 bps
DXY	107.00	+0.89%