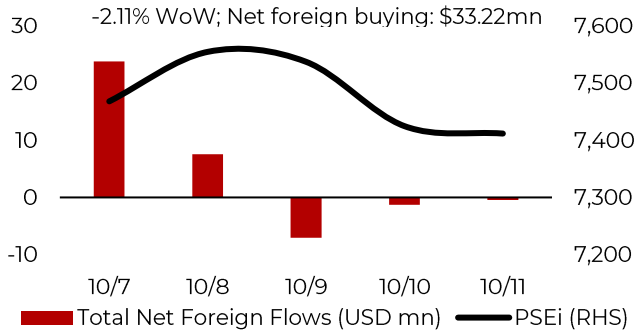


The Weekly Review

October 14, 2024

Philippine Stock Exchange Index



	Level	WoW
PSEi	7,310.32	-2.11%
3-mo bond yield	5.04%	-7.22 bps
2-yr bond yield	5.56%	+7.36 bps
10-yr bond yield	5.73%	-2.59 bps
USDPHP	57.21	+1.62%
Oil (Brent, \$ / barrel)	79.04	+1.27%

Local equities declined on the back of investors' profit-taking. Moreover, the higher-than-expected US Consumer Price Index (CPI) inflation, weaker Philippine peso, and escalating geopolitical tensions in the Middle East also dampened investors' sentiment.

Top performers were Manila Electric Company (PSE Ticker: MER; +3.23%), Puregold Price Club Inc. (PGOLD; +2.56%), and DMCI Holdings Inc. (DMC; +1.91%). Meanwhile, Ayala Land Inc. (PSE Ticker: ALL; -4.46%), Wilcon Depot Inc. (WLCON; -7.32%), and Nickel Asia Corp. (NIKL; -8.44%) were the laggards of the week.

▼ The PSEi closed at 7,310.32 (-2.11% WoW).

Local fixed income yields were mixed but rose on average as the stronger-than-expected US jobs report and higher-than-expected US inflation tempered bets of larger Fed rate cuts. Investors also weighed geopolitical developments in the Middle East.

▲ On average, yields rose by 3 bps, with the 2Y closing at 5.56% (+7 bps) and the 10Y closing at 5.73% (-3 bps).

The Philippine peso weakened following the release of the Fed's September meeting minutes which dampened expectations of a sizable rate cut in November.

▲ The USD/PHP pair closed at 57.21 (+1.62% WoW).

US equities surged to record highs, driven by strong quarterly earnings from major financial institutions JPMorgan Chase and Wells Fargo. However, gains were tempered by the higher-than-expected September CPI inflation at 2.4% and a rise in jobless claims to 258,000.

▲ S&P 500 closed at 5,815.03 (+1.11% WoW).
▲ DJIA closed at 42,863.86 (+1.21% WoW).

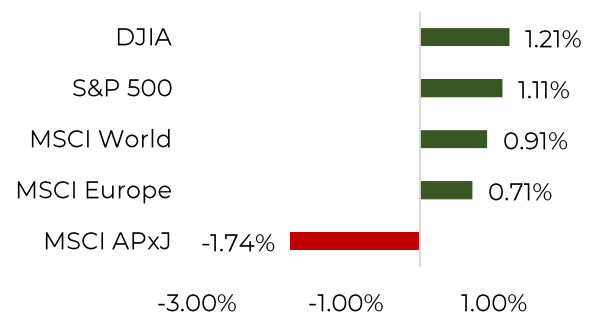
US Treasury yields jumped after both the September CPI and Producer Price Index inflation came above consensus expectations at 2.4% and 1.8% YoY, respectively. Investors also weighed the latest minutes of the Fed's policy meeting as well as the heightening geopolitical tensions in the Middle East.

▲ On average, yields rose by 8 bps, with the 2Y closing at 3.96% (+3 bps) and the 10Y closing at 4.10% (+13 bps).

The **US dollar strengthened** as the traders weighed cautious remarks from Fed officials, suggesting a more gradual approach to policy easing following the stronger-than-expected nonfarm payrolls as well as higher-than-expected September US CPI and PPI inflation prints.

▲ The DXY closed at 102.89 (+0.36% WoW).

Global Stock Indices



	Level	WoW
S&P 500	5,815.03	+1.11%
DJIA	42,863.86	+1.21%
3-mo US Treasury yield	4.64%	+1.20 bps
2-yr US Treasury yield	3.96%	+3.40 bps
10-yr US Treasury yield	4.10%	+13.30 bps
DXY	102.89	+0.36%

This material, which is strictly for information purposes only, is for your sole use, does not constitute a recommendation or an offer to sell or a solicitation to buy any financial product. Any information is subject to change without notice and BPI Wealth is not under any obligation to update or keep current the information contained herein. You are advised to make your own independent judgment with respect to the matter contained in this document. No liability whatsoever is accepted for any loss that may arise (whether direct or consequential) from any use of the information contained herein.

All funds managed by BPI Wealth are Trust and/or Investment Management Funds, which do not carry any guarantee of income or principal, and are NOT covered by the Philippine Deposit Insurance Corporation. Past performance is not a guarantee of future results. BPI Wealth Investment Funds are valued daily using the marked-to-market method.