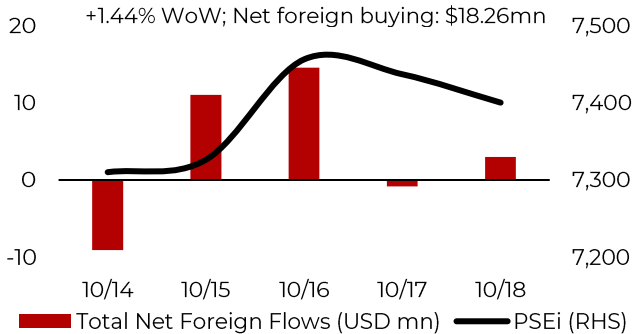


# The Weekly Review

October 21, 2024

## Philippine Stock Exchange Index



	Level	WoW
PSEi	7,415.73	+1.44%
3-mo bond yield	5.15%	+10.68 bps
2-yr bond yield	5.51%	-5.32 bps
10-yr bond yield	5.74%	+0.61 bps
USDPHP	57.51	+0.53%
Oil (Brent, \$ / barrel)	73.06	-7.57%

**Local equities** climbed as investors digested the upbeat first batch of 3Q24 corporate earnings results and the 25-bp rate cut by the Bangko Sentral ng Pilipinas (BSP).

Top performers were Wilcon Depot, Inc. (PSE Ticker: WLCON; +8.28%), Century Pacific Food, Inc. (CNPF; +6.03%), and Converge Information And Communications (CNVRG; +5.43%). Meanwhile, JG Summit Holdings, Inc. (PSE Ticker: JGS; -0.76%), Universal Robina Corp. (URC; -2.96%), and Nickel Asia Corp. (NIKL; -5.42%) were the laggards of the week.

▲ The PSEi closed at 7,415.73 (+1.44% WoW).

**Local fixed income yields were mixed** as investors assessed the above-consensus US Producer Price Index (PPI) inflation and retail sales data which pushed back expectations of sizable Fed rate cuts. This was also after the BSP's 25-bp rate cut.

▲ On average, yields rose by 2 bps, with the 2Y closing at 5.51% (-5 bps) and the 10Y closing at 5.74% (+1 bp).

**The Philippine peso weakened** as traders weighed cautious remarks from various Fed officials hinting at a more gradual pace of rate cuts moving forward.

▲ The USD/PHP pair closed at 57.51 (+0.53% WoW).

**US equities rose** fueled by upbeat corporate earnings and tech stock gains. However, gains were tempered following news of potential artificial intelligence (AI) chip export restrictions.

- ▲ S&P 500 closed at 5,864.67 (+0.85% WoW).
- ▲ DJIA closed at 43,275.91 (+0.96% WoW).

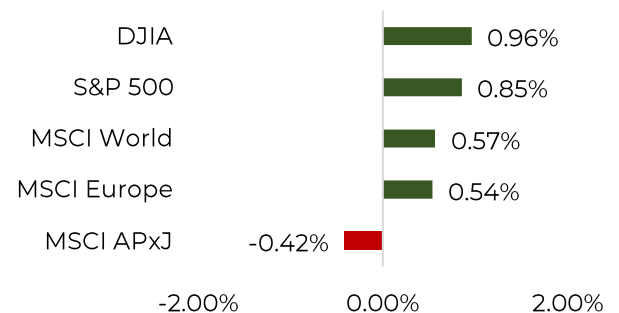
**US Treasury yields declined** following dovish remarks from Minneapolis Fed President Kashkari, Fed Governor Waller, and San Francisco Fed President Daly, who all supported further policy rate cuts. Investors also digested the declines in housing starts and building permits in September.

▼ On average, yields fell by 2 bps, with the 2Y closing at 3.95% (-1 bp) and the 10Y closing at 4.09% (-2 bps).

The **US dollar strengthened** after the stronger-than-expected September retail sales and lower weekly jobless claims data reinforced expectations of a more gradual pace of Fed rate cuts ahead.

▲ The DXY closed at 103.49 (+0.59% WoW).

## Global Stock Indices



	Level	WoW
S&P 500	5,864.67	+0.85%
DJIA	43,275.91	+0.96%
3-mo US Treasury yield	4.64%	+0.10 bps
2-yr US Treasury yield	3.95%	-1.00 bps
10-yr US Treasury yield	4.09%	-1.70 bps
DXY	103.49	+0.59%