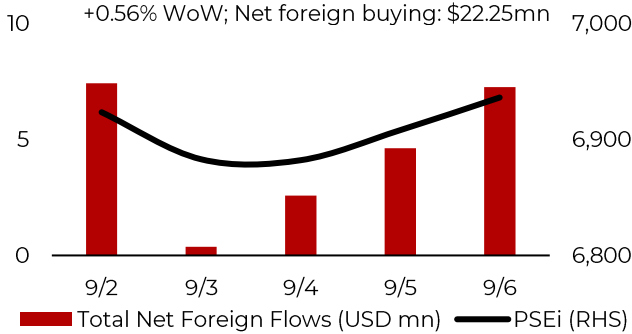


The Weekly Review

September 9, 2024

Philippine Stock Exchange Index



	Level	WoW
PSEi	6,936.09	+0.56%
3-mo bond yield	5.92%	-0.04 bps
2-yr bond yield	6.02%	+1.01 bps
10-yr bond yield	6.08%	+0.67 bps
USDPHP	55.91	-0.37%
Oil (Brent, \$ / barrel)	71.06	-9.82%

The local equity market rebounded as investors cheered the slower-than-expected August local headline inflation print of 3.3%. Market sentiment was also lifted by the strengthening of the Philippine peso.

Top performers were GT Capital Holdings, Inc. (PSE Ticker: GTCAP; +8.97%), Century Pacific Food, Inc. (CNPFI; +8.32%), and Puregold Price Club, Inc. (PGOLD; +8.11%). Meanwhile, LT Group, Inc. (PSE Ticker: LTG; -3.91%), Wilcon Depot, Inc. (WLCON; -4.26%), and Manila Electric Company (MER; -4.75%) were the laggards of the week.

▲ The PSEi closed at 6,936.09 (+0.56% WoW).

Local fixed income yields inched up as investors positioned ahead of the US nonfarm payrolls data and US inflation data. This was despite local inflation settling at 3.3%, below consensus expectations of 3.6%.

▲ On average, yields rose by 0.76 bp, with the 2Y closing at 6.02% (+1 bps) and the 10Y closing at 6.08% (+1 bps).

The **Philippine peso strengthened** following soft US economic data which reinforced bets of a US Fed rate cut this month. This was also after the below-consensus local inflation print in August.

▼ The USD/PHP pair closed at 55.91 (-0.37% WoW).

The US stock market indices dropped as investors digested a series of key economic data releases which include: (1) below-consensus US Institute for Supply Management (ISM) manufacturing Purchasing Managers' Index (PMI) of 47.2 in August, (2) weaker-than-expected July job openings of 7.67 million, and the (3) lower-than-consensus nonfarm payroll additions of 142,000 in August.

▼ S&P 500 closed at 5,408.42 (-4.25% WoW).

▼ DJIA closed at 40,345.41 (-2.93% WoW).

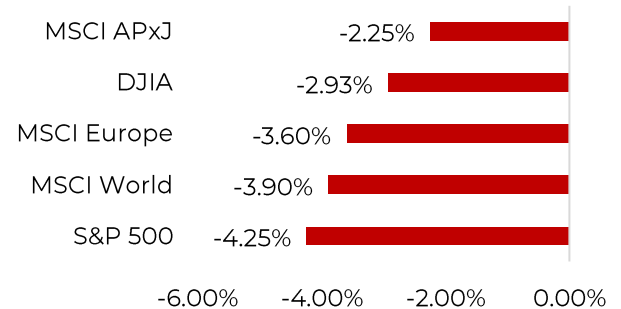
US Treasury yields fell after the lower-than-expected US manufacturing, job openings, and nonfarm payrolls data supported expectations that the US Fed could start cutting rates in its September meeting.

▼ On average, yields fell by 19 bps, with the 2Y closing at 3.65% (-27 bps) and the 10Y closing at 3.71% (-19 bps).

The **US dollar weakened** following the slew of weaker-than-expected labor data which showed a broad cooling of the US labor market.

▼ The DXY closed at 101.18 (-0.51% WoW).

Global Stock Indices



	Level	WoW
S&P 500	5,408.42	-4.25%
DJIA	40,345.41	-2.93%
3-mo US Treasury yield	5.06%	-5.80 bps
2-yr US Treasury yield	3.65%	-27.10 bps
10-yr US Treasury yield	3.71%	-19.30 bps
DXY	101.18	-0.51%