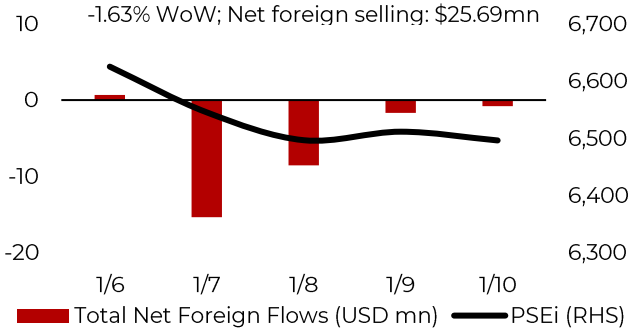


The Weekly Review

January 13, 2025

Philippine Stock Exchange Index



	Level	WoW
PSEi	6,496.32	-1.63%
3-mo bond yield	5.75%	-7.75 bps
2-yr bond yield	5.96%	-10.37 bps
10-yr bond yield	6.15%	-0.82 bps
USDPHP	58.36	+0.27%
Oil (Brent, \$ / barrel)	79.76	+4.25%

Local equities fell following the faster-than-expected local inflation data of 2.9% YoY in December (consensus: 2.6%). Investors also weighed hawkish Fed December meeting minutes and stronger-than-expected US economic data.

Top performers were Globe Telecom, Inc. (PSE Ticker: GLO; +6.28%), Century Pacific Food, Inc. (CNPFI; +5.58%), and LT Group, Inc. (LTI; +2.68%). Meanwhile, JG Summit Holdings, Inc. (PSE Ticker: JGS; -6.76%), Bloomerry Resorts Corp. (BLOOM; -13.79%), and Wilcon Depot, Inc. (WILCON; -25.14%) were the laggards of the week.

▼ The PSEi closed at 6,496.32 (-1.63% WoW).

Local fixed income yields declined as investors assessed the higher but still within-target local inflation print of 2.9% in December.

▼ On average, yields fell by 4 bps, with the 2Y closing at 5.96% (-10 bps) and the 10Y closing at 6.15% (-1 bp).

The Philippine peso weakened as the stronger-than-expected November US job openings data and lower-than-expected US initial jobless claims fanned bets of a Fed rate pause at the upcoming January policy meeting.

▲ The USD/PHP pair closed at 58.36 (+0.27% WoW).

US equities dropped as investors assessed a slew of US economic data releases which surprised to the upside. These include the (1) November JOLTS job openings, (2) December nonfarm payrolls, and (3) December ISM Services Purchasing Managers' Index. Moreover, cautious remarks from several US Fed officials highlighting a gradual approach to policy easing also dampened market sentiment.

▼ S&P 500 closed at 5,827.04 (-1.94% WoW).

▼ DJIA closed at 41,938.45 (-1.86% WoW).

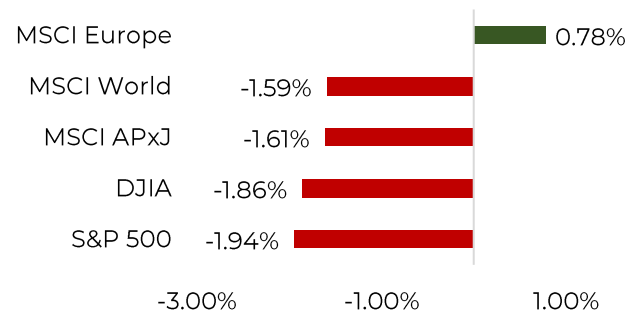
US Treasury yields rose amid strong labor data, with JOLTS job openings increasing by 259,000 and nonfarm payrolls adding 256,000 jobs in December. This was also after consumers' one-year inflation expectations rose to 3.3%.

▲ On average, yields rose by 11 bps, with the 2Y closing at 4.38% (+10 bps) and the 10Y closing at 4.76% (+16 bps).

The **US dollar strengthened** amid conflicting reports on the aggressiveness of Trump's tariff plans. Additionally, stronger-than-expected JOLTS job openings, higher-than-anticipated nonfarm payrolls, and below-consensus December unemployment rate at 4.1% supported expectations of a slower pace of Fed policy easing.

▲ The DXY closed at 109.65 (+0.64% WoW).

Global Stock Indices



	Level	WoW
S&P 500	5,827.04	-1.94%
DJIA	41,938.45	-1.86%
3-mo US Treasury yield	4.33%	+2.30 bps
2-yr US Treasury yield	4.38%	+10.00 bps
10-yr US Treasury yield	4.76%	+16.10 bps
DXY	109.65	+0.64%

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