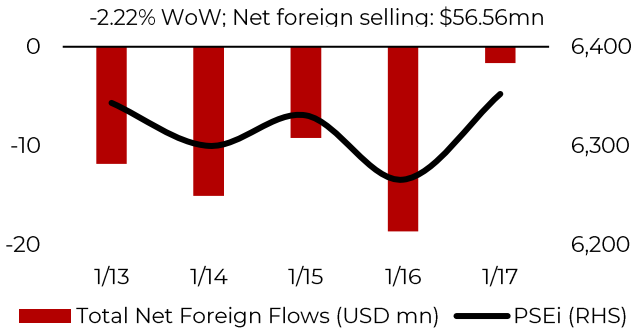


The Weekly Review

January 20, 2025

Philippine Stock Exchange Index



| | Level | WoW |
|--------------------------|----------|------------|
| PSEi | 6,352.12 | -2.22% |
| 3-mo bond yield | 5.50% | -25.38 bps |
| 2-yr bond yield | 5.95% | -1.40 bps |
| 10-yr bond yield | 6.33% | +18.48 bps |
| USDPHP | 58.64 | +0.48% |
| Oil (Brent, \$ / barrel) | 80.79 | +1.29% |

Local equities ended lower due to heavy foreign selling for most of the week amid cautious sentiment ahead of Trump's inauguration. Moreover, investors also reassessed their Fed rate cut expectations following a batch of strong labor and retail sales data in the US.

Top performers were Converge ICT Solutions, Inc. (PSE Ticker: CNVRG; +6.00%), Semirara Mining and Power Corp. (SCC; +2.73%), and LT Group, Inc. (LTI; +2.23%). Meanwhile, ACEN Corp. (PSE Ticker: ACEN; -7.61%), Universal Robina Corp. (URC; -12.89%), and Monde Nissin Corp. (MONDE; -13.38%) were the laggards.

▼ The PSEi closed at 6,352.12 (-2.22% WoW).

Local fixed income yields closed flat as investors weighed mixed US economic data in December, including the slower-than-expected core CPI, robust nonfarm payrolls, and lower jobless rate.

— On average, yields were flat, with the 2Y closing at 5.95% (-1 bp) and the 10Y closing at 6.33% (+18 bps).

The Philippine peso slightly weakened as investors digested a slew of stronger-than-expected US jobs data. The market also awaited the inauguration of US President-elect Trump for potential policy announcements.

▲ The USD/PHP pair closed at 58.64 (+0.48% WoW).

US equities rose, led by big US banks which posted upbeat 4Q24 earnings results. Market sentiment was also lifted by the slower-than-expected US core Consumer Price Index (CPI) inflation data of 3.2% YoY in December (consensus: 3.3%), which pointed to a continued inflation downtrend.

- ▲ S&P 500 closed at 5,996.66 (+2.91% WoW).
- ▲ DJIA closed at 43,487.83 (+3.69% WoW).

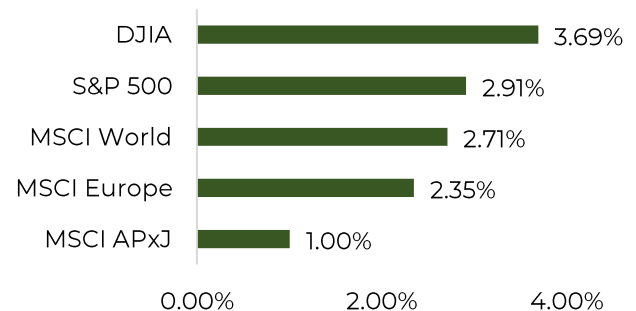
US Treasury yields fell after US core inflation data came in softer-than-expected at 3.2% YoY. This was also supported by dovish comments of Fed Governor Waller, saying that three or four interest rate cuts were still possible this year.

▼ On average, yields fell by 9 bps, with the 2Y closing at 4.29% (-10 bps) and the 10Y closing at 4.63% (-13 bps).

The **US dollar weakened** as investors digested the cooler core inflation data and dovish comments by Fed Governor Waller.

▼ The DXY closed at 109.35 (-0.28% WoW).

Global Stock Indices



| | Level | WoW |
|-------------------------|-----------|------------|
| S&P 500 | 5,996.66 | +2.91% |
| DJIA | 43,487.83 | +3.69% |
| 3-mo US Treasury yield | 4.30% | -2.60 bps |
| 2-yr US Treasury yield | 4.29% | -9.60 bps |
| 10-yr US Treasury yield | 4.63% | -13.20 bps |
| DXY | 109.35 | -0.28% |