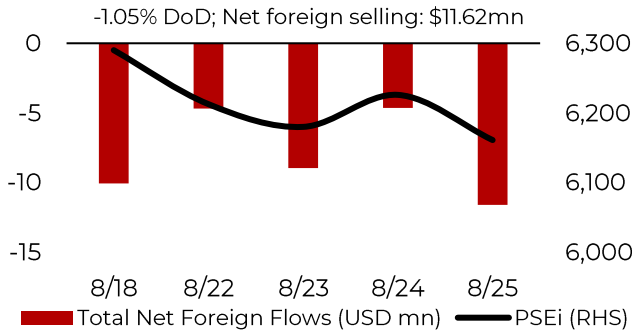


The Morning View

AUGUST 29, 2023

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,160.61	-1.05%
3-mo bond yield	5.75%	+2.80 bps
2-yr bond yield	6.24%	-1.41 bps
10-yr bond yield	6.52%	-2.04 bps
USDPHP	56.57	-0.33%
Oil (Brent, \$ / barrel)	84.42	-0.07%

Data from the **Bureau of the Treasury (BTR)** showed that the National Government's debt payments rose to Php907.3 billion as of 1H23 amid increasing principal amortization. 68.89% of the payments went to amortization.

Jollibee Foods Corporation (Ticker: JFC) said Highlands Coffee, its Vietnamese coffee chain, could be separately listed on the market but may take longer than expected. JFC has a 60% stake in the owner of the coffee brand SuperFoods Group.

Local equities fell last Friday as investors took profit while awaiting Fed Chair Powell's commentary at the Jackson Hole Symposium. The PSEi closed at 6,160.61 (-1.05% DoD).

Local fixed income yields fell ahead of the US Fed's Jackson Hole symposium. Post-trading hours, the Fed remained hawkish and said it will tighten further if necessary. On average, yields fell by 0.64 bps, with the 2Y closing at 6.24% (-1.41 bps) and the 10Y closing at 6.52% (-2.04 bps).

The **Philippine peso** slightly strengthened ahead of the personal consumption expenditures price index and second-quarter GDP growth data releases in the US. The USD/PHP pair closed at 56.57 (-0.33% DoD).

China's industrial profits contracted by 6.7% YoY in July (June: -8.3%), according to the National Bureau of Statistics. 28 out of 41 major industrial sectors saw losses, led by the ferrous metal smelting and rolling processing industry, declining by 90.5%.

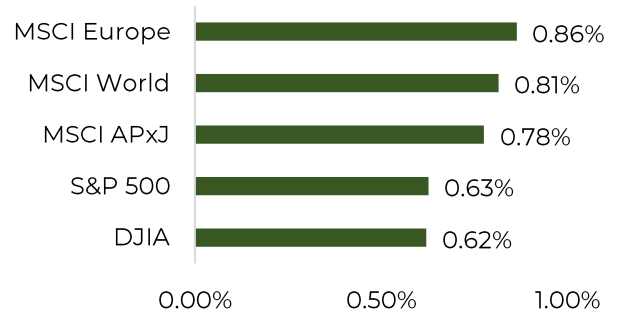
Germany's second quarter GDP fell by 0.2% YoY, stagnating from the previous quarter. Household consumption showed zero growth from the first quarter, while government spending rose by 0.1% QoQ and capital investment grew modestly at 0.4% QoQ.

US equities rose as investors looked ahead to the July Personal Consumption Expenditures (PCE) index and August jobs report to be released later this week. The S&P 500 closed at 4,433.31 (+0.63% DoD) and the DJIA closed at 34,559.98 (+0.62% DoD).

US Treasury yields rose as investors digested hawkish comments from Fed Chair Powell at the Jackson Hole symposium, stating that the Fed stands ready to tighten further to tame persistently high inflation. On average, yields gained 0.70 bps, with the 2Y closing at 5.05% (+5.60 bps) and the 10Y closing at 4.21% (+1.40 bps).

The **US dollar** closed flattish as investors digested the remarks of Fed Chair Powell during the Jackson Hole symposium. Investors also gaged upcoming economic data including US 2Q23 GDP. The DXY closed at 104.06 (-0.02% DoD).

Global Stock Indices



	Level	DoD
S&P 500	4,433.31	+0.63%
DJIA	34,559.98	+0.62%
3-mo US Treasury yield	5.51%	+0.30 bps
2-yr US Treasury yield	5.05%	+5.60 bps
10-yr US Treasury yield	4.21%	+1.40 bps
DXY	104.06	-0.02%