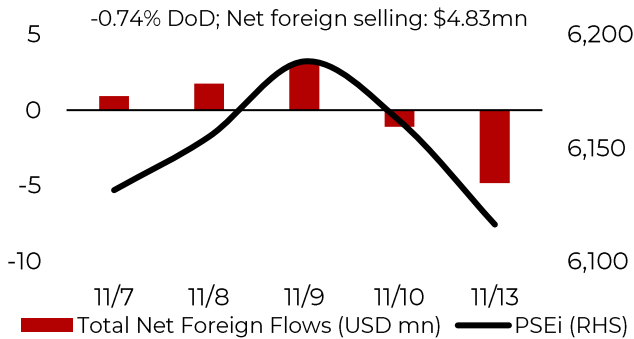


The Morning View

NOVEMBER 14, 2023

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,116.14	-0.74%
3-mo bond yield	6.20%	+1.84 bps
2-yr bond yield	6.47%	-1.69 bps
10-yr bond yield	6.74%	+0.11 bps
USDPHP	56.06	+0.18%
Oil (Brent, \$ / barrel)	82.52	+1.34%

The **Bangko Sentral ng Pilipinas (BSP)** reported that **Philippine credit growth slowed further to a 21-month low of 6.5% YoY** to Php11.17 trillion in September (August: 7.2%). This is largely an effect of BSP's efforts to address inflation by implementing policy rate hikes.

Jollibee Foods Corporation (Ticker: JFC) posted an **attributable net income of Php2.43 billion in 3Q23 (+13.6% YoY)** driven by stronger system-wide sales. However, JFC's attributable net income fell 5.8% YoY to Php6.82 billion in 9M23 due to higher expenses for the period.

Local equities dipped as Moody's downgrade of US credit outlook brought negative sentiment among investors. The PSEi closed at 6,116.14 (-0.74% DoD).

Local fixed income yields were mixed amid increased supply of Treasury bills and as investors positioned ahead of key US inflation data to be released on Tuesday. On average, yields rose by 0.09 bps, with the 2Y closing at 6.47% (-1.69 bps) and the 10Y closing at 6.74% (+0.11 bps).

The **Philippine peso** weakened on expectations that the BSP will keep its key policy rate steady in its meeting this week. The USD/PHP pair closed at 56.06 (+0.18% DoD).

Economic growth among Asia Pacific Economic Cooperation (APEC) countries is expected to slow down from 3.3% in 2023 to 2.8% in 2024. The anticipated decline was attributed to high inflation and interest rates weighing on the US economy, China's sluggish recovery, and ongoing tensions between China and the US.

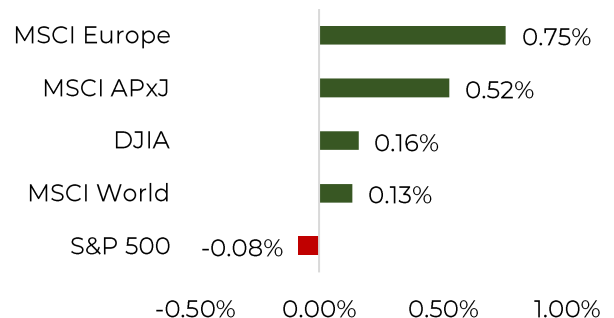
The **Federal Reserve Bank of New York projected lower inflation of 3.6% and 2.7% a year and five years from now, respectively (September: 3.7%, 2.8%).** The softer expectations were on the back of relatively stable employment outlook and rising expectations for future gasoline price hikes.

US equities were mixed as investors awaited the release of the October CPI reading. Investors also digested Moody's cut in the credit outlook of the US. The S&P 500 closed at 4,411.55 (-0.08% DoD) and the DJIA closed at 34,337.87 (+0.16% DoD).

US Treasury yields declined as investors awaited the release of the CPI inflation print and retail sales data which could determine the Fed's next policy move. Most economists expect both to have cooled in October. On average, yields fell by 1.24 bps, with the 2Y closing at 5.04% (-2.50 bps) and the 10Y closing at 4.64% (-1.20 bps).

The **US dollar** weakened as the market focused on the release of the October CPI and retail sales reports, due to be published this week. The DXY closed at 105.63 (-0.22% DoD).

Global Stock Indices



	Level	DoD
S&P 500	4,411.55	-0.08%
DJIA	34,337.87	+0.16%
3-mo US Treasury yield	5.43%	+2.00 bps
2-yr US Treasury yield	5.04%	-2.50 bps
10-yr US Treasury yield	4.64%	-1.20 bps
DXY	105.63	-0.22%

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