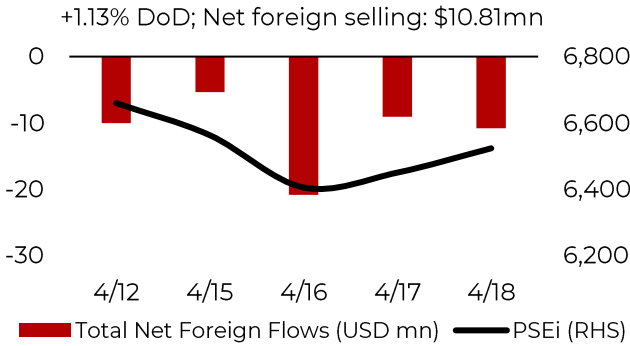


The Morning View

April 19, 2024

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,523.19	+1.13%
3-mo bond yield	5.87%	+2.85 bps
2-yr bond yield	6.41%	+4.38 bps
10-yr bond yield	6.88%	+3.84 bps
USDPHP	57.19	+0.02%
Oil (Brent, \$ / barrel)	87.11	-0.21%

The **Philippine Statistics Authority** reported that the national average retail price of well-milled rice was Php57.03/kg in early April. This is higher than the Php56.95/kg average from last month. Rice makes up 8.9% of the consumer price index basket and has been a key driver of headline inflation.

Bloomberg Resorts Corporation's (Ticker: BLOOM) Solaire Resort North in Quezon City may reach full scale operations by 2026, two years after its opening in May 2024. The resort is a \$1-billion investment and will be the company's second integrated resort under the Solaire brand.

Local equities rose amid continued bargain hunting. This was also after Bangko Sentral ng Pilipinas (BSP) Governor Remolona signaled the possibility of a rate cut in 4Q24. The PSEi closed at 6,523.19 (+1.13% DoD).

Local fixed income yields further climbed as investors weighed New York Fed President William's remarks echoing various Fed officials' view that a rate cut is not urgent given the strength of the US economy. On average, yields rose by 2.10 bps, with the 2Y closing at 6.41% (+4.38 bps) and the 10Y closing at 6.88% (+3.84 bps).

The **Philippine peso** slightly weakened as investors digested hawkish remarks from several US Fed officials which tempered rate cut expectations. The USD/PHP pair closed at 57.19 (+0.02% DoD).

US initial jobless claims were unchanged at 212,000 for the week ended April 13. This was below market's expectation of 215,000 claims, signaling the continued resilience of the labor market.

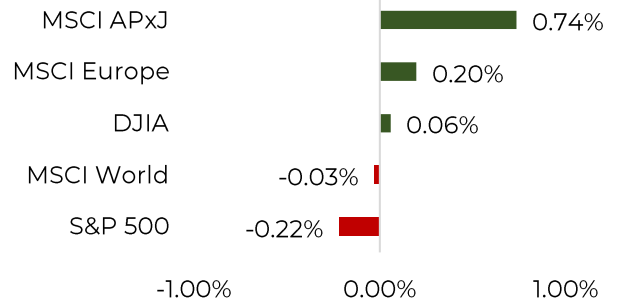
The Philadelphia Fed Manufacturing Index rose to a two-year high of 15.5 in April (March: 3.2). The expansion was driven by strong new orders and shipment activity. Meanwhile, the Prices Paid Index rose to its highest since December, suggesting renewed input cost pressures.

US equities ended mixed as investors stayed cautious amid various remarks from Fed officials suggesting potential delays in rate cuts. This was also following mixed economic data including steady jobless claims and weaker-than-expected homes sales. The S&P 500 closed at 5,011.12 (-0.22% DoD) and the DJIA closed at 37,775.38 (+0.06% DoD).

US Treasury yields rose following hawkish remarks from several Fed officials. Investors also digested the stronger-than-expected US manufacturing data in April. On average, yields rose by 3.32 bps, with the 2Y closing at 4.99% (+5.40 bps) and the 10Y closing at 4.64% (+4.60 bps).

The **US dollar** strengthened as stable US initial jobless claims and hawkish Fed remarks tempered early rate cut bets. The DXY closed at 106.15 (+0.19% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,011.12	-0.22%
DJIA	37,775.38	+0.06%
3-mo US Treasury yield	5.41%	+0.20 bps
2-yr US Treasury yield	4.99%	+5.40 bps
10-yr US Treasury yield	4.64%	+4.60 bps
DXY	106.15	+0.19%

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