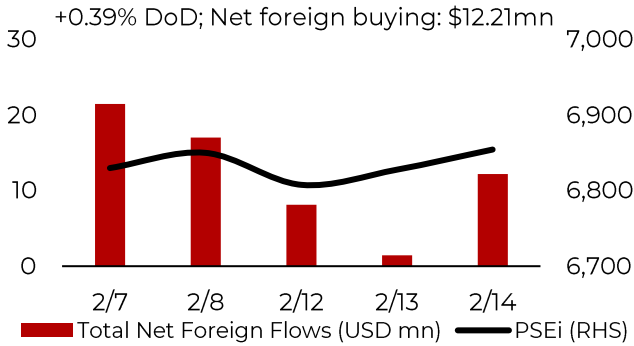


# The Morning View

February 15, 2024

## Philippine Stock Exchange Index



	Level	DoD
PSEi	6,854.53	+0.39%
3-mo bond yield	5.53%	+1.46 bps
2-yr bond yield	6.04%	+2.70 bps
10-yr bond yield	6.22%	+3.47 bps
USDPHP	56.10	+0.29%
Oil (Brent, \$ / barrel)	81.60	-1.41%

**The Senate approved the bill calling for a Php100 minimum wage hike in its second reading.** Senate Bill 2534 is expected to pass its third and final reading next week. Before taking effect, the bill will need to pass the House of Representatives, the whole of Congress, and the President.

**Globe Telecom, Inc. (Ticker: GLO) announced that it has activated a new submarine cable segment.** This is set to be the longest underwater cable in the country. The new segment will provide internet access to underserved and unserved areas from Luzon to Mindanao.

**Local equities** marginally rose ahead of the Bangko Sentral ng Pilipinas' (BSP) first policy meeting for the year. The PSEi closed at 6,854.53 (+0.39% DoD).

**Local fixed income yields** rose following the higher-than-expected US inflation data. This was also ahead of the BSP's policy meeting. On average, yields rose by 1.89 bps, with the 2Y closing at 6.04% (+2.70 bps) and the 10Y closing at 6.22% (+3.47 bps).

The **Philippine peso** weakened as investors digested the faster-than-expected US inflation. The USD/PHP pair closed at 56.10 (+0.29% DoD)

**The Eurostat has confirmed that Eurozone's economic growth was flat QoQ (3Q23: -0.1%) and up by 0.1% YoY (3Q23: +0.0%) in 4Q23, avoiding a recession.** Meanwhile, employment growth accelerated to 0.3% QoQ in 4Q23 (3Q23: 0.2%).

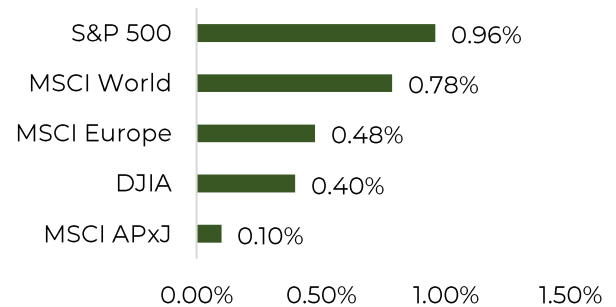
**United Kingdom's headline consumer price index (CPI) inflation remained steady at 4.0% YoY in January.** This was on the back of easing prices for furniture and household goods, as well as food and non-alcoholic beverages. Core CPI inflation, which excludes volatile food, energy, alcohol, and tobacco prices, was also steady at 5.1% YoY.

**US equities** rebounded amid upbeat earnings from ride-hailing platforms Lyft and Uber. Moreover, optimism on Nvidia after it overtook Alphabet as Wall Street's third most valuable company also boosted market sentiment. The S&P 500 closed at 5,000.62 (+0.96% DoD) and the DJIA closed at 38,424.27 (+0.40% DoD).

**US Treasury yields** fell as investors digested Chicago Fed President Goolsbee's comment that the Fed will remain on track in achieving its 2% inflation target even if prices are higher than expected in the coming months. On average, yields fell by 4.49 bps, with the 2Y closing at 4.58% (-8.00 bps) and the 10Y closing at 4.26% (-5.70 bps).

The **US dollar** weakened on profit taking after hitting a recent three-month high. Investors also digested dovish remarks from Chicago Fed President Goolsbee. The DXY closed at 104.72 (-0.23% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	5,000.62	+0.96%
DJIA	38,424.27	+0.40%
3-mo US Treasury yield	5.41%	+0.70 bps
2-yr US Treasury yield	4.58%	-8.00 bps
10-yr US Treasury yield	4.26%	-5.70 bps
DXY	104.72	-0.23%

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