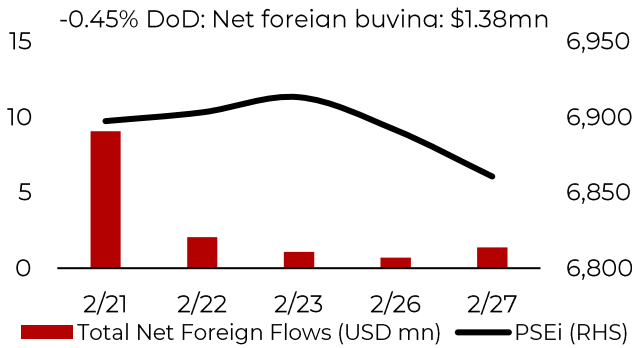


The Morning View

February 28, 2024

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,860.67	-0.45%
3-mo bond yield	5.72%	+2.38 bps
2-yr bond yield	6.13%	+1.17 bps
10-yr bond yield	6.23%	-0.12 bps
USDPHP	56.08	-0.03%
Oil (Brent, \$ / barrel)	83.65	+1.36%

The **World Bank** sees PH inflation staying within the central bank's 2-4% target band throughout the year. However, it acknowledged upside risks to the forecast. The World Bank is expecting inflation to average by 3.6% and 3.0% for 2024 and 2025, respectively.

PLDT Inc. (Ticker: TEL) and Sky Cable Corp. jointly decided to call off their Php6.75-billion merger deal after failing to agree on the final commercial terms. This was despite obtaining approval from the Philippine Competition Commission in January 2024.

Local equities declined as investors continued to realize profits. Investors also positioned ahead of the release of the US personal consumption expenditures (PCE) inflation data for January, the US Fed's preferred inflation gauge. The PSEi closed at 6,860.67 (-0.45% DoD).

Local fixed income yields fell after strong demand for the Bureau of the Treasury's fully awarded fresh 20-year Treasury bonds. On average, yields fell by 0.70 bps, with the 2Y closing at 6.13% (+1.17 bps) and the 10Y closing at 6.23% (-0.12 bps).

The **Philippine peso** closed relatively flat ahead of the US PCE inflation data release. The USD/PHP pair closed at 56.08 (-0.03% DoD).

The Conference Board's US Consumer Confidence Index dropped to 106.7 in February (January: 110.9), ending a three-month rising streak. Households are now less concerned about food and gas prices but are worried about the labor market condition and the US political environment.

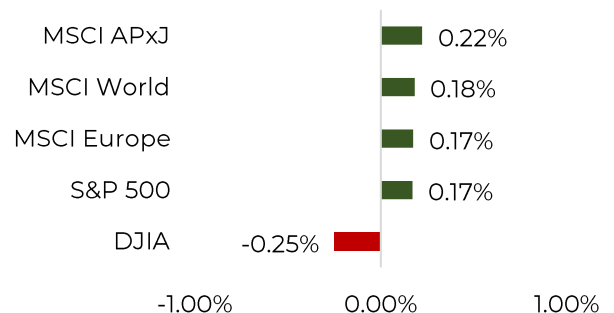
US durable goods orders dropped by 6.1% MoM in January (December: revised -0.3%), its lowest level since April 2020. The decline was attributed to the drop in civilian aircraft and transportation orders which fell by 58.9% and 16.2%, respectively.

US equities were mixed ahead of key economic data releases this week. US core PCE, the Fed's preferred inflation gauge, is due to be released on Thursday and may provide insights on the Fed's future policy decisions. The S&P 500 closed at 5,078.18 (+0.17% DoD) and the DJIA closed at 38,972.41 (-0.25% DoD).

US Treasury yields were mixed ahead of the US PCE inflation data release. Investors also weighed the drop in US consumer confidence as well as remarks from Kansas Fed President Schmid saying there is no need to 'preemptively' cut rates. On average, yields rose by 0.73 bps, with the 2Y closing at 4.70% (-2.80 bps) and the 10Y closing at 4.31% (+2.40 bps).

The **US dollar** was flat ahead of the US PCE inflation data release. The DXY closed at 103.83 (0.00% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,078.18	+0.17%
DJIA	38,972.41	-0.25%
3-mo US Treasury yield	5.40%	-2.40 bps
2-yr US Treasury yield	4.70%	-2.80 bps
10-yr US Treasury yield	4.31%	+2.40 bps
DXY	103.83	+0.00%

This material, which is strictly for information purposes only, is for your sole use, does not constitute a recommendation or an offer to sell or a solicitation to buy any financial product. Any information is subject to change without notice and BPI Wealth is not under any obligation to update or keep current the information contained herein. You are advised to make your own independent judgment with respect to the matter contained in this document. No liability whatsoever is accepted for any loss that may arise (whether direct or consequential) from any use of the information contained herein.

All funds managed by BPI Wealth are Trust and/or Investment Management Funds, which do not carry any guarantee of income or principal, and are NOT covered by the Philippine Deposit Insurance Corporation. Past performance is not a guarantee of future results. BPI Wealth Investment Funds are valued daily using the marked-to-market method.