

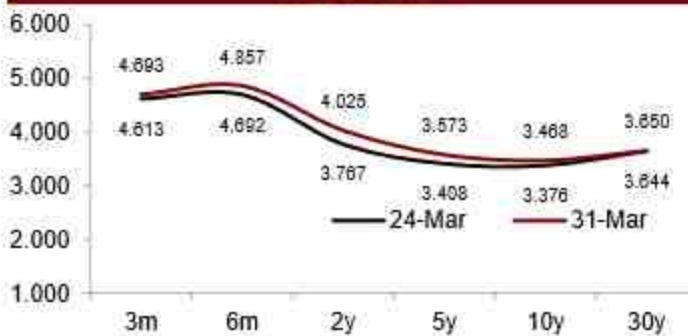
Global equities gained and global yields rose as investors weighed easing global banking sector fears and latest inflation data releases. Global oil prices climbed on tighter supply due to the pipeline closure in Iraq.

### Global Equities



- ✓ **US equities** rose amid positive sentiment over easing global banking sector concerns, and as investors digested the slower-than-expected US core personal consumption expenditure (PCE) price index data. The S&P 500 closed at 4,109.31 (+3.48% WoW) and the DJIA closed at 33,274.15 (+3.22% WoW).
- ✓ **Asian equities** rose with waning concerns on the global banking sector and upbeat investors' sentiment following the announced six-way split of Alibaba which renewed hopes of easing on Beijing's corporates regulatory crackdown. The MSCI APxJ closed at 523.94 (+1.89% WoW).
- ✓ **European equities** rose amid improving sentiment as global banking concerns subsided. The MSCI Europe closed at 153.83 (+3.99% WoW).

### US Treasuries

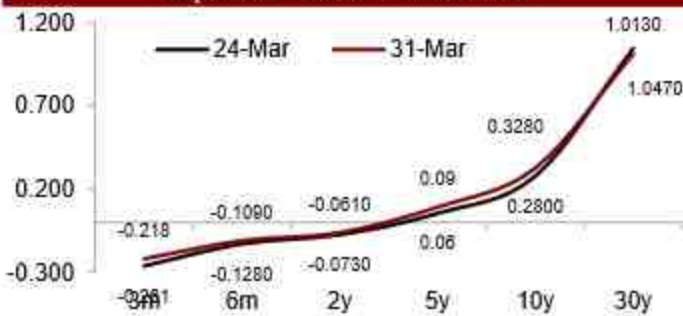


### German Bunds



- ✓ **US Treasury yields** went up amid easing concerns on the global banking sector and as the US core PCE price index data came out lower-than-expected but still elevated. On average, yields rose by 12.79 bps WoW with the 10Y closing at 3.47% (+9.14 bps).
- ✓ **German bund yields** rose as Eurozone's persistently high core inflation of 5.7% in March fuelled rate hike expectations. On average, yields rose by 19.90 bps WoW with the 10Y closing at 2.29% (+16.30 bps).
- ✓ **Japanese bond yields** rose amid easing concerns on the financial sector which boosted risk appetite. Investors also watched out for Bank of Japan's bond purchase plans in the 2Q2023. On average, yields went up by 2.10 bps WoW with the 10Y closing at 0.33% (+4.80 bps).
- ✓ **Key events that transpired during the week:**
- ✓ **The US Bureau of Economic Analysis** showed that final 4Q GDP data decelerated than initially estimated. US 4Q GDP now stands at 2.6%, slower than the initial 2.7% & 2.9% estimates. The deceleration can be attributed to downward revisions in consumer spending.
- ✓ **Eurozone inflation** eased to 6.9% YoY in March from 8.5% in February largely driven by decline of gas prices versus a year ago. Still, cost of living continued to rise as food, tobacco & alcohols jumped by 15.4%; and core inflation reached a new record high of 5.7%.

### Japanese Government Bonds



- ✓ **Global oil prices** rose further on tightening supplies following an oil pipeline closure in Iraq. Brent oil closed at \$79.77 per barrel (+6.37% WoW), while WTI crude closed at \$75.67 per barrel (+9.25% WoW).

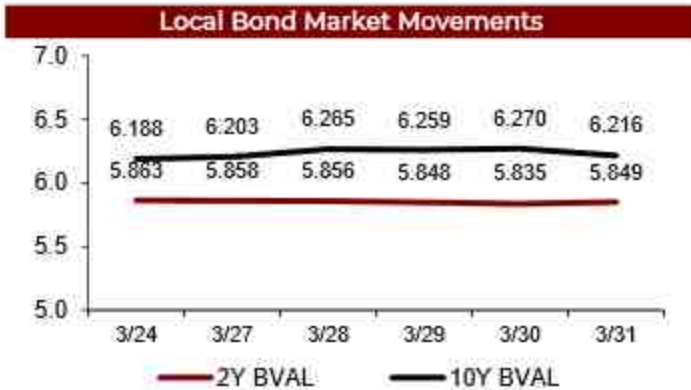
### Commodities

\$bbl	31-Mar-2023	% Change
Brent	79.77	6.37%
WTI	75.67	9.25%
BBC Commodity Index	105.51	2.41%



Local equities rebounded on slower inflation expectations from the BSP. Local fixed income yields rose following the recent rate hikes by central banks. The Philippine peso strengthened on improving banking sector sentiment.

- Local equities declined as investors sold off last Friday ahead of the shortened trading week. Prior to Friday's sell-off, markets were up on easing inflation expectations as the Bangko Sentral ng Pilipinas revised its inflation forecasts downward. The PSEi closed at 6,499.68 (-1.55% WoW).
- Top performers were Wilson Depot, Inc. (PSE Ticker: WLCON; 9.89%), Semirara Mining and Power Corporation (SCC; 6.94%), and PLDT Inc. (TEL; 5.19%). Meanwhile, Ayala Land, Inc. (PSE Ticker: ALI; -7.02%), JG Summit Holdings, Inc. (JGS; -8.67%), and Monde Nissin Corporation (MONDE; -13.49%) were the laggards of the week.
- Key events that transpired during the week:**
- Monde Nissin Corp. (PSE: MONDE)** incurred a net loss amounting to Php13.03 billion in 2022 amid margin compression due to inflationary pressures and elevated cost of raw materials, as well as a one-off impairment loss related to its meat alternative business. For 2023, the Company has allotted a modest CAPEX of around Php7.42 billion, in favor of its APAC business which is believed to sustain volume growth momentum this year.
- Metro Pacific Investments Inc. (PSE Ticker: MPI)** is slated to acquire 1.6 billion shares of SP New Energy Corp. (PSE Ticker: SPNEC) for Php2 billion, representing a 16% ownership in the company. MPI noted that the proceeds will be used by SPNEC to fund land investments in Nueva Ecija where it hopes to develop Asia's largest solar project.



- Local fixed income yields were mixed but rose on average as investors weighed mixed sentiment from members of the BSP Monetary Board. On average, yields rose by 1.19 bps WoW with the 10Y closing at 6.22% (+2.77 bps).
- Key events that happened during the week:**
- The **Bureau of the Treasury** seeks to borrow Php160.0 billion from domestic borrowers in April, lower than the Php178.7 billion borrowed this March. Our of the Php160 billion, Php60 billion will be in Treasury bills, while Php100.0 billion will be in Treasury bonds. The Government is set to borrow Php1.654 trillion from the domestic market this year.
- The **Department of Trade and Industry (DTI)** said the Regional Comprehensive Economic Partnership (RCEP) will be effective in June. The DTI plans to deposit the instrument of ratification for the Philippines participation by April 3, then RCEP will be effective 60 days upon deposit. RCEP is the biggest free trade agreement, representing nearly 30% of the world's population.

### Foreign Exchange

Pair	Previous	Closing
USD/PHP	54.350	54.360
EUR/USD	1.0760	1.0839

- The **Philippine peso** was flat as investors weighed easing global banking sector fears, remarks from BSP Governor Medalla, and the slower increase in National Gov't debt in Feb. The market also looked ahead of the upcoming local inflation data. The USD/PHP pair closed at 54.36 (+0.02% WoW).
- The **Euro** strengthened amid rate hike expectations prompted by a record-high Eurozone core inflation in March. The EUR/USD pair closed at 1.08 (+0.73% WoW).

