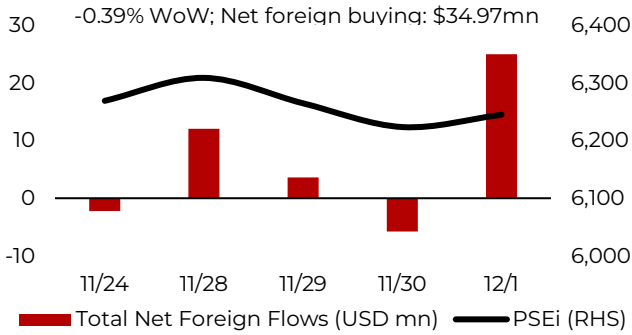


The Weekly Review

DECEMBER 4, 2023

Philippine Stock Exchange Index



	Level	WoW
PSEi	6,245.18	-0.39%
3-mo bond yield	5.36%	-37.54 bps
2-yr bond yield	5.99%	-6.97 bps
10-yr bond yield	6.23%	-8.12 bps
USDPHP	55.40	+0.04%
Oil (Brent, \$ / barrel)	78.88	-2.11%

Local equities fell as investors participated in profit-taking and digested remarks from Fed officials that the policy rate is not restrictive enough.

Top performers were Wilcon Depot, Inc. (PSE Ticker: WLCON; 6.60%), Ayala Land Inc (ALI; 3.68%), and Converge Information and Communications Technology Solutions, Inc. (CNVRG; 3.54%). Meanwhile, Bloomberry Resorts Corporation (PSE Ticker: BLOOM; -4.71%), Alliance Global Group, Inc. (AGI; -5.78%), and Universal Robina Corporation (URC; -6.61%) were the laggards of the week.

▼ The PSEi closed at 6,245.18 (-0.39% WoW).

Local fixed income continued to decline as investors digested the potential peak in policy rates and falling oil prices. Oil prices continued to decline despite OPEC+ cuts amid sluggish global manufacturing activity.

▼ On average, yields fell by 21 bps, with the 2Y closing at 5.99% (-7 bps) and the 10Y closing at 6.23% (-8 bps).

The Philippine peso closed flat as investors weighed mixed market developments, including the cooling US October PCE inflation report, AMRO's downward revision to the Philippine GDP growth forecast, hawkish remarks from BSP Governor Remolona, and mixed comments from US Fed officials.

▲ USD/PHP pair closed at 55.40 (+0.04% WoW).

US equities rose amid positive sentiment over easing inflation data, upward 3Q US GDP revision from 4.9% to 5.2%, and upbeat third quarter earnings from mega cap companies like Nvidia and Meta.

- ▲ S&P 500 closed at 4,594.63 (+0.77% WoW).
- ▲ DJIA closed at 36,245.50 (+2.42% WoW).

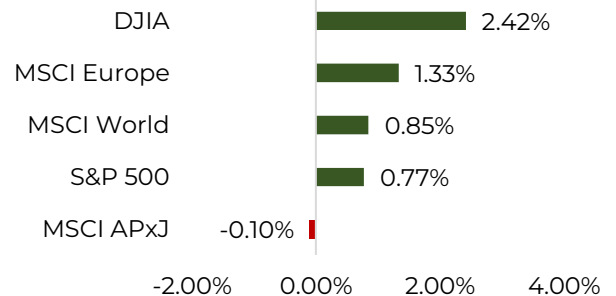
US Treasury yields continued to decline as the cooling October PCE inflation print reinforced market bets that policy rates may have reached its peak. This was despite the remarks from US Federal Reserve Chairman Jerome Powell, saying that it's premature to conclude with confidence that monetary policy has achieved a sufficiently restrictive stance.

▼ On average, US Treasury yields fell by 35 bps WoW, with the 10Y closing at 4.20% (-45 bps).

The **US Dollar** weakened amid bets that the Fed is done raising the policy rate after the US PCE inflation slowed in October. Investors also digested mixed commentaries from several Fed officials during the week.

▼ The DXY closed at 103.27 (-0.13% WoW).

Global Stock Indices



	Level	WoW
S&P 500	4,594.63	+0.77%
DJIA	36,245.50	+2.42%
3-mo US Treasury yield	5.40%	-3.80 bps
2-yr US Treasury yield	4.54%	-49.60 bps
10-yr US Treasury yield	4.20%	-44.50 bps
DXY	103.27	-0.13%