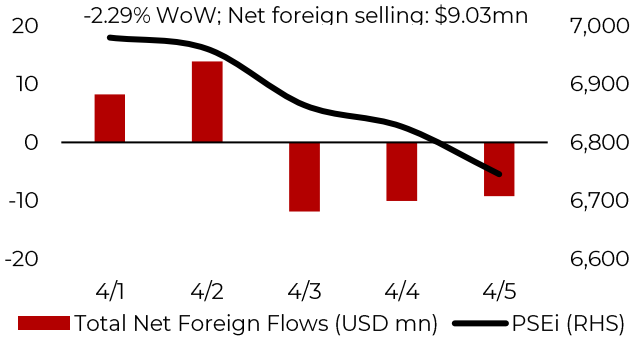


# The Weekly Review

APRIL 8, 2024

## Philippine Stock Exchange Index



**The local equity market fell** as investors weighed cautious remarks from several Fed officials over rate cut expectations. This was also after the local inflation print accelerated to 3.7% in March.

Top performers were DMCI Holdings, Inc. (PSE Ticker: DMC; +7.04%), Metropolitan Bank & Trust Company (MBT; +4.37%), and International Container Terminal Services, Inc. (ICT; +2.52%). Meanwhile, Aboitiz Equity Ventures, Inc. (PSE Ticker: AEV; -8.96%), Puregold Price Club, Inc. (PGOLD; -9.33%), and Wilcon Depot, Inc. (WLCON; -10.01%) were the laggards of the week.

▼ The PSEi closed at 6,745.46 (-2.29% WoW).

**Local fixed income yields climbed** after the March local inflation print quickened to 3.7% from 3.4% in February. Investors also digested resilient US labor data which suggested that the Fed has room to not rush into cutting interest rates.

▲ On average, yields rose by 4 bps, with the 2Y closing at 6.10% (+6 bps) and the 10Y closing at 6.33% (+10 bps).

**The Philippine peso weakened** ahead of the Bangko Sentral ng Pilipinas' (BSP) policy rate decision and following hawkish comments from several Fed officials.

▲ The USD/PHP pair closed at 56.50 (+0.46% WoW).

	Level	WoW
PSEi	6,745.46	-2.29%
3-mo bond yield	5.75%	+2.73 bps
2-yr bond yield	6.10%	+5.57 bps
10-yr bond yield	6.33%	+9.91 bps
USDPHP	56.50	+0.46%
Oil (Brent, \$ / barrel)	91.17	+5.90%

**The US stock markets dropped** amid lingering uncertainty over the timing of rate cuts in the US. This was after the higher-than-expected jump in March nonfarm payrolls reinforced various Fed officials' cautious stance over rate cut expectations.

▼ S&P 500 closed at 5,204.34 (-0.95% WoW).

▼ DJIA closed at 38,904.04 (-2.27% WoW).

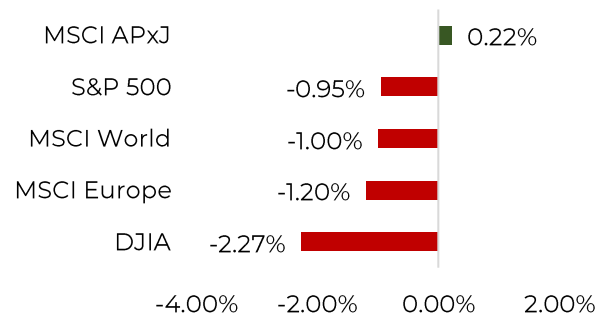
**US Treasury yields rose** as investors weighed the stronger-than-expected labor data and its implications on the timing of US policy rate cuts. Investors also digested hawkish remarks from several Fed officials urging caution on the timing and depth of rate cuts.

▲ On average, yields rose by 13 bps, with the 2Y closing at 4.75% (+13 bps) and the 10Y closing at 4.41% (+20 bps).

The **US dollar slightly weakened** on mixed labor data as both initial jobless claims and nonfarm payrolls data settled above expectations. The US ISM manufacturing purchasing managers' index also fell to a three-month low.

▼ The DXY closed at 104.30 (-0.24% WoW).

## Global Stock Indices



	Level	WoW
S&P 500	5,204.34	-0.95%
DJIA	38,904.04	-2.27%
3-mo US Treasury yield	5.38%	+0.30 bps
2-yr US Treasury yield	4.75%	+13.10 bps
10-yr US Treasury yield	4.41%	+20.40 bps
DXY	104.30	-0.24%

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