

April 28, 2023

LOCAL MARKETS

Local equities rose on upbeat corporate earnings. Local fixed income yields went up ahead of the April inflation print. The Philippine peso weakened amid suspected corporate dollar demand.

Key Events

- ✓ The **Bangko Sentral ng Pilipinas (BSP)** reported that foreign portfolio investments registered a net outflow of \$70 million in March, significantly lower than the \$531 million net outflow reported in February. Year-to-date, net outflows stood at \$309 million, significantly higher than the \$16 million net outflows reported for the same period last year.
- ✓ **Metro Pacific Investments Corp. (PSE Ticker: MPI)** plans to delist from the Philippine Stock Exchange. This is after First Pacific Co. Ltd., GT Capital Holdings, Inc. (PSE Ticker: GTCAP) and Japan's Mitsui & Co. Ltd. announced a tender offer to buy the minority stake in the infrastructure conglomerate.

Equities

- ✓ **Local equities** rose on positive sentiment amid upbeat corporate earnings releases. The PSEi closed at 6,583.68 (+0.66% DoD).

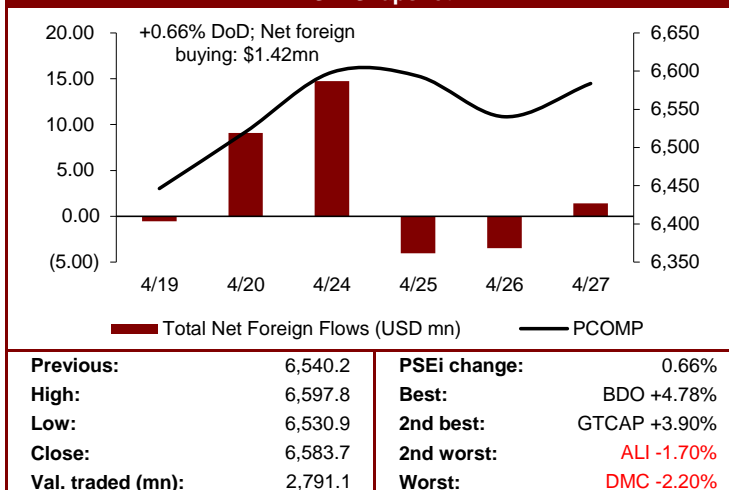
Bond Market Movement

Tenor	Change	Yield	Tenor	Change	Yield
3 months	+0.0320	5.7923	5 years	-0.0040	5.9648
6 months	+0.0546	5.9990	7 years	-0.0060	6.0051
1 year	-0.0164	6.1499	10 years	-	6.1234
2 years	-0.0025	6.0241	20 years	+0.0317	6.3480
3 years	-0.0033	5.9893	30 years	+0.0347	6.3463
4 years	-0.0036	5.9694			

Foreign Exchange

	Previous	Close	Previous	Close
PHP/USD*	55.620	55.720	EUR/USD	1.1041 1.1028

PSEi Snapshot



Fixed Income

- ✓ **Local fixed income yields** went up as investors positioned ahead of the April inflation print set to be released on May 5. On average, yields rose by 1.07 bps, led by the long end of the curve which went up by 2.21 bps.

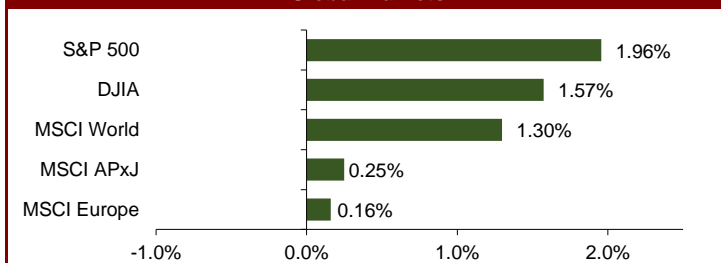
Philippine peso

- ✓ The **Philippine Peso** weakened amid suspected month-end corporate demand for the US Dollar. The USD/PHP pair closed at 55.72 (+0.18% DoD).

OVERSEAS MARKETS

Global equities rose, US Treasury yields went up, and the US Dollar strengthened as investors digested corporate earnings and key US economic data releases.

Global Markets



US Treasuries

Tenor	Change	Yield	Tenor	Change	Yield
3 months	+0.0357	5.1440	5 years	+0.0937	3.5912
6 months	+0.0554	5.0381	10 years	+0.0719	3.5204
2 years	+0.1173	4.0682	30 years	+0.0477	3.7499

- ✓ **US equities** climbed as positive earnings and upbeat guidance from Meta Platforms boosted other tech stocks. This overshadowed the slower-than-expected US GDP for the 1st quarter of 2023. The S&P 500 closed at 4,135.35 (+1.96% DoD) and the DJIA closed at 33,826.16 (+1.57% DoD).
- ✓ **Asian equities** rose as investors looked ahead to the Bank of Japan (BOJ) Governor Ueda's first policy meeting. Investors expect Ueda to maintain his predecessor's ultra-loose monetary policy in the near term. The MSCI APxJ closed at 512.04 (+0.25% DoD).
- ✓ **European equities** rose as upbeat corporate earnings releases overshadowed banking sector jitters. The MSCI Europe closed at 155.99 (+0.16% DoD).
- ✓ **US Treasury yields** rose as investors weighed the uptick in Personal Consumption Expenditures (PCE) price index and the lower weekly jobless claims for the week ending April 22. On average, yields rose by 7.03 bps, with the 2Y closing at 4.07% (+11.73 bps) and the 10Y closing at 3.52% (+7.19 bps).
- ✓ The **US Dollar** slightly strengthened as investors digested the increase in core PCE data which supports the possibility of further rate hikes from the Fed and the slower-than-expected 1Q23 US GDP growth. The DXY closed at 101.50 (+0.04% DoD).

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