

February 7, 2023

LOCAL MARKETS

Local equities and local fixed income yields fell ahead of the January inflation data release. The Philippine peso weakened following the stronger-than-expected US jobs data.

Key Events

- ✓ **The Department of Agriculture (DA) has approved a suggested retail price (SRP) of Php125 per kilo for imported red onions in the National Capital Region.** This was following the endorsement from stakeholders such as importers, traders and retailers.
- ✓ **Globe Telecom Inc. (PSE Ticker: GLO) signed a lease agreement covering the transmission towers in Southern Luzon with Skytowers Infra Inc.,** a Philippine subsidiary of Thai firm Sky Tower Plc. The company said that this is part of its overall strategy of monetizing passive assets to maintain a healthy balance sheet.

Equities

- ✓ **Local equities fell amid investors' profit-taking and as investors waited for the release of the January inflation data.** The PSEi closed at 6,936.61 (-1.29% DoD).

Bond Market Movement

Tenor	Change	Yield	Tenor	Change	Yield
3 months	+0.0483	4.3251	5 years	+0.0164	5.8394
6 months	+0.0033	4.9040	7 years	+0.0096	5.9589
1 year	+0.0031	5.3081	10 years	-0.0017	6.0432
2 years	+0.0307	5.3803	20 years	+0.0345	6.3635
3 years	+0.0272	5.6021	30 years	+0.0347	6.3608
4 years	+0.0207	5.7388			

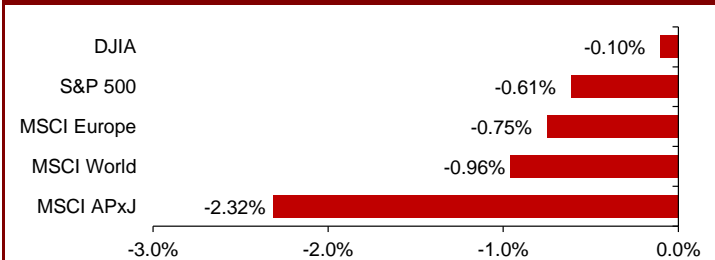
Foreign Exchange

	Previous	Close	Previous	Close
PHP/USD*	53.680	54.390	EUR/USD	1.0795
				1.0726

OVERSEAS MARKETS

Global equities declined, US Treasury yields rose, and the US Dollar strengthened as investors continued to weigh the stronger-than-expected US jobs data, lingering rate hike fears, and US-China geopolitical tensions.

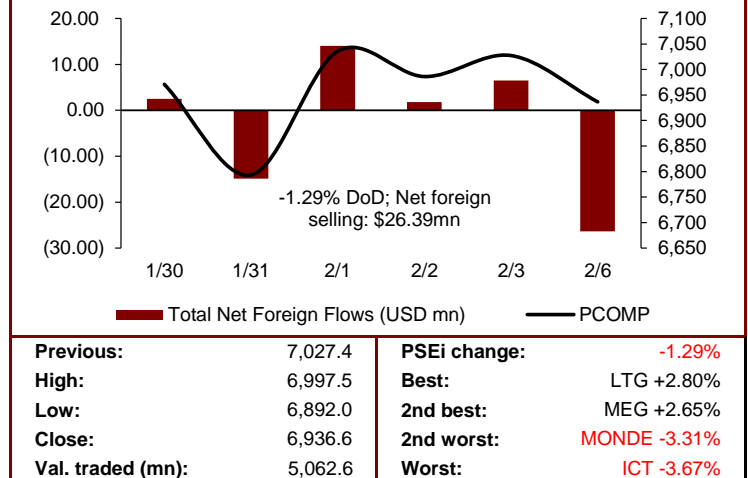
Global Markets



US Treasuries

Tenor	Change	Yield	Tenor	Change	Yield
3 months	-0.0110	4.6250	5 years	+0.1693	3.8283
6 months	+0.0047	4.8196	10 years	+0.1153	3.6399
2 years	+0.1838	4.4724	30 years	+0.0596	3.6736

PSEi Snapshot



Fixed Income

- ✓ **Local fixed income yields rose as investors positioned ahead of the release of the January inflation print.** Consensus estimate stood at 7.6%, below the BSP median forecast of 7.9%. On average, yields rose by 2.06 bps, led by the long-end which went up by 2.25 bps.

Philippine peso

- ✓ **The Philippine peso weakened on expectations of a longer Fed tightening path after the US jobs report came in stronger than expected.** The USD/PHP pair closed at 54.39 (+1.32% DoD).