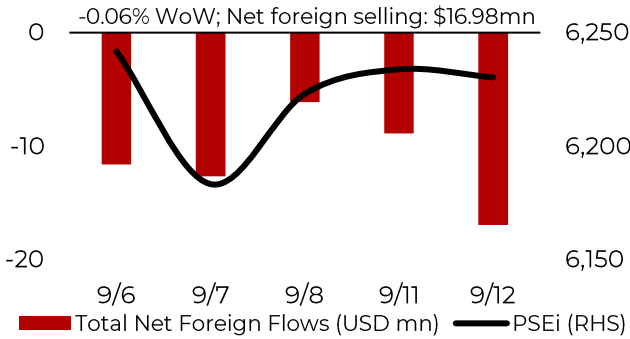


The Morning View

SEPTEMBER 13, 2023

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,230.20	-0.06%
3-mo bond yield	5.63%	+0.86 bps
2-yr bond yield	6.22%	-0.92 bps
10-yr bond yield	6.45%	-5.40 bps
USDPHP	56.65	-0.07%
Oil (Brent, \$ / barrel)	92.06	+1.57%

The **Bangko Sentral ng Pilipinas (BSP)** reiterated its stance that it is ready to respond to any risks to inflation. Deputy Governor Dakila said that the BSP sees inflation falling to within target by the fourth quarter of this year, barring any supply shocks. However, he also reiterated that the risks remain tilted to the upside.

ACEN Corp. (Ticker: ACEN) announced that its unit ACEN Indonesia Investment Holdings, Pte. Ltd. and PT Dewata Megaenergi signed an agreement to explore potential renewable energy projects in Indonesia.

Local equities closed flat as investors remained on the sidelines ahead of the August US CPI update which is expected to quicken to 3.6%. Investors also digested the latest FDI net inflows data. The PSEi closed at 6,230.20 (-0.06% DoD).

Local fixed income yields continued to fall ahead of the August US CPI report. On average, yields fell by 1.24 bps, with the 2Y closing at 6.22% (-0.92 bps) and the 10Y closing at 6.45% (-5.4 bps).

The **Philippine peso** slightly strengthened as the recent New York Fed survey which signaled a stable inflation outlook for the next five years dampened views of further rate hikes in the US. The USD/PHP pair closed at 56.65 (-0.07% DoD).

The UK unemployment rate rose to 4.3% YoY in the three months to July (June: 4.2%) but wage growth remained strong with average weekly earnings growing by 8.5% YoY in July (June: 8.4%).

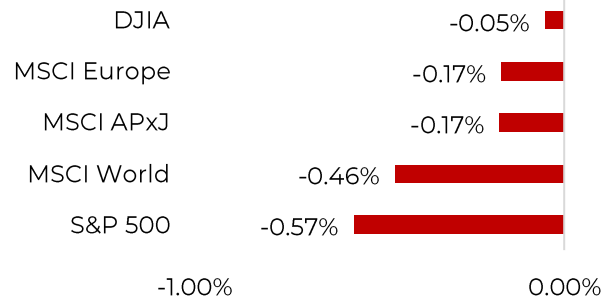
Canada gained 39,900 jobs in August, rebounding from contraction in July, while unemployment rate remained at 5.5%. Meanwhile, average hourly wage for permanent workers accelerated to 5.2% YoY in August (July: 5.0%).

US equities fell as Oracle's underwhelming earnings results dragged tech names. The spike in oil prices following OPEC's 2023-2024 forecasts suggesting robust demand growth and tight supply also weighed on market sentiment. The S&P 500 closed at 4,461.90 (-0.57% DoD) and the DJIA closed at 34,645.99 (-0.05% DoD).

US Treasury yields were mixed as investors focused on the key inflation data due this week that could inform the Fed's policy rate move. On average, yields fell by 0.05 bps, with the 2Y closing at 5.02% (+3.10 bps) and the 10Y closing at 4.29% (-1.00 bps).

The **US dollar** slightly strengthened as investors waited for the key inflation data release. The DXY closed at 104.71 (+0.14% DoD).

Global Stock Indices



	Level	DoD
S&P 500	4,461.90	-0.57%
DJIA	34,645.99	-0.05%
3-mo US Treasury yield	5.47%	+1.30 bps
2-yr US Treasury yield	5.02%	+3.10 bps
10-yr US Treasury yield	4.29%	-1.00 bps
DXY	104.71	+0.14%