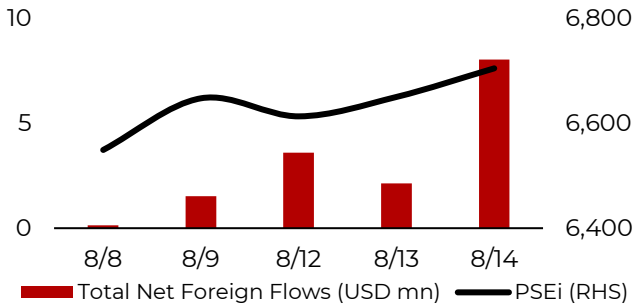


Philippine Stock Exchange Index

+0.82% DoD; Net foreign buying: \$8.03mn



	Level	DoD
PSEi	6,704.96	+0.82%
3-mo bond yield	5.94%	+2.61 bps
2-yr bond yield	6.03%	-0.38 bps
10-yr bond yield	6.14%	-1.15 bps
USDPHP	56.96	-0.01%
Oil (Brent, \$ / barrel)	79.76	-1.15%

Rating and Investment Information, Inc. (R&I), a Japan-based credit-rating firm, has upgraded the Philippines' investment grade from 'BBB+' to 'A-' amid strong economic performance and outlook. R&I has also assigned a 'stable' outlook for the country from previously 'positive'.

DMCI Holdings, Inc.'s (PSEi Ticker: DMC) acquisition of Cemex Asian South East Corp. obtains Philippine Competition Commission approval. The acquisition marks DMC's venture into the cement industry. Under the agreement, DMC is set to acquire a 56.75% stake; Dacon Corp., 32.12%; and Semirara Mining and Power Corp. (PSEi Ticker: SCC), 11.13%.

Local equities rose as investors digested the latest batch of corporate earnings, which underscored the strength of the economy. Traders also looked ahead to the policy decision of the Bangko Sentral ng Pilipinas (BSP) this week. The PSEi closed at 6,704.96 (+0.82% DoD).

Local fixed income yields closed mixed ahead of the BSP's policy meeting. On average, yields rose by 0.26 bps, with the 2Y closing at 6.03% (-0.38 bps) and the 10Y closing at 6.14% (-1.15 bps).

The **Philippine peso** was flat amid cautious sentiment before the release of US consumer inflation data and the BSP's policy rate announcement. The USD/PHP pair closed at 56.96 (-0.01% DoD).

Japan's Gross Domestic Product (GDP) rose by 3.1% YoY in 2Q24, higher than the 2.1% estimate yielded from a Reuters survey. The beat in expectations originated from private consumption which rose 1.0% YoY, compared to consensus estimates of 0.5% YoY. Meanwhile, Capital spending rose within expectation at 0.9% YoY.

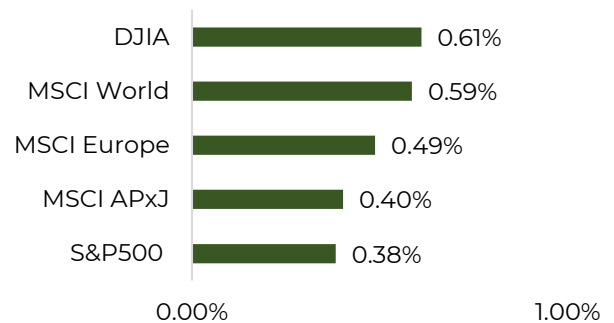
US Consumer Price Index (CPI) inflation decelerated to 2.9% YoY in July (June and consensus: 3.0%), marking its smallest gain since March 2021. Meanwhile, excluding volatile food and energy items, core CPI slowed to 3.2% YoY (June: 3.3%). The better-than-expected inflation was helped by slower increase in food prices and service costs, although shelter costs remained sticky.

US equities rose as the cooling and below-consensus July CPI print bolstered hopes of Fed rate cuts. The S&P 500 closed at 5,455.21 (+0.38% DoD) and the DJIA closed at 40,008.39 (+0.61% DoD).

US Treasury yields ended mixed as investors cheered the lower-than-expected CPI print but remained cautious over the sticky shelter costs. On average, yields rose by 0.37 bps, with the 2Y closing at 3.96% (+3.00 bps) and the 10Y closing at 3.84% (-0.60 bps).

The **US dollar** closed flat as traders weighed the weaker-than-expected CPI and stubbornly high shelter costs. The DXY closed at 102.57 (+0.01% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,455.21	+0.38%
DJIA	40,008.39	+0.61%
3-mo US Treasury yield	5.22%	+3.10 bps
2-yr US Treasury yield	3.96%	+3.00 bps
10-yr US Treasury yield	3.84%	-0.60 bps
DXY	102.57	+0.01%