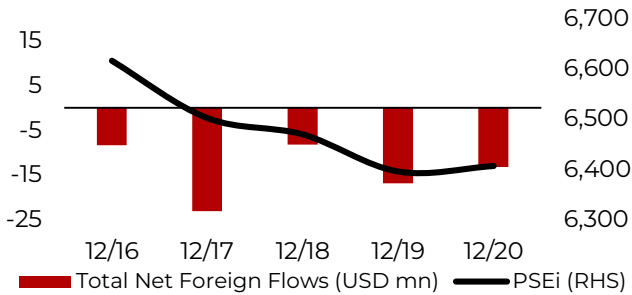


Philippine Stock Exchange Index

+0.17% DoD; Net foreign selling: \$13.23mn



	Level	DoD
PSEi	6,406.38	+0.17%
3-mo bond yield	5.94%	+3.26 bps
2-yr bond yield	6.00%	+2.44 bps
10-yr bond yield	6.01%	+1.15 bps
USDPHP	58.81	-0.32%
Oil (Brent, \$ / barrel)	72.94	+0.08%

Bangko Sentral ng Pilipinas (BSP) Governor Eli Remolona said that the central bank is open to delivering another rate cut in its first meeting in 2025, citing easing core inflation. Remolona noted that the BSP remains on track with monetary easing but flagged risks from Trump policy uncertainties and the weak peso.

International Container Terminal Services, Inc. (PSE Ticker: ICT) secured a 25-year extension to operate the Mindanao Containing Terminal (MCT). ICT also earmarked \$100 million to upgrade MCT's capacity from the current 350,000 twenty-foot equivalent units capacity.

Local equities climbed as the BSP cut its policy rate by 25 bps to 5.75%. This was also amid investors' bargain hunting ahead of the holidays. The PSEi closed at 6,406.38 (+0.17% DoD).

Local fixed income yields rose ahead of the release of the US November Personal Consumption Expenditures (PCE) inflation. On average, yields rose by 2.64 bps, with the 2Y closing at 6.00% (+2.44 bps) and the 10Y closing at 6.01% (+1.15 bps).

The **Philippine peso** strengthened ahead of the release of the November US PCE inflation print. Support from the seasonal increase in OFW remittances ahead of the holidays also boosted the local currency. The USD/PHP pair closed at 58.81 (-0.32% DoD).

US Personal Consumption Expenditures (PCE) inflation rose to 2.4% YoY in November (October: 2.3%), lower than the market expectation of 2.5%. Meanwhile, core PCE, the Fed's preferred inflation gauge, rose by 2.8% YoY in November. This was unchanged from October and came below expectations.

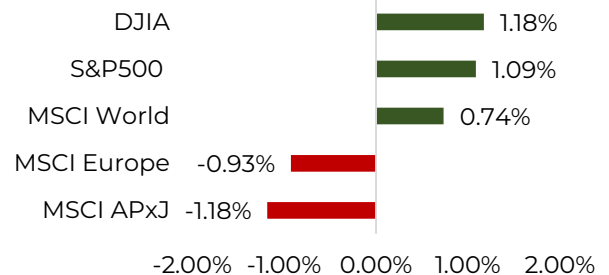
San Francisco Fed President Mary Daly and New York Fed President John Williams said further rate cuts are coming next year, albeit at a slower pace, depending on data. Several other policymakers flagged potential inflationary risks from incoming US president Donald Trump's policies.

US equities rose after the November US PCE inflation print came in cooler than expected, easing inflationary worries and supporting expectations of further rate cuts from the Fed next year. The S&P 500 closed at 5,930.85 (+1.09% DoD) and the DJIA closed at 42,840.26 (+1.18% DoD).

US Treasury yields fell as the November US PCE data, the key inflation gauge of the Fed, came in softer than expected. On average, yields fell by 2.64 bps, with the 2Y closing at 4.31% (-0.70 bps) and the 10Y closing at 4.52% (-4.20 bps).

The **US dollar** weakened following the release of the softer November PCE and core PCE inflation print. The DXY closed at 107.62 (-0.73% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,930.85	+1.09%
DJIA	42,840.26	+1.18%
3-mo US Treasury yield	4.33%	-0.70 bps
2-yr US Treasury yield	4.31%	-0.70 bps
10-yr US Treasury yield	4.52%	-4.20 bps
DXY	107.62	-0.73%

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