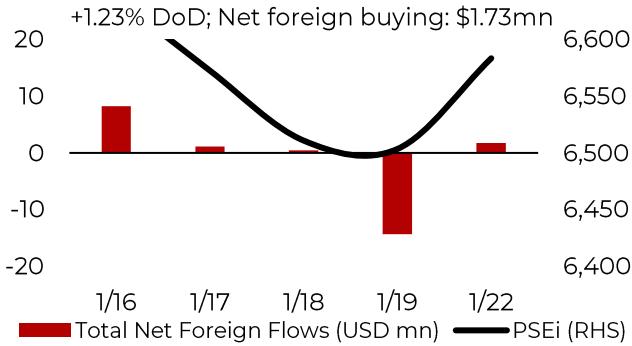


The Morning View

JANUARY 23, 2024

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,583.47	+1.23%
3-mo bond yield	5.33%	-3.06 bps
2-yr bond yield	5.91%	+1.44 bps
10-yr bond yield	6.25%	+2.95 bps
USDPHP	56.33	+0.64%
Oil (Brent, \$ / barrel)	80.06	+1.91%

Newly appointed Finance Secretary Recto joins the Bangko Sentral ng Pilipinas' (BSP) Monetary Board. Recto was designated as the Cabinet representative to the Monetary Board, taking the last seat in the seven-member policymaking body.

PLDT Inc. (Ticker: TEL) has received approval from the Philippine Competition Commission (PCC) for the acquisition of Sky Cable from ABS-CBN. This acquisition involves the sale of 1.38 billion Sky Cable common shares for Php6.75 billion, which will be implemented once all closing conditions are fulfilled.

Local equities gained, recovering from a four-day skid, amid bargain hunting. US equities recently hitting all-time highs also boosted sentiment. The PSEi closed at 6,583.47 (+1.23% DoD)

Local fixed income yields were mixed after BSP Governor Remolona's statement that policy rate cuts are possible but unlikely during the first half of the year. On average, yields declined by 0.54 bps, with the 2Y closing at 5.91% (+1.44 bps) and the 10Y closing at 6.25% (+2.95 bps).

The **Philippine peso** weakened as investors continued to weigh the upbeat US consumer sentiment data and fading views of an early policy rate cut from the US Fed. The USD/PHP pair closed at 56.33 (+0.64% DoD).

Richmond Fed President Barkin said he does not rule out a March rate cut, contrary to other Fed officials. Barkin stated that he is monitoring both the breadth and consistency of inflation settling. He noted that he will make his decision based on the data available at the time of the meeting.

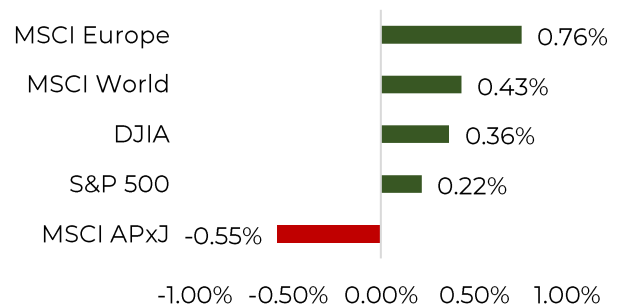
White House National Economic Council Director Lael Brainard said that China's lackluster economic growth has no 'strong effect' on the US economy. She explained that the US has been diversifying its supply chains over the past years which helped reduce vulnerability.

US equities rose to fresh highs amid continued optimism on tech stocks. Moreover, the market is looking out for the 4Q23 Gross Domestic Product (GDP) and the December Personal Consumption Expenditure (PCE) readings this week. The S&P 500 closed at 4,850.43 (+0.22% DoD) and the DJIA closed at 38,001.81 (+0.36% DoD).

US Treasury yields were mixed but fell on average as investors weighed mixed statements from Fed officials. On average, yields fell by 1.29 bps, with the 2Y closing at 4.39% (+3.60 bps) and the 10Y closing at 4.11% (-3.70 bps).

The **US dollar** was flat as investors awaited the policy decisions of the Bank of Japan and European Central Bank this week. The DXY closed at 103.33 (+0.04% DoD).

Global Stock Indices



	Level	DoD
S&P 500	4,850.43	+0.22%
DJIA	38,001.81	+0.36%
3-mo US Treasury yield	5.37%	-0.60 bps
2-yr US Treasury yield	4.39%	+3.60 bps
10-yr US Treasury yield	4.11%	-3.70 bps
DXY	103.33	+0.04%

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