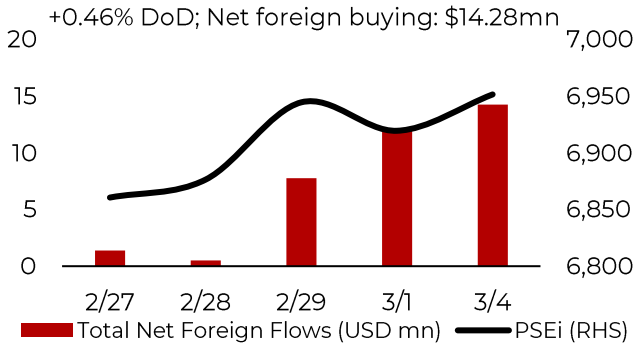


The Morning View

March 5, 2024

Philippine Stock Exchange Index



The **Department of Trade and Industry's (DTI) Board of Investments (BOI)** said that it has around Php2-trillion worth of investments in its pipeline. This is well-above the target of Php1.1 trillion for 2024 and exceeds the approved investments worth Php1.3 trillion in 2023.

Manila Electric Company (Ticker: MER) has signed an agreement with Alliance Global Group, Inc. (Ticker: AGI) to provide renewable energy sources for its businesses. Meralco will supply a total of 100 megawatts of renewable energy to AGI through Travellers International Hotel Group, Inc.

Local equities rose after the country's improved manufacturing activity data for February lifted market sentiment. Investors also positioned ahead of the February local inflation data release. The PSEi closed at 6,951.67 (+0.46% DoD).

Local fixed income yields ended mixed but fell on average as the markets waited for the release of the local inflation print for February. On average, yields fell by 0.33 bps, with the 2Y closing at 6.12% (+0.59 bps) and the 10Y closing at 6.25% (+0.59 bps).

The **Philippine peso** slightly strengthened ahead of the local inflation data print for February. Investors also weighed the weaker-than-expected US purchasing manager's index data. The USD/PHP pair closed at 55.97 (-0.08% DoD)

	Level	DoD
PSEi	6,951.67	+0.46%
3-mo bond yield	5.73%	-0.33 bps
2-yr bond yield	6.12%	+0.59 bps
10-yr bond yield	6.25%	+0.59 bps
USDPHP	55.97	-0.08%
Oil (Brent, \$ / barrel)	82.80	-0.90%

Atlanta Fed President Raphael Bostic said that the Federal Reserve is under no urgent pressure to cut policy rates amid a strong economy and job market. He highlighted the risk that inflation may get stuck above the central bank's 2% target. Nonetheless, Bostic still sees that it is likely appropriate for the Fed to cut by two quarter-point rate cuts by the end of the year.

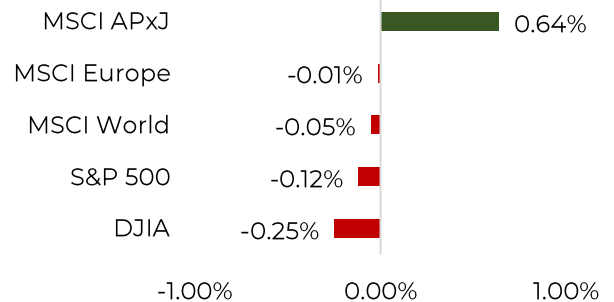
Moody's Investor Service upgraded its 2024 gross domestic product (GDP) growth forecast for India from 6.1% to 6.8%. The ratings agency sees the strong momentum to continue into 2024 amid resilient demand and fading global headwinds.

US equities declined ahead of the release of key labor data in the US and Fed Chair Powell's speech to Congress later this week. The S&P 500 closed at 5,130.95 (-0.12% DoD) and the DJIA closed at 38,989.83 (-0.25% DoD).

US Treasury yields rose ahead of Fed Chair Powell's speech later this week. Investors also digested Atlanta Fed President Bostic's comment that there is no urgency to cut policy rates amid a strong US economy. On average, yields rose by 3.08 bps, with the 2Y closing at 4.61% (+7.30 bps) and the 10Y closing at 4.22% (+3.10 bps).

The **US dollar** was flat ahead of the release of key labor data in the US later this week. The DXY closed at 103.83 (-0.03% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,130.95	-0.12%
DJIA	38,989.83	-0.25%
3-mo US Treasury yield	5.39%	+0.40 bps
2-yr US Treasury yield	4.61%	+7.30 bps
10-yr US Treasury yield	4.22%	+3.10 bps
DXY	103.83	-0.03%

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