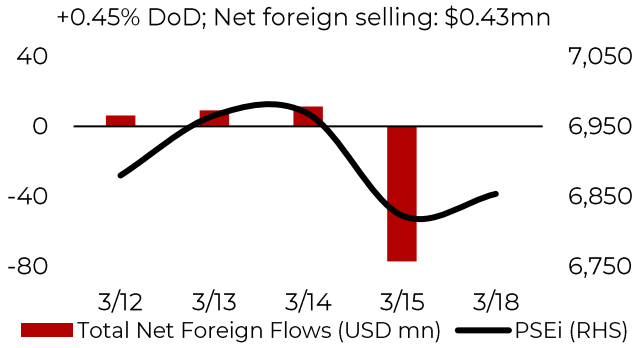


The Morning View

March 19, 2024

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,853.29	+0.45%
3-mo bond yield	5.79%	+1.67 bps
2-yr bond yield	6.03%	+0.25 bps
10-yr bond yield	6.22%	-0.33 bps
USDPHP	55.58	+0.09%
Oil (Brent, \$ / barrel)	86.89	+1.82%

The **Bangko Sentral ng Pilipinas (BSP)** reported that the country's external debt service burden soared by 73.90% YoY to \$14.75 billion in 2023. Meanwhile, outstanding external debt rose by 12.70% to \$125.39 billion. The external debt to gross domestic product ratio stood at 28.7% as of 4Q23.

San Miguel Corporation's (Ticker: SMC) consortium has been awarded the Php170.6-billion public-private partnership project for the rehabilitation of the Ninoy Aquino International Airport. The consortium has been given a 15-year concession that can be extended for another 10 years.

Local equities rebounded amid bargain hunting. The higher cash OFW remittances data for January also lifted market sentiment. The PSEi closed at 6,853.29 (+0.45% DoD).

Local fixed income yields ended mixed ahead of the US Federal Reserve's policy meeting this week. On average, yields fell by 0.17 bps, with the 2Y closing at 6.03% (+0.25 bps) and the 10Y closing at 6.22% (-0.33 bps).

The **Philippine peso** closed flat as investors awaited the results of the US Fed policy meeting. The USD/PHP pair closed at 55.58 (+0.09% DoD).

Goldman Sachs raised its US 2024 Gross Domestic Product (GDP) growth forecast to 2.7% YoY. The bank cited the increased immigration, which ran well above the recent historical average, to boost the size of the labor force and potential GDP.

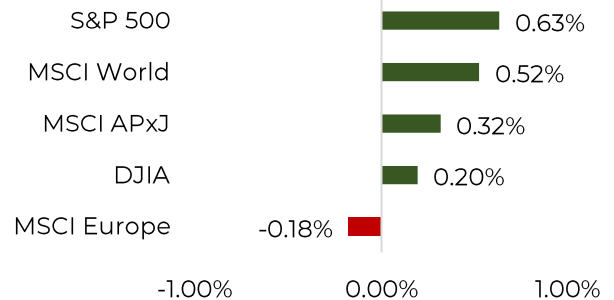
China's industrial output and retail sales rose 7.0% and 5.5% YoY, respectively, in the January-February period (December: +6.8% and +7.4%). Gains were boosted by the Lunar New Year holiday, which supported oil refinery throughput and revenue of the tourism and hospitality sectors.

US equities rose amid continued AI enthusiasm, but gains were tempered as investors awaited further guidance from the upcoming Fed policy meeting. The S&P 500 closed at 5,149.42 (+0.63% DoD) and the DJIA closed at 38,790.43 (+0.20% DoD).

US Treasury yields inched upwards as investors positioned ahead of the US Fed policy meeting later today. On average, yields rose by 1.18 bps, with the 2Y closing at 4.73% (+0.40 bps) and the 10Y closing at 4.33% (+1.80 bps).

The **US dollar** slightly strengthened ahead of the policy meetings of the Bank of England and the US Federal Reserve. The DXY closed at 103.58 (+0.14% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,149.42	+0.63%
DJIA	38,790.43	+0.20%
3-mo US Treasury yield	5.40%	-1.70 bps
2-yr US Treasury yield	4.73%	+0.40 bps
10-yr US Treasury yield	4.33%	+1.80 bps
DXY	103.58	+0.14%