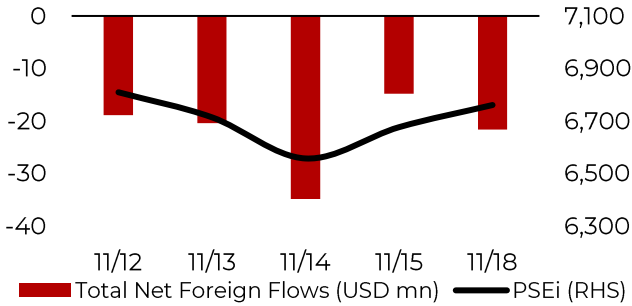


# The Morning View

November 19, 2024

## Philippine Stock Exchange Index

+1.27% DoD; Net foreign selling: \$21.60mn



	Level	DoD
PSEi	6,761.35	+1.27%
3-mo bond yield	5.61%	+3.07 bps
2-yr bond yield	5.86%	+4.40 bps
10-yr bond yield	6.08%	+0.28 bps
USDPHP	58.68	-0.09%
Oil (Brent, \$ / barrel)	73.11	+2.91%

**The Bureau of Customs (BoC) reported that rice tariff collections settled at a fresh high of Php30.1 billion as of end-October.** The 5.2% YoY increase was attributed to higher volumes, a weaker peso, and improved shipment valuation by the BoC.

**Manila Electric Co.'s (PSE Ticker: MER) franchise renewal bill was filed in the Senate.** Under the bill, MER will be allowed to continue to construct, operate, and maintain its electric distribution systems in Metro Manila and other nearby areas. The bill seeks to renew MER's franchise for another 25 years.

**Local equities** climbed amid bargain hunting following the market's four-week decline. The resilient 3Q24 corporate earnings results also lifted market sentiment. The PSEi closed at 6,761.35 (+1.27% DoD).

**Local fixed income yields** rose after the robust October US retail sales data reinforced the resilience of the US economy and tempered expectations of sizeable rate cuts from the Fed. On average, yields rose by 1.88 bps, with the 2Y closing at 5.86% (+4.40 bps) and the 10Y closing at 6.08% (+0.28 bps).

The **Philippine peso** closed flat as the US Fed signaled caution ahead of its next policy meeting. Last week, Fed Chair Powell said that the Fed does not need to rush in cutting interest rates. The USD/PHP pair closed at 58.68 (-0.09% DoD).

**A San Francisco Federal Reserve study sees a tight US labor adding to inflationary pressures.** The research suggests that elevated demand in the job market continued to contribute 0.3 to 0.4 percentage points to inflation as of September 2024.

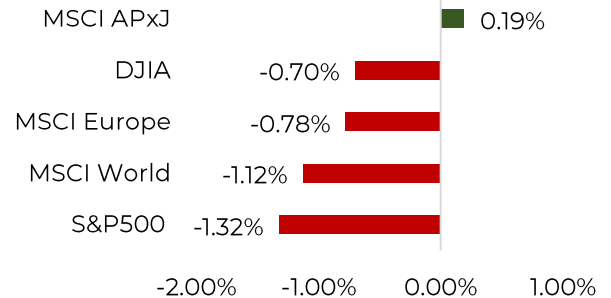
**The National Association of Home Builders/Wells Fargo Housing Market Index climbed to a seven-month high of 46.0 in November (October: 43.0; consensus: 42.0).** US homebuilders were optimistic about regulatory relief as the recent Republican victories in both the White House and Congress are believed to ease constraints in the industry.

**US equities** closed mixed ahead of the release of Nvidia's third-quarter earnings results and a slew of US economic data such as the US weekly jobless claims and manufacturing purchasing managers' index (PMI). The S&P 500 closed at 5,893.62 (+0.39% DoD) and the DJIA closed at 43,389.60 (-0.13% DoD).

**US Treasury yields** declined as investors remained cautious ahead of key US economic data releases this week. On average, yields fell by 1.54 bps, with the 2Y closing at 4.28% (-2.50 bps) and the 10Y closing at 4.42% (-2.50 bps).

The **US dollar** slightly weakened as traders continued to reassess their future Fed rate cut expectations. The DXY closed at 106.21 (-0.45% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	5,893.62	+0.39%
DJIA	43,389.60	-0.13%
3-mo US Treasury yield	4.52%	+0.90 bps
2-yr US Treasury yield	4.28%	-2.50 bps
10-yr US Treasury yield	4.42%	-2.50 bps
DXY	106.21	-0.45%

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