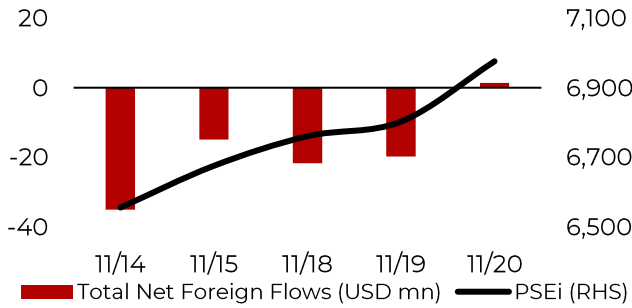


The Morning View

November 21, 2024

Philippine Stock Exchange Index

+2.53% DoD; Net foreign buying: \$1.39mn



	Level	DoD
PSEi	6,975.63	+2.53%
3-mo bond yield	5.55%	-4.12 bps
2-yr bond yield	5.86%	+0.48 bps
10-yr bond yield	6.04%	-1.12 bps
USDPHP	58.91	+0.17%
Oil (Brent, \$ / barrel)	72.81	-0.68%

Bangko Sentral ng Pilipinas (BSP) Governor Eli Remolona said that the central bank may keep rates steady in its December meeting if inflation breaches the 2-4% target in November. However, he also noted that weak economic growth could warrant the BSP to lower rates further.

Jollibee Foods Corporation (PSE Ticker: JFC) expects to complete its S\$20.2-million (~Php890.0 million) acquisition of Hong Kong-based Tim Ho Wan by January 2025. JFC currently holds a 92.0% stake in Titan Fund, the owner of the Tim Ho Wan brand. The deal includes acquiring the remaining 8.0% from other investors.

Local equities climbed for the fourth consecutive day as investors digested expectations that the BSP remains to be in its policy easing phase. The PSEi closed at 6,975.63 (+2.53% DoD).

Local fixed income yields fell after investors got reassurance from BSP Governor Remolona that the central bank is still on track for policy easing. On average, yields fell by 3.97 bps, with the 2Y closing at 5.86% (+0.48 bps) and the 10Y closing at 6.04% (-1.12 bps).

The **Philippine peso** weakened amid escalating tensions in the Russian-Ukraine War and concerns over US President elect Donald Trump's policies. The USD/PHP pair closed at 58.91 (+0.17% DoD).

Federal Reserve governors expressed contrasting views on inflation and the outlook on future rate cuts. Michelle Bowman noted caution on policy easing as inflation progress seems to have stalled. Meanwhile, Lisa Cook expressed confidence on disinflation progress and said that she sees further rate cuts ahead.

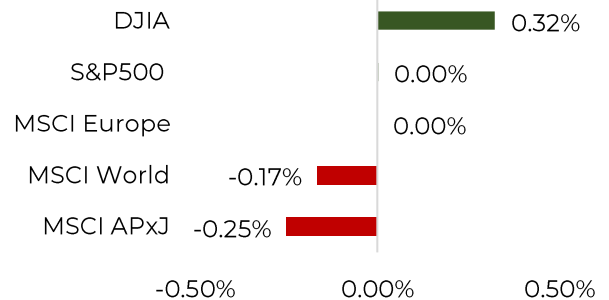
Japan's exports rose by 3.1% YoY in October, rebounding from the 1.7% YoY contraction in September. The increase was primarily driven by the recovery in exports to China to 1.5% YoY, due to strong demand for chipmaking equipment.

US equities marginally rose amid a rally in healthcare, energy, and cryptocurrency stocks. Investors also positioned ahead of Nvidia's earnings report which was released after markets' close. The S&P 500 closed at 5,917.11 (+0.00% DoD) and the DJIA closed at 43,408.47 (+0.32% DoD).

US Treasury yields rose as investors digested Fed Governor Bowman's remarks saying that inflation progress appears to have stalled. This was also amid intensifying tensions between Russia and Ukraine. On average, yields rose by 1.61 bps, with the 2Y closing at 4.32% (+3.40 bps) and the 10Y closing at 4.41% (+1.60 bps).

The **US dollar** strengthened due to safe-haven demand and as investors weighed the less dovish tone of several Fed officials. The DXY closed at 106.68 (+0.45% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,917.11	+0.00%
DJIA	43,408.47	+0.32%
3-mo US Treasury yield	4.54%	+1.50 bps
2-yr US Treasury yield	4.32%	+3.40 bps
10-yr US Treasury yield	4.41%	+1.60 bps
DXY	106.68	+0.45%

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