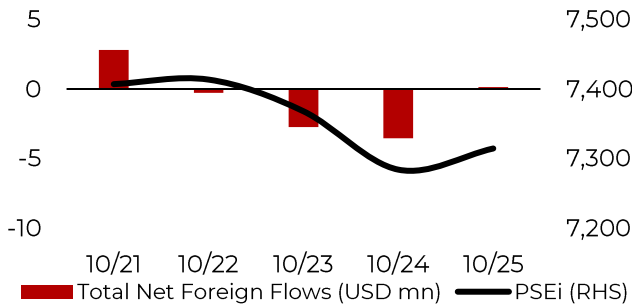


# The Morning View

October 28, 2024

## Philippine Stock Exchange Index

+0.42% DoD; Net foreign buying: \$0.13mn



	Level	DoD
PSEi	7,314.23	+0.42%
3-mo bond yield	5.20%	+5.37 bps
2-yr bond yield	5.59%	+0.62 bps
10-yr bond yield	5.83%	-2.38 bps
USDPHP	58.32	+0.76%
Oil (Brent, \$ / barrel)	76.05	+2.25%

**The Bureau of the Treasury (BTr) reported that the National Government's gross borrowings soared by 255.64% YoY to Php367.18 billion in September.** The surge in gross borrowings is attributable to the \$2.5-billion global bonds issued during the month.

**Globe Telecom, Inc. (PSE Ticker: GLO) partnered with Transcelestial Technologies Pte Ltd. for the introduction of a laser communication system in the Philippines.** The partnership will help advance the expansion of 4G and 5G coverage in the country.

**Local equities** slightly rebounded on the back of investors' bargain hunting. Optimistic expectations towards 3Q24 earnings results also boosted market sentiment. The PSEi closed at 7,314.23 (+0.42% DoD).

**Local fixed income yields** were mixed but rose on average amid the uncertainty over US monetary policy and results of the upcoming US presidential elections. On average, yields rose by 1.24 bps, with the 2Y closing at 5.59% (+0.62 bps) and the 10Y closing at 5.83% (-2.38 bps).

The **Philippine peso** weakened driven by cautious sentiment ahead of the US presidential elections on November 5. The USD/PHP pair closed at 58.32 (+0.76% DoD).

**University of Michigan's final Consumer Sentiment Index rose to 70.5 in October (September: 70.1), topping the consensus estimate of 69.0.** The increase was mainly driven by improved labor market expectations and buying conditions for big-ticket items amid falling interest rates. It was also partly attributed to improved sentiment among Republicans as the US election looms.

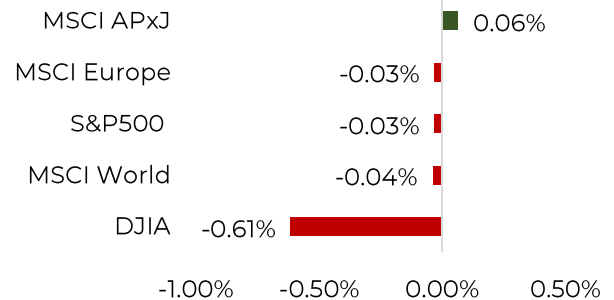
**US core capital goods orders grew by 0.5% MoM in September (Aug: 0.3%; Consensus: 0.1%).** The higher-than-expected reading was likely supported by the market's expectations of further monetary policy easing from the Fed later this year and next year.

**US equities** fell as rising Treasury yields and US presidential election uncertainty weighed down on investor sentiment. Investors also digested concerns over the Middle East tensions. The S&P 500 closed at 5,808.12 (-0.03% DoD) and the DJIA closed at 42,114.40 (-0.61% DoD).

**US Treasury yields** rose as investors turned cautious amidst the uncertainties from the upcoming US presidential elections. On average, yields rose by 2.50 bps, with the 2Y closing at 4.11% (+2.60 bps) and the 10Y closing at 4.24% (+2.80 bps).

The **US Dollar** strengthened following the stronger-than-expected US consumer sentiment and business spending plans data. The DXY closed at 104.26 (+0.19% DoD).

## Global Stock Indices



	Level	DoD
S&P 500	5,808.12	-0.03%
DJIA	42,114.40	-0.61%
3-mo US Treasury yield	4.65%	+2.70 bps
2-yr US Treasury yield	4.11%	+2.60 bps
10-yr US Treasury yield	4.24%	+2.80 bps
DXY	104.26	+0.19%

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