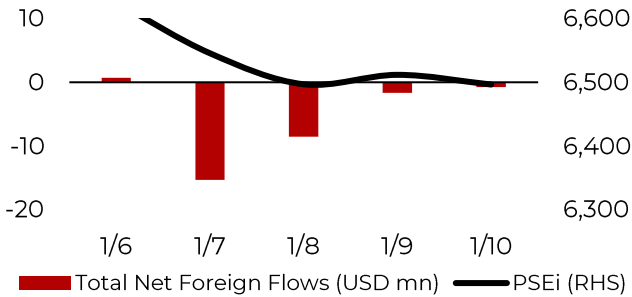


The Morning View

January 13, 2025

Philippine Stock Exchange Index

-0.23% DoD; Net foreign selling: \$0.78mn



The United Nations (UN) expects the Philippine economy to grow by 6.1% in 2025 and 6.2% in 2026. Sustained economic growth is expected to be driven by strong investment activity and robust private consumption. Additionally, the UN also anticipates monetary easing to support domestic demand in the near term.

Jollibee Foods Corporation's (PSE Ticker: JFC) chief financial and risk officer Richard Shin announced that JFC plans to bolster its presence in the US through its Jollibee brand. As of September 2024, Jollibee has 102 stores in North America and is looking forward to entering new markets across the region.

Local equities slightly fell amid thin trading and ahead of the release of the December jobs report in the US. The PSEi closed at 6,496.32 (-0.23% DoD).

Local fixed income yields closed mixed on cautious trading as investors weighed hawkish remarks from several Fed officials urging a slower pace of policy easing. On average, yields fell by 1.73 bps, with the 2Y closing at 5.96% (-2.64 bps) and the 10Y closing at 6.15% (+0.94 bps).

The **Philippine peso** strengthened ahead of the US December nonfarm payrolls report. Investors also digested the Philippine foreign direct investments data, which grew by 50.2% YoY in October. The USD/PHP pair closed at 58.36 (-0.24% DoD).

	Level	DoD
PSEi	6,496.32	-0.23%
3-mo bond yield	5.75%	-2.17 bps
2-yr bond yield	5.96%	-2.64 bps
10-yr bond yield	6.15%	+0.94 bps
USDPHP	58.36	-0.24%
Oil (Brent, \$ / barrel)	79.76	+3.69%

US nonfarm payrolls increased by 256,000 jobs in December (Nov. Revised: 212,000), above market expectations. Job growth was seen in the Healthcare, Retail, as well as Leisure and Hospitality sectors. Meanwhile, US unemployment rate inched down to 4.1% in the same period (Nov: 4.2%).

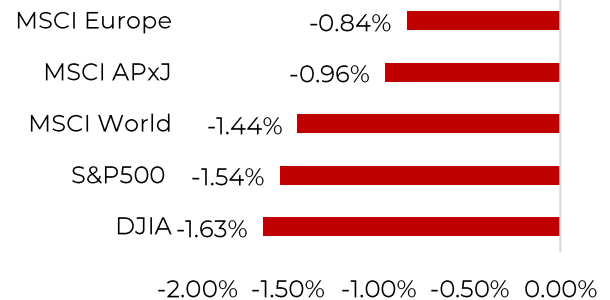
US consumers' one-year inflation expectations rose to 3.3% in January (Dec.: 2.8%), according to the University of Michigan survey. The consumer sentiment index fell to 73.2 (Dec.: 74.0), with economists attributing the weaker sentiment and higher inflation expectations to concerns over Trump's proposed policies.

US equities declined as the December US jobs report which showed a stronger-than-expected nonfarm payrolls growth and a lower unemployment rate dampened bets of sizable Fed rate cuts this year. The S&P 500 closed at 5,827.04 (-1.54% DoD) and the DJIA closed at 41,938.45 (-1.63% DoD).

US Treasury yields climbed after the consumers' one-year inflation expectations jumped to the highest level since May 2024. Additionally, US nonfarm payrolls also came in higher than expected. average, yields rose by 6.36 bps, with the 2Y closing at 4.38% (+11.70 bps) and the 10Y closing at 4.76% (+7.00 bps).

The **US dollar** strengthened following the stronger-than-expected US jobs report. The DXY closed at 109.65 (+0.43% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,827.04	-1.54%
DJIA	41,938.45	-1.63%
3-mo US Treasury yield	4.33%	+1.60 bps
2-yr US Treasury yield	4.38%	+11.70 bps
10-yr US Treasury yield	4.76%	+7.00 bps
DXY	109.65	+0.43%

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