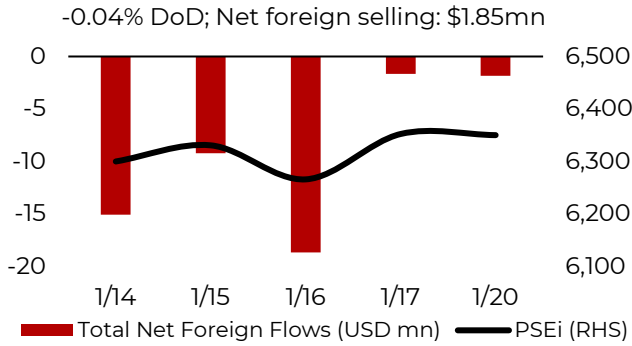


The Morning View

January 21, 2025

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,349.89	-0.04%
3-mo bond yield	5.42%	-7.65 bps
2-yr bond yield	5.96%	+0.89 bps
10-yr bond yield	6.33%	-0.69 bps
USDPHP	58.52	-0.20%
Oil (Brent, \$ / barrel)	80.15	-0.79%

A fuel price hike of Php1.65/liter for gasoline and Php2.70/liter for diesel will be effective today. The Department of Energy commented that the price hike was driven by tighter global oil supply due to sanctions by the United States and United Kingdom on Russian oil.

Ayala Land, Inc. (PSE Ticker: ALI) bought back 2.5 million of its common shares in January 20, pursuant to its share buy-back program. After the transaction, the total amount of shares repurchased reached 643.5 million from the date of commencement of the share buy-back program, amounting to Php17.51 billion out of the appropriated Php26.07 billion.

Local equities were flat, **local fixed income yields** closed mixed, and the **Philippine peso** closed flat as investors stayed on the sidelines ahead of the inaugural speech of US President-elect Donalds Trump overnight.

The PSEi closed at 6,349.89 (-0.04% DoD).

Local yields fell by 2.60 bps on average, with the 2Y closing at 5.96% (+0.89 bps) and the 10Y closing at 6.33% (-0.69 bps).

The USD/PHP pair closed at 58.52 (-0.20% DoD).

On his inauguration yesterday, US President Donald Trump refrained from immediately imposing tariffs but reiterated plans to establish an "External Revenue Service" to collect tariffs and other revenues from foreign nations. An official said that Trump intends to sign a memorandum directing federal agencies to evaluate US trade policies with China, Canada, and Mexico.

Analysts are expecting the Bank of Japan (BoJ) to raise rates by 25-bps to 0.50%, its highest since 2008. The hawkish sentiment was echoed by BoJ Governor Ueda who signaled his intentions last week to hike rates, barring any shocks to the market due to Trump's inauguration.

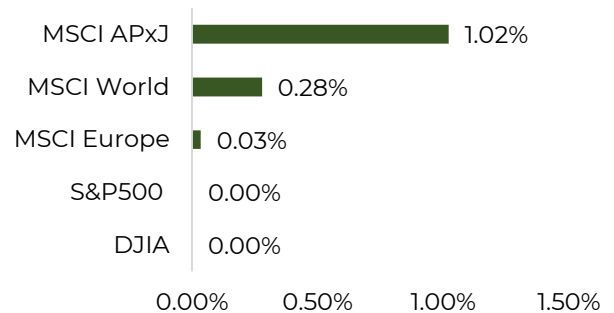
US equities, US Treasury yields, and the **US dollar** markets were closed in observance of the Martin Luther King Jr. Day.

The previous close of the S&P 500 was at 5,996.66 (0.00% DoD) and the DJIA was at 43,487.83 (0.00% DoD).

The previous close of the 2Y US Treasury was at 4.29% (0.00 bp) and the 10Y was at 4.63% (0.00 bp).

The previous close of the DXY was at 109.35 (0.00% DoD).

Global Stock Indices



	Level	DoD
S&P 500	5,996.66	0.00%
DJIA	43,487.83	0.00%
3-mo US Treasury yield	4.30%	0.00 bps
2-yr US Treasury yield	4.29%	0.00 bps
10-yr US Treasury yield	4.63%	0.00 bps
DXY	109.35	0.00%