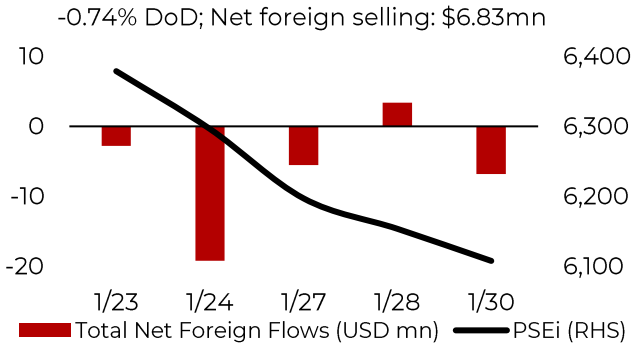


The Morning View

January 31, 2025

Philippine Stock Exchange Index



	Level	DoD
PSEi	6,107.66	-0.74%
3-mo bond yield	5.34%	+13.10 bps
2-yr bond yield	5.81%	-3.97 bps
10-yr bond yield	6.23%	+2.04 bps
USDPHP	58.28	-0.25%
Oil (Brent, \$ / barrel)	76.87	+0.38%

The Philippines' gross domestic product (GDP) grew by 5.2% YoY in 4Q24, below the market expectation of 5.5%. This brought the FY2024 growth to 5.6%, short of the government's 6%-6.5% growth target for the year. The slower growth was attributable to subdued household consumption and lower farm output amid adverse weather conditions during the period.

JG Summit Holdings, Inc. (PSE Ticker: JGS) has indefinitely shut down its petrochemicals unit, JG Summit Olefins Corp. (JGSOC), due to unfavorable global market conditions. The company noted that JGSOC will continue to sell its existing product inventory, while its subsidiary Peak Fuel Corp.'s liquefied petroleum gas operations will remain unaffected.

Local equities fell and **local fixed income yields** closed mixed as investors weighed the lower-than-expected local economic growth. Meanwhile, the **Philippine peso** slightly strengthened ahead of the release of US GDP growth data overnight.

The PSEi closed at 6,107.66 (-0.74% DoD).

On average, local fixed income yields rose by 1.74 bps, with the 2Y closing at 5.81% (-3.97 bps) and the 10Y closing at 6.23% (+2.04 bps).

The USD/PHP pair closed at 58.28 (-0.25% DoD).

US GDP grew at an annualized pace of 2.3% in 4Q24 (3Q24: 3.1%), below the market expectation of 2.6%. This brought the FY2024 GDP growth to 2.8% (FY2023: 2.9%). The slower growth was due to a drag from trade and gross private domestic investments. Nonetheless, personal consumption expenditures continued to signal resilient demand and accelerated by 4.2%, a two-year high.

The European Central Bank (ECB) cut its deposit facility rate by 25 bps to 2.75%, the fifth rate cut since June 2024. ECB President Christine Lagarde noted that the easing cycle will continue but the pace and magnitude will be dependent on data.

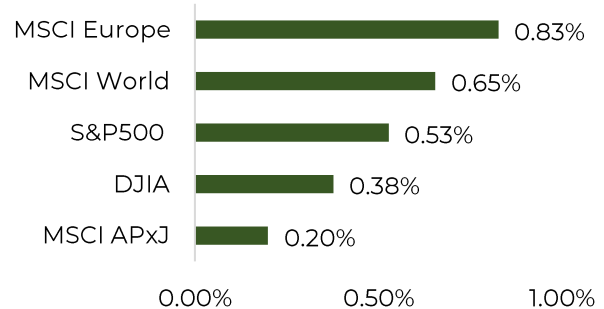
US equities slightly rose, **US Treasury yields** inched down, and the **US dollar** weakened as investors digested the US 4Q24 GDP print, renewed tariff threats from Donald Trump, as well as mixed earnings results of Microsoft, Meta, and Tesla.

The S&P 500 closed at 6,071.17 (+0.53% DoD) and the DJIA closed at 44,882.13 (+0.38% DoD).

On average, US Treasury yields fell by 0.97 bps, with the 2Y closing at 4.21% (-0.90 bps) and the 10Y closing at 4.52% (-1.40 bps).

The DXY closed at 107.80 (-0.19% DoD).

Global Stock Indices



	Level	DoD
S&P 500	6,071.17	+0.53%
DJIA	44,882.13	+0.38%
3-mo US Treasury yield	4.30%	-0.30 bps
2-yr US Treasury yield	4.21%	-0.90 bps
10-yr US Treasury yield	4.52%	-1.40 bps
DXY	107.80	-0.19%

This material, which is strictly for information purposes only, is for your sole use, does not constitute a recommendation or an offer to sell or a solicitation to buy any financial product. Any information is subject to change without notice and BPI Wealth is not under any obligation to update or keep current the information contained herein. You are advised to make your own independent judgment with respect to the matter contained in this document. No liability whatsoever is accepted for any loss that may arise (whether direct or consequential) from any use of the information contained herein.

All funds managed by BPI Wealth are Trust and/or Investment Management Funds, which do not carry any guarantee of income or principal, and are NOT covered by the Philippine Deposit Insurance Corporation. Past performance is not a guarantee of future results. BPI Wealth Investment Funds are valued daily using the marked-to-market method.