

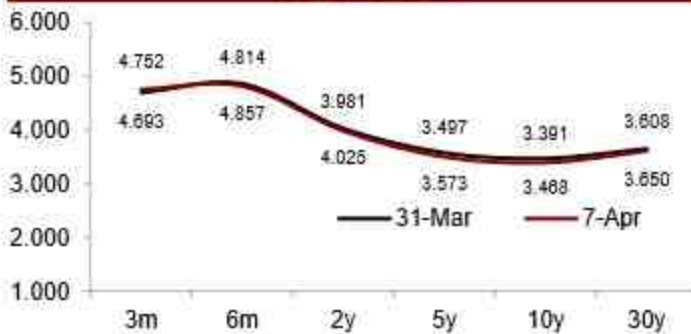
Global equities and global yields were mixed as investors digested various economic data releases and waited for latest policy signals from major central banks. Global oil prices rose amid the supply cut from OPEC+.

Global Equities

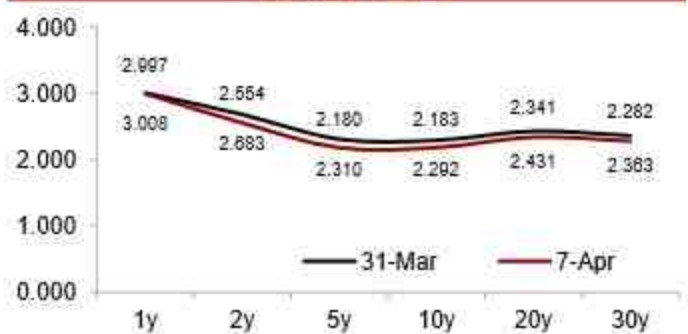


- ✓ **US equities** were mixed as investors weighed the surprise OPEC+ supply cut, recent US jobs data, and lower-than-expected ISM Manufacturing PMI. The S&P 500 closed at 4,105.02 (-0.10% WoW) and the DJIA closed at 33,485.29 (+0.63% WoW).
- ✓ **Asian equities** declined following the shortened trading week and as investors weighed building US recession fears with data releases for the month of March indicating slower hiring pace and cooling ISM PMI. The MSCI APxJ closed at 522.51 (-0.27% WoW).
- ✓ **European equities** rose ahead of the four-day Easter weekend, with banks continuing to trend higher amid easing banking worries. Investors also positioned ahead of the US labor data which was released last Friday when markets were closed. The MSCI Europe closed at 154.32 (+0.32% WoW).

US Treasuries

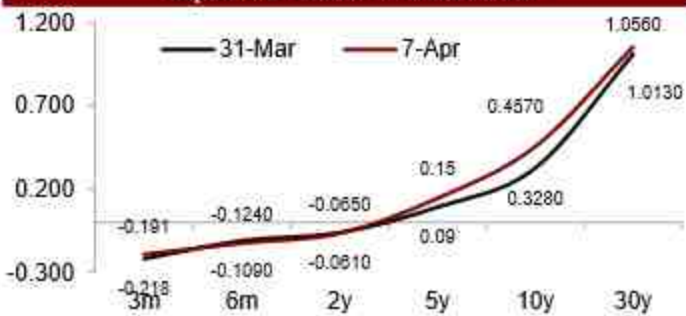


German Bunds



- ✓ **US Treasury yields** declined as bets that the Fed is almost done with its tightening cycle were reinforced after US jobs openings data fell to its lowest in nearly two years. On average, yields fell by 3.74 bps WoW with the 10Y closing at 3.39% (-7.70 bps).
- ✓ **German bund yields** fell as the market anticipates a less hawkish Fed guidance amid softer US econ data. On average, yields fell by 9.17 bps WoW with the 10Y closing at 2.18 (-10.90 bps).
- ✓ **Japanese bond yields** rose further as investors continue to keep an eye on Japan's new central bank governor Kazuo Ueda and his monetary policy stance amid multidecade high inflation print. On average, yields went up by 3.88 bps WoW with the 10Y closing at 0.46% (+12.90 bps).
- ✓ **Key events that transpired during the week:**
- ✓ **The US Department of Labor** reported that initial jobless claims fell to 228,000 in week ended April 1. The figure from last week was revised by 48,000 to 248,000.
- ✓ **Germany's** February industrial production climbed by 2%, easing from January's 3.7%, as high interest rates cloud demand outlook despite supply bottlenecks & gas prices subsiding.

Japanese Government Bonds



- ✓ **Global oil prices** rose following the surprise additional oil production cut of around 1.16 million barrels per day from OPEC+. Brent oil closed at \$85.12 per barrel (+6.71% WoW), while WTI crude closed at \$80.70 per barrel (+6.65% WoW).

Commodities

\$bbl	7-Apr-2023	% Change
Brent	85.12	6.71%
WTI	80.70	6.65%
BBC Commodity Index	106.24	0.69%



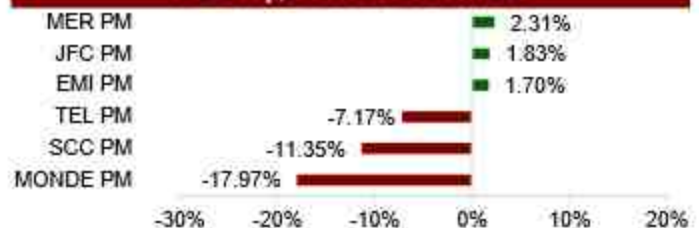
Local equities were flat ahead on shortened trading week. Local fixed income yields fell and the Philippine peso strengthened on favorable inflation data.

- ✓ Local equities were flat as investors wait-and-see amid the shortened week. The PSEi closed at 6,488.51 (-0.17% WoW).
- ✓ Top performers were Manila Electric Company (PSE Ticker: MER; 2.31%), Jollibee Foods Corporation (JFC; 1.83%), and Emperador Inc. (EMI; 1.7%). Meanwhile, PLDT Inc. (PSE Ticker: TEL; -7.17%), Semirara Mining and Power Corporation (SCC; -11.35%), and Monde Nissin Corporation (MONDE; -17.97%) were the laggards of the week.
- ✓ Key events that transpired during the week:
 - ✓ Manila Electric Co. (PSE Ticker: MER) announced that it is planning to transition some of the services provided by its electric vehicle unit eSakay, Inc. to a newly established subsidiary, Movem Electric, Inc. Meralco noted that the subsidiary's incorporation is in line with its plans to be a major player in the growing electric vehicle industry.
 - ✓ ACEN Corporation (PSE Ticker: ACEN) affirmed its commitment to transition its power generation portfolio to 100% renewable energy by 2025. The company outlined its "robust net zero roadmap" that includes the company's plans and target for near term and long-term emission reductions.

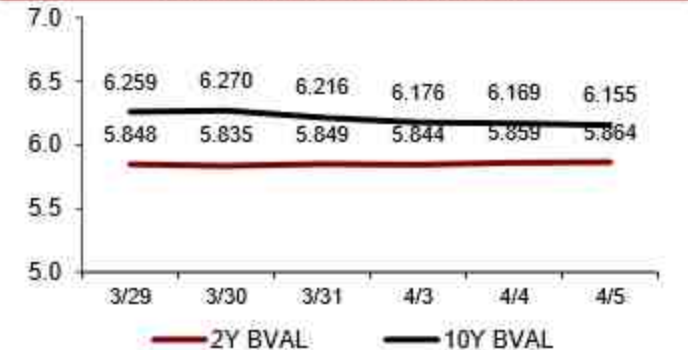
PSEi Snapshot



PSEi Top/Bottom Performers



Local Bond Market Movements



- ✓ Local fixed income yields fell as March inflation figures cooled more than expected. March inflation decelerated to 7.8%, below market expectations of 8.0%. On average, yields fell by 3.39 bps WoW with the 10Y closing at 6.16% (-10.41 bps).
- ✓ Key events that happened during the week:
 - ✓ The Philippine Statistics Authority reported that March inflation decelerated to 7.8% in Feb and also below market consensus of 8.0%. Food inflation led the downtrend decelerating to 8.3% in Mar from 10.8% in Feb. Transportation price inflation also decelerated to 5.3% from 9.0% in Feb amid lower oil prices. Finally, housing & utilities price inflation decelerated to 7.6% from 8.8% with slower price increases in LPG & electricity. Inflation is at 8.3% YTD.
 - ✓ Finance Secretary Diokno believes that it is too early to assess the impact of the recent oil production cuts from OPEC+. He believes that OPEC+ countries cut oil production by 1.18 million barrels per day in anticipation of lower demand. The latest economic outlook from the BSP shows that every \$10 hike in Dubai crude would raise full-year inflation by 10-40 bps.
- ✓ The Philippine peso slightly weakened as investors focused on the local inflation data and ahead of the long weekend in observance of the Holy week and Day of Valor. The USD/PHP pair closed at 54.40 (+0.07% WoW).
- ✓ The Euro strengthened against the US Dollar which broadly fell on bets that the Fed is nearing the end of its tightening cycle as recent jobs data point to a cooling labor market. The EUR/USD pair closed at 1.09 (+0.61% WoW).

Foreign Exchange

Pair	Previous	Closing
USD/PHP	54.360	54.400
EUR/USD	1.0839	1.0905

Foreign Exchange



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