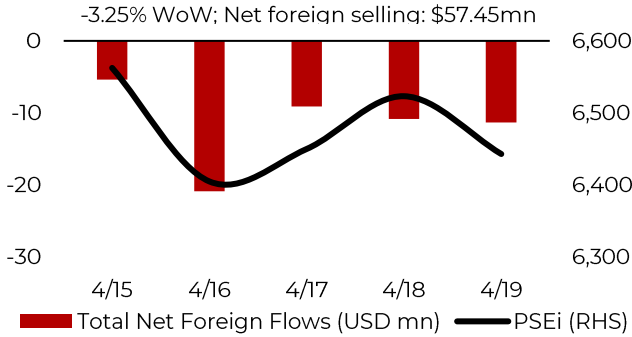


# The Weekly Review

APRIL 22, 2024

## Philippine Stock Exchange Index



	Level	WoW
PSEi	6,443.00	-3.25%
3-mo bond yield	5.87%	+9.36 bps
2-yr bond yield	6.42%	+23.81 bps
10-yr bond yield	6.89%	+21.24 bps
USDPHP	57.65	+1.98%
Oil (Brent, \$ / barrel)	87.29	-3.49%

**The local equity market fell** as escalating geopolitical tensions in the Middle East and concerns over potentially higher for longer rates from the US Federal Reserve and the Bangko Sentral ng Pilipinas (BSP) weakened investors' sentiment.

Top performers were Bank of the Philippine Islands (PSE Ticker: BPI; +4.64%), Emperador, Inc. (EMI; +4.40%), and Semirara Mining and Power Corporation (SCC; +2.39%). Meanwhile, Universal Robina Corporation (PSE Ticker: URC; -9.91%), DMCI Holdings, Inc. (DMC; -14.72%), and GT Capital Holdings, Inc. (GTCAP; -14.93%) were the laggards of the week.

▼ The PSEi closed at 6,443.00 (-3.25% WoW).

**Local fixed income yields climbed** as investors digested hawkish remarks from BSP Governor Remolona stating that rate cuts may possibly occur in 1Q25 given lingering upside risks to inflation.

▲ On average, yields rose by 14 bps, with the 2Y closing at 6.42% (+24 bps) and the 10Y closing at 6.89% (+21 bps).

**The Philippine peso weakened** on the back of risk-off sentiment driven by the escalating conflict in the Middle East and hawkish remarks from several US Fed officials.

▲ The USD/PHP pair closed at 57.65 (+1.98% WoW).

**The US stock markets ended mixed** as investors stayed on the sidelines amid the lingering Middle East conflict and potential US rate cut delays. This was also following mixed US economic data including the stronger-than-expected Philadelphia Fed Manufacturing Index in April and weaker-than-anticipated US homes sales in March.

▼ S&P 500 closed at 4,967.23 (-3.05% WoW).

▲ DJIA closed at 37,986.4 (+0.01% WoW).

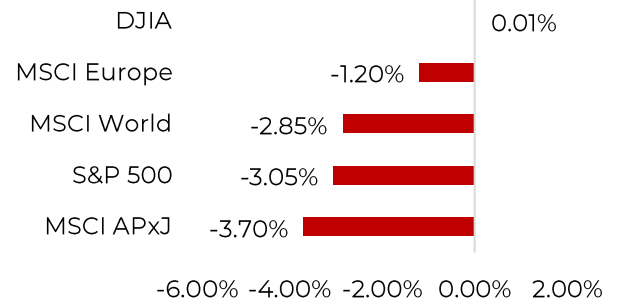
**US Treasury yields rose** following hawkish remarks from US Fed Chair Powell saying that the Fed can maintain the current level of restriction for as long as needed. Investors also weighed the stronger-than-expected US manufacturing data, which tempered the market's expectations over the timing and depth of rate cuts.

▲ On average, yields rose by 8 bps, with the 2Y closing at 4.99% (+9 bps) and the 10Y closing at 4.62% (+10 bps).

The **US dollar strengthened** as Federal Reserve officials maintained their hawkish rhetoric. Fed officials said that the path to 2% inflation has been difficult and continued to stress the need for tight monetary policy.

▲ The DXY closed at 106.15 (+0.11% WoW).

## Global Stock Indices



	Level	WoW
S&P 500	4,967.23	-3.05%
DJIA	37,986.40	+0.01%
3-mo US Treasury yield	5.44%	+3.40 bps
2-yr US Treasury yield	4.99%	+8.70 bps
10-yr US Treasury yield	4.62%	+9.90 bps
DXY	106.15	+0.11%

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