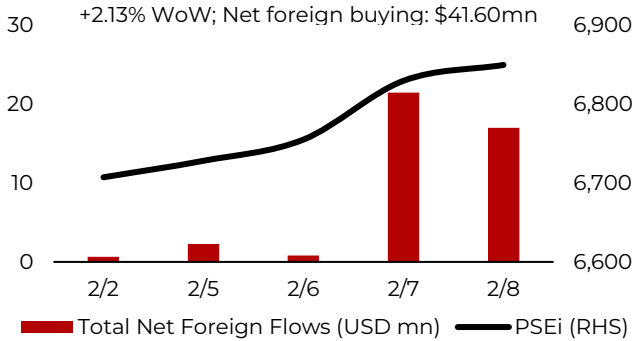


# The Weekly Review

FEBRUARY 12, 2024

## Philippine Stock Exchange Index



**The local equity market extended its winning streak** as PH inflation came in cooler-than-expected at 2.8% in January. Labor data also remained strong with the unemployment rate hitting a historic low of 3.1% in December.

Top performers were International Container Terminal Services Inc (PSE Ticker: ICT; +9.27%), Wilcon Depot Inc (WLCON; +6.50%), and Monde Nissin Corp (MONDE; +5.63%). Meanwhile, JG Summit Holdings Inc (PSE Ticker: JGS; -1.14%), Nickel Asia Corp (NIKL; -1.89%), and Bank Of The Philippine Islands (BPI; -2.33%) were the laggards of the week.

▲ The PSEi closed at 6,850.16 (+2.13% WoW).

**Local fixed income yields rose** after hawkish comments from Fed officials tempered expectations of rate cuts from the US Federal Reserve. The Bureau of the Treasury (BTr) also announced that it is planning to raise at least Php30 billion from its first retail Treasury bond offering this year.

▲ On average, yields rose by 3 bps, with the 2Y closing at 6.02% (+4 bps) and the 10Y closing at 6.20% (+5 bps).

**The Philippine peso closed flat** as investors weighed the cooling local inflation data and hawkish remarks from several Fed officials.

▼ USD/PHP pair closed at 55.91 (-0.02% WoW).

	Level	WoW
PSEi	6,850.16	+2.13%
3-mo bond yield	5.46%	+1.88 bps
2-yr bond yield	6.02%	+4.43 bps
10-yr bond yield	6.20%	+5.41 bps
USDPHP	55.911	-0.02%
Oil (Brent, \$ / barrel)	82.19	+6.28%

**The US stock markets soared to fresh highs** as market sentiment was lifted by the downward revision to the December consumer price index (CPI) inflation as well as strong corporate earnings reports. The Bureau of Labor Statistics (BLS) adjusted the month-on-month CPI inflation for December to 0.2% from the initially ▲ reported 0.3%.

▲ S&P 500 closed at 5,026.61 (+1.37% WoW).

▲ DJIA closed at 38,671.69 (+0.04% WoW).

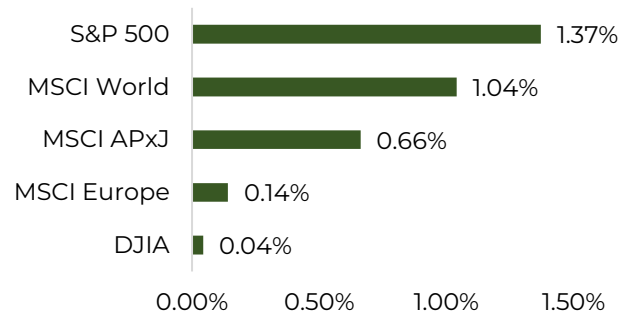
**US Treasury yields rose** amid hawkish remarks from Chairman Powell and Fed President Mester saying there is no reason to rush rate cuts. The drop in weekly jobless claims, which suggest a strong labor market, also pushed yields higher. Seasonally adjusted weekly jobless claims fell to 218,000 for the week ending February 3.

▲ On average, US Treasury yields rose by 11 bps WoW, with the 10Y closing at 4.18% (+15 bps).

The **US dollar** strengthened as the higher-than-expected labor data and hawkish remarks of some Fed officials tempered investors' expectations of early policy rate cuts.

▲ The DXY closed at 104.11 (+0.18% WoW).

## Global Stock Indices



	Level	WoW
S&P 500	5,026.61	+1.37%
DJIA	38,671.69	+0.04%
3-mo US Treasury yield	5.39%	+0.70 bps
2-yr US Treasury yield	4.48%	+11.60 bps
10-yr US Treasury yield	4.18%	+15.30 bps
DXY	104.11	+0.18%