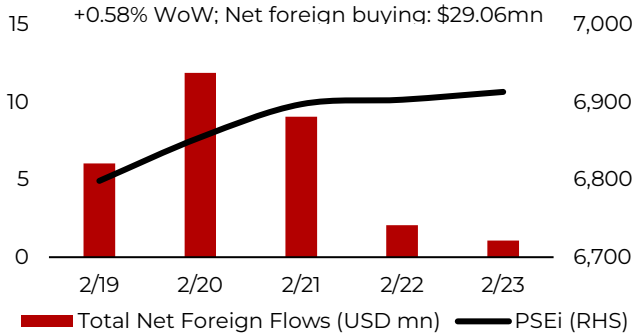


The Weekly Review

FEBRUARY 26, 2024

Philippine Stock Exchange Index



	Level	WoW
PSEi	6,913.21	+0.58%
3-mo bond yield	5.62%	+5.22 bps
2-yr bond yield	6.13%	+7.29 bps
10-yr bond yield	6.26%	+0.55 bps
USDPHP	55.90	-0.11%
Oil (Brent, \$ / barrel)	81.62	-2.22%

The local equity market rose amid investor optimism surrounding upbeat corporate earnings results in the Philippines and in the US. Higher vehicle sales in January and Moody's upward revision of the country's growth forecast to 5.8% also supported sentiment.

Top performers were Ayala Land Inc (PSE Ticker: ALI; 8.61%), GT Capital Holdings Inc (GTCAP; 5.04%), and Aboitiz Equity Ventures Inc. (AEV; 4.78%). Meanwhile, Emperador, Inc. (PSE Ticker: EMI; -4.43%), Monde Nissin Corp. (MONDE; -5.36%), and Alliance Global Group, Inc. (AGI; -5.77%) were the laggards of the week.

▲ The PSEi closed at 6,913.21 (+0.58% WoW).

Local fixed income yields rose as investors digested the faster-than-expected US producer price index (PPI) print in January and the cautious tone of US Fed officials in its latest meeting.

▲ On average, yields rose by 3 bps, with the 2Y closing at 6.13% (+7 bps) and the 10Y closing at 6.26% (+1 bps).

The Philippine peso strengthened after the BSP said it is ready to adjust the policy rate as necessary given the upside risks to inflation. The BSP highlighted that inflation may temporarily rise above 4% in April – July given the low supply of rice and corn as well as base effects.

▼ USD/PHP pair closed at 55.90 (-0.11% WoW).

The US stock markets surged to fresh highs after chip giant NVIDIA posted upbeat 4Q23 earnings and guided for a potentially strong 1Q24 amid robust demand for its chips.

- ▲ S&P 500 closed at 5,088.80 (+1.66% WoW).
- ▲ DJIA closed at 39,131.53 (+1.30% WoW).

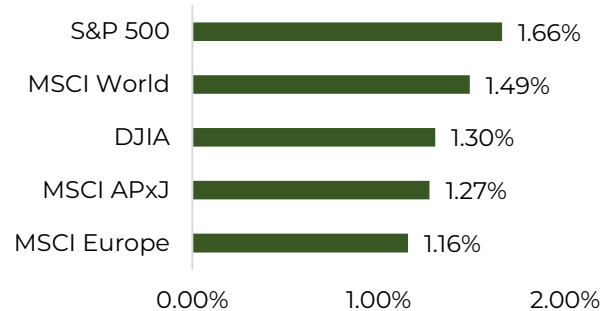
US Treasury yields inched downwards as investors weighed the latest Federal Open Market Committee (FOMC) minutes which showed members cautioning against cutting policy rates too soon.

▼ On average, US Treasury yields declined by 1 bp WoW, with the 10Y closing at 4.25% (-3 bps).

The **US dollar** weakened as investors digested the minutes of the FOMC's latest meeting, which indicated that the policy rate is likely at its peak. The market also braced for the release of the January Personal Consumption Expenditure (PCE) figures.

▼ The DXY closed at 103.94 (-0.33% WoW).

Global Stock Indices



	Level	WoW
S&P 500	5,088.80	+1.66%
DJIA	39,131.53	+1.30%
3-mo US Treasury yield	5.42%	+2.90 bps
2-yr US Treasury yield	4.69%	+5.00 bps
10-yr US Treasury yield	4.25%	-3.30 bps
DXY	103.94	-0.33%