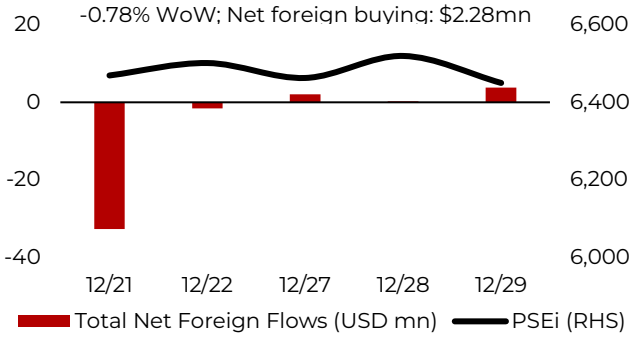


The Weekly Review

JANUARY 2, 2024

Philippine Stock Exchange Index



	Level	WoW
PSEi	6,450.04	-0.78%
3-mo bond yield	5.24%	+8.59 bps
2-yr bond yield	5.91%	-1.83 bps
10-yr bond yield	6.00%	+3.47 bps
USDPHP	55.37	-0.05%
Oil (Brent, \$ / barrel)	77.04	-2.57%

The local equity market fell amid investors' profit-taking while looking for fresh market catalysts.

Top performers were Alliance Global Group, Inc. (PSE Ticker: AGI; 15.69%), Nickel Asia Corporation (NIKLA; 8.51%), and Semirara Mining And Power Corporation (SCC; 6.70%). Meanwhile, JG Summit Holdings, Inc. (PSE Ticker: JGS; -6.27%), San Miguel Corporation (SMC; -8.02%), and Aboitiz Equity Ventures, Inc. (AEV; -11.07%) were the laggards of the week.

▼ The PSEi closed at 6,450.04 (-0.78% WoW).

Local fixed income yields were mixed but rose on average ahead of Philippine inflation data release. Yields were likely weighed by easing US core PCE inflation and employment data which supported market expectations of potential Fed rate cuts this year.

▲ On average, yields rose by 2 bps, with the 2Y closing at 5.91% (-2 bps) and the 10Y closing at 6% (+3 bps).

The Philippine peso slightly strengthened on the back of growing US Fed rate cut bets after the reported rise in the initial jobless claims last week. The peso was further supported by the seasonal rise in remittances amid the holiday season.

▼ USD/PHP pair closed at 55.37 (-0.05% WoW).

US equities rose as investors weighed the higher-than-expected initial jobless claims data. Initial jobless claims rose by 12,000 to 218,000 for the week ending December 23, higher than the estimated 210,000 claims. This signaled that the labor markets remains resilient but is gradually easing.

- ▲ S&P 500 closed at 4,769.83 (+0.32% WoW).
- ▲ DJIA closed at 37,689.54 (+0.81% WoW).

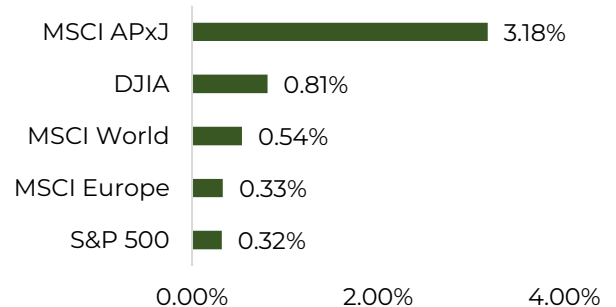
US Treasury yields declined as investors digested the higher-than-expected initial jobless claims data last week.

▼ On average, US Treasury yields fell by 3 bps WoW, with the 10Y closing at 3.88% (-2 bps).

The **US dollar** weakened as investors priced in the cooling core PCE inflation and softening labor market in the US.

▼ The DXY closed at 101.33 (-0.36% WoW).

Global Stock Indices



	Level	WoW
S&P 500	4,769.83	+0.32%
DJIA	37,689.54	+0.81%
3-mo US Treasury yield	5.36%	-3.60 bps
2-yr US Treasury yield	4.25%	-7.30 bps
10-yr US Treasury yield	3.88%	-1.60 bps
DXY	101.33	-0.36%