



**WEEKLY REVIEW
(10/09/23 – 10/13/23)**

What Happened Last Week

- US markets ended higher following flight to safety due to rising geo-political tensions and dovish Fed.
 - Safe haven demand was seen in Treasuries amid the Israel-Hamas conflict.
 - Fed speakers over the week commented on lessened need for the Fed to hike policy rates further
 - Markets largely dismissed the sticky inflation print.
 - September inflation remain sticky at +0.4% m/m driven by high energy cost.
 - October initial jobless claims steadied to 209,000 vs 210,000 estimate.
 - US import prices up 0.1% in September, weaker than 0.5% forecast.
 - the University of Michigan US consumer sentiment index came in at 63.0, lower than 67.0 estimate and September's 68.1
- Asset prices WoW changes:
 - The 10-year US Treasury yield closed lower at 4.65% from 4.80%.
 - The 10-year PHP benchmark yield closed lower at 6.55% from 6.58%.
 - PHP depreciated versus the USD at 56.81 from 56.62.
 - S&P 500 rose by 0.45% to 4,327.78.
 - The PSEi increased by 0.10% to 6,266.34

What to Expect This Week

- Israel-Hamas conflict may further elevate global oil prices. Brent crude oil price broke above \$90.
- Investors will tune to US consumer demand and jobs data to gauge if inflation remains sticky.
 - Retail sales m/m (exp. 0.3%)
 - Initial Jobless Claims (exp. 212k)
- Q3 earnings of PH companies, particularly banks may help buoy asset prices.