

WEEKLY REVIEW (12/09/24 – 12/13/24)

What Happened Last Week

- US bond prices fell as higher inflation fuelled speculations that 2025 rate cuts could be fewer than expected. Equities slightly declined due to weaker jobs data.
 - November US Producer Price Index (PPI) accelerated to 3.0% year-on-year (y/y) relative to 2.6% y/y in October.
 - November US Consumer Price Index (CPI) rose to 2.7% y/y vs. 2.6%/y/y in October.
 - Jobless Claims for the week came in at 242k, higher than 220k market estimates.
- Local bond prices remained steady as December Fed and BSP rate cut expectations seemed on track. Equities declined on weaker Philippine peso.
- Asset prices WoW
 - The 10-year US Treasury yields increased by 25 basis points (bps) to 4.40%.
 - The 10-year PHP benchmark yield slightly rose to 5.91% from 5.88%.
 - PHP depreciated from 57.74 to 58.47 against the USD.
 - S&P 500 declined by 0.64% to 6,051.09.
 - The PSEi declined by 1.67% to 6,616.51.

What to Expect This Week

- Investors will keep an eye on the December 18 Fed and December 19 BSP meetings this week.