



## WEEKLY REVIEW

(03/20/23 – 03/24/23)

### What Happened

- Asset prices closed higher week-on-week despite another rate hike from the US Federal Reserve. The 0.25% adjustment was widely anticipated. Rising recession risk on continued tightening and banking system concerns are seen to temper future rate action.
  - The BSP did a parallel 25 bps hike and reduced inflation forecasts to 6% and 2.9% for 2023 and 2024, respectively.
- Week on week:
  - The S&P 500 rose by 1.39% to 3,970.99.
  - The PSEi rose by 2.05% to 6,602.17
  - The 10-Yr US Treasury yield closed lower at 3.38% from 3.43%.
  - The 10-Yr PHP benchmark yield closed lower at 6.19% from 6.23%.
  - PHP closed stronger versus the USD at 54.35 from 54.71

### What to Expect

- Investors will tune into US GDP & Personal Consumption Expenditures (PCE) data releases this week. Low GDP and PCE prints may give the Fed more ammunition to consider a rate pivot.