

WEEKLY REVIEW (03/03/25 – 03/07/25)**What Happened Last Week**

- US bond and equity prices fell on the proverbial good news is bad news. Solid employment numbers bolstered the case for Fed to keep rates on hold in the near-term.
 - Nonfarm payrolls increased by 151,000 in February from 125,000 last month.
- Similarly, PH bond prices fell on whispers of a potential sizeable debt issue. On the other hand, local equities staged a strong rally on healthy trading volumes, Peso's strength and better-than-expected inflation data release.
 - PH inflation printed at 2.1% year-on-year (y/y) in February, below consensus estimate of 2.6% and actual 2.9% in January.
- Asset prices WoW
 - The 10-year US Treasury yields rose to 4.30% from 4.20%.
 - The 10-year PHP benchmark yield increased to 6.21% from 6.12%.
 - PHP appreciated against the USD to 57.206 from 57.995.
 - S&P 500 plunged by 3.1% to 5,770.20
 - The PSEi soared by 5.0% to 6,298.29

What to Expect This Week

- Investors shall keep an eye on key US data releases this week:
 - US February CPI is expected to print at 2.9%, slightly lower from 3.0% in January.
 - US February PPI is expected to print at 3.2%, slightly lower from 3.5% in January.
- Local bond prices are expected to remain steady this week with a slight lower bias. Local equity may see some profit-taking after a strong upsurge last week.