

## WEEKLY REVIEW (03/17/25 – 03/21/25)

### What Happened Last Week

- US bond and equity prices rose on dovish sentiments as slower growth is expected to outweigh tariff-driven inflation.
  - As expected, the Fed maintained its policy rate at 4.50%.
  - The Fed projected slower 2025 GDP from 2.1% to 1.7% and higher core inflation from 2.5% to 2.8%.
- PH bond prices traded sideways as investors anticipated a Fed's pause while equity prices were pressured by the FTSE rebalancing flows.
- Asset prices WoW changes:
  - The 10-year US Treasury yields fell to 4.25% from 4.31%.
  - The 10-year PHP benchmark yield slightly increased to 6.24% from 6.23%.
  - PHP depreciated against USD to 57.33 from 57.25.
  - S&P 500 rose by 0.5% to 5,667.56.
  - The PSEi dipped by 0.4% to 6,266.75.

### What to Expect This Week

- Local bond yield is expected to move sideways as investors await the March inflation figure.
- Local equities will likely take cue from the final batch of 4Q corporate earnings from the conglomerates, led by GT Capital and JG Summit.