

WEEKLY REVIEW (12/30/24 – 01/03/25)

What Happened Last Week

- US bonds gained while equity prices fell on mixed economic data.
 - December S&P manufacturing Purchasing Managers Index (PMI) slowed to 49.4 from 49.7 in November.
 - Weekly jobless claims came in at 211k for the week ending 28 December, lower than 221k estimate.
- Local bond yields fell with December inflation expected to bring full-year inflation firmly within BSP's target range of 2-4%. Philippine equities gained with better manufacturing data.
 - Philippine Manufacturing PMI climbed to 54.3 in December, the highest reading since November 2017.
- Asset prices WoW
 - The 10-year US Treasury yields decreased by 3 basis points to 4.60%.
 - The 10-year PHP benchmark yield fell to 6.16% from 6.18%.
 - PHP depreciated from 57.845 to 58.22 against the USD.
 - S&P 500 fell 0.5% to 5,942.4.
 - The PSEi increased by 1.1% to 6,603.81.

What to Expect This Week

- Investors will keep an eye on key US labor data releases this week:
 - November Job Openings and Labor Turnover Survey (JOLTS) expectations of 7.75m (vs 7.74m in October)
 - Expected December Nonfarm Payroll at 160k, lower than 227k in November.
 - December Unemployment Rate is anticipated at 4.2%, unchanged from prior month.
- Locally, December Consumer Price Index (CPI) is estimated at 2.6%.