

WEEKLY REVIEW (07/22/24 – 07/26/24)**What Happened Last Week**

- US bond prices increased as economic data supported a rate cut in the coming months. Meanwhile, US equities closed lower as investors dropped big tech stocks. Markets continued to react on government's intention to tighten export policies with China.
 - June Core Personal Consumption Expenditures (PCE) rose 2.6% year-on-year (y/y), same as the previous period.
 - S&P Manufacturing Purchasing Manager's Index (PMI) slowed to 49.5 in June relative to 51.6 estimate.
 - 2Q Real GDP rose 2.8% quarter-on-quarter (q/q), higher than previous period's +1.4%.
- Local bond and equity prices fell as Typhoon Gaemi (Carina) disrupted market activities.
- Asset prices WoW
 - The 10-year US Treasury yields fell by 4 basis points to 4.20%.
 - The 10-year PHP benchmark yield rose to 6.24% from 6.27%.
 - PHP slightly depreciated to 58.35 from 58.34 against USD.
 - S&P 500 dipped by 0.83% to 5,459.10.
 - The PSEi declined by 0.97% to 6,726.01.

What to Expect This Week

- Key labor market data and monetary policy meeting are expected this week.
 - July Change in Nonfarm Payrolls at 178,000, lower than previous month's 206,000.
 - July Unemployment Rate to remain 4.1% from June.
 - Fed policy rate to stay unchanged at 5.50%.