



ASIASEC EQUITIES, INC.

Market Wrap

Wednesday, Nov 17, 2021

Biden, Xi summit

US President Biden and President Xi Jinping of China met in a virtual summit as they seek to engage in what many call “intense competition” while preventing serious conflict. Since becoming president, Biden had previously spoken twice with Xi, but they have not met in person this year. Administration officials said the virtual meeting was meant to reassure both sides that misunderstandings and miscommunications would not lead to unintended clashes. A senior US official said Biden would emphasize the need to keep “communication lines open” as the two countries confront disagreements over issues like the future of Taiwan, the militarization of the South China Sea and cybersecurity. Biden has repeatedly suggested that it should be possible to avoid active military engagement with China, even as the US engages in competition with Beijing and continues to confront the Chinese leadership on several significant issues. Xi also intended to raise other issues, such as tariffs on Chinese goods or the recent US deal to provide nuclear submarines to Australia. Former US President Barack Obama tried a similar balancing act with the Chinese, securing a commitment from Xi to avoid militarizing the South China Sea — a threat to international travel through the area — and to reduce cyber-conflicts between the two countries. Since then, China has built up its military presence in the South China Sea.

PHL has raised an initial P113.545bn in five-and-a-half-year retail Treasury bonds (RTBs), as it seeks more funds for its post-pandemic recovery measures. At the rate-setting auction, tenders reached P165.033bn, more than five times the initial offer of P30bn. The retail Treasury bonds fetched a coupon rate of 4.625%. This is slightly lower than the 4.750% coupon rate for the recently re-issued Treasury bonds that are also set to fall due in 2027. The RTBs’ coupon rate is within the range seen at the secondary market on Monday.

Local shares ended lower mid-week as investors followed the regional trend today. The PSEi fell 0.24% to 7,349.82 on value turnover of P7.5bn with net foreign activity ending with a buying bias of P184mn. MONDE led the most active as it bucked the weakness to rise 2.7% to P18.12, still increasing following the news last week of its inclusion in the MSCI index. We think the counter’s investor profile will continue to grow as it is poised to be included in other indices being tracked by fund managers (i.e. FTSE, PSEi). MONDE was the country’s biggest IPO ever, and was only listed in June this year. Leading the drop for the market today include telecom shares CNVRG (P34, -4.8%), TEL (1708, -2.4%), and DITO (5.60, -5.9%). The latter dropped after posting a 9M21 net loss of P2.8bn mainly due to operating charges associated with the rollout of DitoTel. We expect the company to be in the red because of the capex-intensive nature of the business.

Top Foreign Buys- AC (P87M), ACEN (104M), MONDE (151M)

Top Foreign Sells- ALI (93M), URC (79M)

Daily Advances & Declines

Day	Mon	Tue	Wed	Thu	Fri
PSEi	7,342.37	7,367.42	7,349.82		
Change in PSEi	-40.47	+25.05	-17.60		
Cumulative change	-40.47	-15.42	-33.02		
Value turnover (Pm)	7,956	9,518.7	7,456.8		
Issues traded	237	247	246		
Advances	71	88	101		
Declines	124	113	87		
Unchanged	42	46	58		
Net advances	-53	-25	+14		
Cumulative net advances	-53	-78	-64		
Net Foreign Buying/ (Selling) (Pm)	(342.4)	863	183.9		

Top Ten Actives	Close	% Change	Value (PhPmn)
MONDE	18.12	-2.72	990.98
CNVRG	34.00	-4.76	570.49
TEL	1708.00	-2.40	482.30
SGP	15.76	-1.01	461.82
ACEN	12.00	-0.66	364.30
AC	903.00	+1.46	297.46
ALI	36.00	-0.83	246.69
SM	975.00	-2.30	203.03
URC	133.00	+0.45	185.25
SMPH	36.00	-1.10	179.01

Asian Markets			Asian Currencies		
	Last	% Change	Last	% Change	
Japan	29703.27	-0.35	Yen	114.87	-0.04
Hongkong	25595.19	-0.46	HK\$	7.76	0.00
Singapore	3229.25	-0.29	Sing\$	1.3585	-0.12
Philippines	7349.82	-0.24	Peso	50.40	+0.01
Malaysia	1521.99	-0.06	Ringgit	4.1778	-0.28
Thailand	1661.25	-0.37	Baht	32.78	-0.07
Indonesia	6660.543	+0.14	Rupiah	14260	-0.27
Australia	7366.500	-0.73	Aus\$	0.7283	-0.27
Korea	2970.57	-0.89	Won	1185.20	-0.10

Peso/Dollar Update

PDS Weighted Ave.	50.397	High	50.47
Change	+0.01 %	Low	50.34
Volume	806.4mln	Close	50.40

As of 2pm

Overnight Foreign Quote

	Close	Change
Dow Jones	36142.22	+54.77
NASDAQ	15973.86	+120.01
S&P 500	4700.90	+18.10
PHI (PLDT-US)	US\$34.66 (P1746.86)	+\$0.58
Manulife (MFC-US)	US\$20.54 (P1035.22)	+\$0.65
Sun Life (SLC-US)	US\$56.22 (P2833.49)	\$0.00
NY Gold Spot	US\$1855.80	+\$5.10
NY Copper	US\$436.80	+\$0.90
LME Nickel	\$19390	-\$200
LME Nickel WH Level	127818	-0.82%
Nymex	\$80.09	-\$0.67
Crude (Dubai)	\$81.67	+\$0.26

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