

## Market Wrap

Monday, Oct 7, 2024

### PSEi moves past 7,500

Bank lending grew at its quickest pace in nearly two years in August as businesses regained their appetite for loans as central bank has begun with their monetary easing. Latest data from the BSP showed outstanding loans of big banks, excluding their lending with each other, grew 10.7% year-on-year in August to P12.25TN. That increase was faster than the 10.4% annual growth recorded in July. This was also the highest growth since December 2022. Credit for businesses, which accounts for 85.5% of total outstanding loans of big banks, jumped 9.4% in August. Such an increase was driven by larger demand for loans from companies engaged in real estate (+13.2%), wholesale and retail trade (+10.7), manufacturing (+9.8), and transportation and storage (+23.4). Meanwhile, consumer loans posted a robust growth rate of 23.7%, albeit slower than the 24.3% uptick in July.

On the political side, reports indicated that PBBM may appoint Cavite Governor Jonvic Remulla as the next DILG Secretary, replacing Sec. Abalos who is running for Senator in next year's mid-term elections. If this happens, Remulla will join his brother (Justice Secretary Jesus Remulla) in the Cabinet. The Remullas have been long-time kingpins of the province of Cavite, which delivered an over-whelming number of votes for PBBM in the 2022 elections. Jonvic is on his second term as Governor.

Local shares continued to rise, breaking past the 7,500-level today on the strength of buying of Ayala stocks as well as regional markets also trading strongly. The PSEi increased 1.2% to 7,554.68 on value turnover of P7.9bn. NFB reached P1.36bn. Leading the most active was AC, which was up 3.5% to P740, while ALI gained 3.4% to P38.25. GLO increased 2.5% to P2460. GLO sees data center as the next battleground in the sector. The country's major ISPs are keen on expanding their data center businesses as they embark on making the PHL the hub of the ASEAN region. There is strong demand for data centers from hyper-scalers, CDNs, government, etc. The expansion should be rampant since the cost of putting up a data center is seen to go up (about 6x more) by 2030 due to presence of AI. We also continue to rate CNVRG (17.10, +5%) a Strong Buy. Another significant mover today was PGOLD, which surged 8.5% to P33.85. Meantime, the so-called 3<sup>rd</sup> telecom's parent DITO (1.90, +0.5%) is moving forward with its plan to issue P4.2bn in preferred shares next month. BDO Capital, its underwriter, said they are presently talking with a foreign fund to become its cornerstone investor. DITO had previously postponed the offering at the request of potential investors seeking additional time to evaluate the opportunity. The share sale has already received the green light from SEC and PSE. CEB also moved up 2.1% to P35.80 as the company had successfully acquired the Ayala's AirSwift for P1.75bn.

### Daily Advances & Declines

Day	Mon	Tue	Wed	Thu	Fri
PSEi	<b>7,554.68</b>				
Change in PSEi	<b>+86.76</b>				
Cumulative change	<b>+86.76</b>				
Value turnover (Pm)	<b>7,873.4</b>				
Issues traded	<b>257</b>				
Advances	<b>129</b>				
Declines	<b>79</b>				
Unchanged	<b>49</b>				
Net advances	<b>+50</b>				
Cumulative net advances	<b>+50</b>				
Net Foreign Buying/ (Selling) (Pm)	<b>1,355.3</b>				

Top Ten Actives	Close	% Change	Value (PhPmn)
AC	740.00	+3.50	852.36
ICT	429.00	+2.14	518.92
SM	1000.00	+0.50	490.24
BDO	160.00	+1.27	462.11
MBT	79.10	-1.62	409.33
ALI	38.25	+3.38	324.67
JFC	275.00	+2.08	322.27
GLO	2460.00	+2.50	314.70
PGOLD	33.85	+8.49	300.32
BPI	142.40	-1.66	287.70

Asian Markets			Asian Currencies		
	Last	% Change		Last	% Change
Japan	39415.66	+2.02	Yen	148.58	-0.08
Hongkong	23017.92	+1.24	HK\$	7.80	0.00
Singapore	3595.98	+0.19	Sing\$	1.3049	+0.03
Philippines	7554.68	+1.16	Peso	56.70	+0.75
Malaysia	1634.22	+0.26	Ringgit	4.2753	+0.32
Thailand	1448.54	+0.30	Baht	33.46	+0.45
Indonesia	7500.130	+0.05	Rupiah	15676	+1.23
Korea	2604.95	+1.37	Won	1347.54	-0.18
Australia	8205.40	+0.68	Euro	1.0966	-0.07

Peso/Dollar Update			
PDS Weighted Ave.	56.642	High	56.765
Change	+0.75 %	Low	56.58
Volume	747mln	Last	56.70

*As of 3pm*

Overnight Foreign Quote	Close	Change
Dow Jones	42852.75	+341.16
NASDAQ	18137.85	+219.38
S&P 500	5751.07	+51.13
PHI (PLDT-US)	US\$27.58 (P1563.79)	+\$0.27
Manulife (MFC-US)	US\$30.24 (P1714.61)	+\$0.62
Sun Life (SLC-US)	US\$58.31 (P3306.18)	+\$0.72
NY Gold Spot	US\$2646.60	-\$7.00
NY Copper	US\$457.70	+\$0.20
LME Nickel	\$17990	+\$400
LME Nickel WH Level	151952	+0.58%
Nymex	\$74.18	-\$0.20
Crude (Dubai)	\$77.82	+\$3.24