

Market Wrap

Tuesday, Oct 8, 2024

Faster GDP growth considered

The PHL job market showed improvement as the unemployment rate fell in August while the underemployment rate also decreased. The jobless rate fell to 4.0% in August from 4.7% in July and was also lower than the 4.4% clip registered in August last year. This meant that 2.07mn Filipino workers were unemployed, down from 2.38mn in July. The underemployment rate meanwhile fell to 11.2% in August from 12.1% in July.

With the recent slowdown of inflation, the PHL economy could grow at a faster pace than the 6-7% expansion targeted by the government this year, warranting a possible upgrade. This was the view of Budget Secretary Amenah Pangandaman, who indicated that the inter-agency DBCC is considering a higher GDP number for 2024. Pangandaman said that the softer inflation rate meant that the current economic reforms and interventions, such as tariff adjustments, have contributed to favorable outcomes. Once finalized, the budget chief said that there would be an off-cycle DBCC meeting this quarter particularly because the national budget for 2025 was expected to be passed soon. She noted that to accomplish this goal, they are carefully reviewing the expenditures and utilization of resources by national government agencies. Government data show that the cash utilization rate of the bureaucracy reached 95% from January to August.

PHL stocks ended lower for the first time in 3 trading sessions as investors took some profits following the PSEi reaching its highest close yesterday since the pandemic. The main index reached 7,537.25, down by 0.23%, on value turnover of P7.4bn. Net foreign activity still had a buying bias of P428mn. SMPH (P32.40, -1.8%) topped the most active but ALI plunged more at -4.8% to P36.40. MEG (2.21, 0%) has appointed Kevin Tan as its new executive director, replacing his mother Katherine Tan. Prior to his appointment, Kevin was EVP and Chief Strategy Officer. Kevin is also CEO of AGI (9.66, 0%), the holding company of the Andrew Tan family. He is also serving as CEO of MREIT (13.48, -0.44%). Following the retirement of longtime executive Kingson Sian, Kevin had been taking over much of the responsibility within the Tan group. CNVRG (16.72, -2.2%) CEO Dennis Anthony Uy has submitted an unsolicited proposal to take over the operations of the country's communications, navigation, and surveillance/air traffic management system (CNS/ATM). According to news reports, no less than Transportation Secretary Jaime Bautista disclosed this development. The present CNS/ATM has been in operation for the past 15 years and thus needs upgrading. CEB (36.10, +0.8%) will now be including El Nido (Palawan) in its flight routes following the acquisition of AirSwift. El Nido is a popular tourist destination and the development will further add to CEB's domestic network.

Daily Advances & Declines

Day	Mon	Tue	Wed	Thu	Fri
PSEi	7,554.68	7,537.25			
Change in PSEi	+86.76	-17.43			
Cumulative change	+86.76	+69.33			
Value turnover (Pm)	7,873.4	7,393.8			
Issues traded	257	260			
Advances	129	109			
Declines	79	97			
Unchanged	49	54			
Net advances	+50	+12			
Cumulative net advances	+50	+62			
Net Foreign Buying/ (Selling) (Pm)	1,355.3	428.1			

Top Ten Actives	Close	% Change	Value (PhPmn)
SMPH	32.40	-1.82	754.54
BDO	161.60	+1.00	672.22
ICT	438.00	+2.10	523.32
ALI	36.40	-4.84	397.58
SM	998.00	-0.20	331.46
AC	737.00	-0.41	321.77
BPI	143.00	+0.42	313.77
MBT	80.00	+1.14	233.89
PLUS	21.90	+3.79	214.78
MER	489.00	+2.95	164.20

Asian Markets			Asian Currencies		
	Last	% Change		Last	% Change
Japan	38937.54	-1.00	Yen	147.94	-0.16
Hongkong	21405.84	-7.33	HK\$	7.80	0.00
Singapore	3596.55	-0.07	Sing\$	1.304	0.00
Philippines	7537.25	-0.23	Peso	56.84	+0.09
Malaysia	1632.69	-0.16	Ringgit	4.2913	+0.16
Thailand	1453.80	+0.11	Baht	33.55	+0.23
Indonesia	7532.250	+0.37	Rupiah	15668	+0.09
Korea	2595.01	-0.59	Won	1348.63	+0.31
Australia	8176.90	-0.35	Euro	1.0984	+0.07

Peso/Dollar Update			
PDS Weighted Ave.	56.828	High	56.91
Change	+0.09 %	Low	56.72
Volume	1.39B	Last	56.84

As of 3pm

Overnight Foreign Quote		
	Close	Change
Dow Jones	41954.24	-398.51
NASDAQ	17923.91	-213.94
S&P 500	5695.94	-55.13
PHI (PLDT-US)	US\$27.30 (P1550.64)	-\$0.28
Manulife (MFC-US)	US\$29.89 (P1697.75)	-\$0.35
Sun Life (SLC-US)	US\$57.53 (P3267.70)	-\$0.78
NY Gold Spot	US\$2643.00	+\$0.40
NY Copper	US\$446.00	-\$10.70
LME Nickel	\$18050	+\$60
LME Nickel WH Level	131856	-0.73%
Nymex	\$75.96	-\$1.19
Crude (Dubai)	\$79.45	+\$1.63