🖗 **BPI** WEALTH

November 4, 2024

The Weekly Review

Philippine Stock Exchange Index -2.34% WoW; Net foreign selling: \$52.97mn 7,500 10 7.400 0 7,300 -10 7,200 -20 7.100 -30 10/30 10/31 10/25 10/28 10/29 Total Net Foreign Flows (USD mn) PSEi (RHS) WoW Level PSEi 7,142.96 -2.34% 3-mo bond yield +12.88 bps 5.33% 2-yr bond yield 5.64% +5.50 bps 10-yr bond yield 5.88% +4.92 bps

Local equities fell as market sentiment was weighed down by the weakening of the Philippine peso and the uncertainties from the US presidential elections. Investors also digested the initial batch of 3Q24 corporate earnings results, which showed resilient earnings.

Top performers were Century Pacific Food, Inc. (PSE Ticker: CNPF; +2.69%), LT Group, Inc. (LTG; +2.59%), and Nickel Asia Corporation (NIKL; +2.09%). Meanwhile, BDO Unibank, Inc. (PSE Ticker: BDO; -4.32%), Globe Telecom, Inc. (GLO; -5.63%), and Ayala Land, Inc. (ALI; -6.03%) were the laggards of the week.

▼ The PSEi closed at 7,142.96 (-2.34% WoW).

Local fixed income yields rose as investors weighed the Bangko Sentral ng Pilipinas' (BSP) forecast that October local inflation likely accelerated to a range of 2.0% to 2.8%. The market also took a cautious stance ahead of the US elections.

 \blacktriangle On average, yields rose by 6 bps, with the 2Y closing at 5.64% (+6 bps) and the 10Y closing at 5.88% (+5 bps).

The Philippine peso strengthened amid cautious trading ahead of the US presidential elections and the release of the Philippine 3Q24 GDP growth and October local headline inflation reports this week.

▼ The USD/PHP pair closed at 58.10 (-0.38% WoW).

US equities fell as the market digested the US' Gross Domestic Product (GDP) print which grew at an annualized rate of 2.8% in 3Q24, slower than 3.0% in 2Q24 and below market consensus of 2.9%. Investors also weighed a fresh batch of third quarter earnings results of megacap companies.

-0.38%

-3.88%

58.10

73.10

- ▼ S&P 500 closed at 5,728.80 (-1.37% WoW).
- ▼ DJIA closed at 42,052.19 (-0.15% WoW).

USDPHP

Oil (Brent, \$ / barrel)

US Treasury yields rose as investors digested the faster-thanexpected core Personal Consumption Expenditures (PCE) inflation data of 2.7% YoY in September. This was also after the strongerthan-expected ADP private payrolls of 233,000 and steady unemployment rate of 4.1% in October reinforced the US labor market's resilience.

▲ On average, yields rose by 7 bps, with the 2Y closing at 4.21% (+10 bps) and the 10Y closing at 4.39% (+14 bps).

The **US dollar closed flat** as traders remained cautious ahead of the November US presidential elections. The market also weighed mixed October jobs reports and the improved consumer confidence in October.

▲ The DXY closed at 104.28 (+0.02% WoW).



This material, which is strictly for information purposes only, is for your sole use, does not constitute a recommendation or an offer to sell or a solicitation to buy any financial product. Any information is subject to change without notice and BPI Wealth is not under any obligation to update or keep current the information contained herein. You are advised to make your own independent judgment with respect to the matter contained in this document. No liability whatsoever is accepted for any loss that may arise (whether direct or consequential) from any use of the information contained herein.

All funds managed by BPI Wealth are Trust and/or Investment Management Funds, which do not carry any guarantee of income or principal, and are NOT covered by the Philippine Deposit Insurance Corporation. Past performance is not a guarantee of future results. BPI Wealth Investment Funds are valued daily using the marked-to-market method.