

STOCK MARKET	ASIAN MARKETS	WORLD MARKETS	PESO-DOLLAR RATES	ASIAN MONIES-US\$ RATE	WORLD CURRENCIES	DUBAI CRUDE OIL
<b>STOCK MARKET</b> <b>PSEi</b> 6400 6250 6100 5950 5800 5650 11.79 pts. 0.19% 30 DAYS TO OCTOBER 31, 2023	<b>ASIAN MARKETS</b> OCTOBER 31, 2023 JAPAN (NIKKEI 225) 30,858.85 ▲ 161.89 0.53 HONG KONG (HANG SENG) 17,112.48 ▼ -293.88 -1.69 TAIWAN (WEIGHTED) 16,001.27 ▼ -148.41 -0.92 THAILAND (SET INDEX) 1,381.83 ▼ -14.02 -1.00 S.KOREA (KSE COMPOSITE) 2,277.99 ▼ -32.56 -1.41 SINGAPORE (STRAITS TIMES) 3,067.74 ▲ 3.45 0.11 SYDNEY (ALL ORDINARIES) 6,780.70 ▲ 7.80 0.12 MALAYSIA (KLSE COMPOSITE) 1,442.14 ▲ 2.94 0.20	<b>WORLD MARKETS</b> OCTOBER 30, 2023 Dow Jones 32,928.960 ▲ 511.370 NASDAQ 12,789.483 ▲ 146.472 S&P 500 4,166.820 ▲ 49.450 FTSE 100 7,327.390 ▲ 36.110 EURO Stoxx50 3,802.970 ▲ 19.240	<b>PESO-DOLLAR RATES</b> <b>FX</b> 06.05 06.07 06.09 06.11 06.13 06.15 22.50 CTVS 30 DAYS TO OCTOBER 31, 2023 SOURCE : BAP	<b>ASIAN MONIES-US\$ RATE</b> OCTOBER 31, 2023 LATEST BID (0900GMT) PREVIOUS JAPAN (YEN) 150.420 ▼ 149.590 HONG KONG (HK DOLLAR) 7.824 ▼ 7.821 TAIWAN (NT DOLLAR) 32.423 ▼ 32.393 THAILAND (BAHT) 35.920 ▲ 35.960 S. KOREA (WON) 1,347.940 ▲ 1,349.260 SINGAPORE (DOLLAR) 1.365 ▲ 1.367 INDONESIA (RUPIAH) 15,880 ▲ 15,885 MALAYSIA (RINGGIT) 4.762 ▲ 4.763	<b>WORLD CURRENCIES</b> OCTOBER 31, 2023 US\$/UK POUND 1.2181 ▲ 1.2130 US\$/EURO 1.0642 ▲ 1.0575 US\$/AUSTRALIAN DOLLAR 0.6372 ▲ 0.6365 CANADA DOLLAR/US\$ 1.3813 ▼ 1.3851 SWISS FRANC/US\$ 0.9021 ▼ 0.9024	<b>DUBAI CRUDE OIL</b> FUTURES PRICE ON NEAREST MONTH OF DELIVERY <b>\$89.05/BBL</b> 98.00 96.00 94.00 92.00 90.00 \$0.70 30 DAYS TO OCTOBER 30, 2023

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PHILIPPINE STOCK EXCHANGE'S 10 MOST ACTIVE STOCKS BY VALUE TURNOVER • OCTOBER 31, 2023 (PSEi snapshot on S1/2; article on S2/2)

BDO P127.500 Value P455,548,106 -P1.000 ▼ -0.778%	BPI P100.500 Value P406,097,391 ▲ 1.618%	ALI P27.850 Value P390,582,395 ▲ 3.918%	ICT P201.200 Value P292,531,354 ▲ 0.852%	JFC P205.000 Value P275,586,876 ▼ -P4.200 ▼ -2.008%	SM P801.000 Value P232,689,880 ▼ -P4.500 ▼ -0.559%	URC P109.300 Value P144,182,975 ▼ -P0.700 ▼ -0.636%	MER P355.000 Value P118,122,280 ▲ 0.795%	AC P605.500 Value P107,265,320 ▲ 0.415%	SM P30.000 Value P250,143,045 0.000%
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## Outstanding debt slips to P14.27T

By Luisa Maria Jacinta C. Jocson Reporter

THE NATIONAL Government's (NG) outstanding debt slipped to P14.27 trillion as of end-September due to the net redemption of foreign and domestic debt, the Bureau of the Treasury (BTr) said.

Data from the BTr showed that outstanding debt dipped by

0.6% from P14.35 trillion as of end-August.

"The amount underscores a decline of P80.9 billion or 0.6% from the previous month's level primarily due to net repayments of both domestic and external obligations for the month," the BTr said in a press statement on Tuesday.

Year on year, NG debt stock rose by 5.6% from P13.52 trillion.

Outstanding debt increased by 6.3% from P13.42

trillion as of end-December 2022.

The bulk or 68.2% of the NG's debt portfolio came from domestic sources.

Domestic borrowings went down by 0.6% to P9.73 trillion as of end-September from P9.79 trillion a month earlier due to the net redemption of government securities.

Year on year, domestic debt went up by 4.7% from P9.3 trillion in the same period a year ago.

The domestic debt mix consisted almost entirely of government securities in the nine-month period.

"Domestic debt issuance for the month totaled P121.1 billion while redemption amounted to P177.9 billion, resulting in a net repayment of P56.8 billion," the BTr said.

"Local currency depreciation against the US dollar had minimal effect on debt stock valua-

tion at only P0.01 billion," it added.

Data from the Treasury showed that the peso closed at P56.66 against the dollar as of end-September, weakening by just 0.02% from P56.651 as of end-August.

Meanwhile, foreign debt dipped by 0.5% to P4.53 trillion at end-September from P4.56 trillion in the prior month due to "favorable third-currency fluctua-

tions and net repayment of foreign loans."

"The outstanding external debt for September was reduced by P8 billion due to the net repayment of foreign loans and P1.9 billion from the depreciation of third currencies against the US dollar. Meanwhile, peso depreciation against the US dollar added P0.7 billion," the BTr said.

Debt, SI/9

## Rate hikes expected to impact growth more than inflation — analysts

FURTHER MONETARY POLICY tightening by the Bangko Sentral ng Pilipinas (BSP) will likely slow down economic growth more than it will tame inflation, analysts said.

ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said market players are aware that rate hikes at this stage will not address supply-side inflation.

"BSP has at its disposal monetary tools and thus has no ability to fend off price pressures from supply-side factors. In a sense, BSP lacks the precision strike capability on inflation and must do so indirectly by slowing capital formation which would have a knock-on effect on growth," he said in a note.

In an off-cycle move last week, the Monetary Board raised borrowing costs by 25 basis points (bps) bringing the benchmark interest rate to 6.5% — the highest since May 2007.

The BSP has raised interest rates by 450 bps since May 2022 to fight stubborn inflation.

Mr. Mapa said the off cycle move reflects the BSP's concern for the inflation path next year. The BSP sees average inflation to 5.8% for 2023, before easing to 3.5% in 2024 and 3.4% in 2025.

"We can see that economic growth is the collateral damage in this whole exercise where BSP will have little choice but to target growth, in a bid to slow economic activity enough to snuff out whatever is left of demand side pressures," he said.

The Philippine economy expanded by 4.3% in the second quarter, the slowest growth in two years. For the first half, gross domestic product (GDP) growth averaged 5.3%, still below the government's 6-7% target band for 2023.

Rate hikes, SI/9

## China slump turns Oct. into worst month for Asia IPOs since 2019

INITIAL PUBLIC OFFERING (IPO) proceeds in Asia-Pacific slumped to the lowest in at least four years in October, hit mainly by slower capital-raising in mainland China.

Companies and their shareholders across the region raised about \$3.89 billion through IPOs since the end of September, Bloomberg-compiled data showed. That's a drop of 40% versus the same period last year, and the lowest monthly amount since February 2019.

Fundraising through new share sales in Shenzhen, Shanghai and Beijing combined plunged by 71% to \$1.1 billion in October from a year ago, the data showed. While China was one of the busiest corners in the world for listings last year, activity has slumped as the nation's appeal fades amid fears of an economic slowdown.

Beijing is also seeking to slow new offerings to boost liquidity in the secondary market and regulators pledged earlier this year to maintain equilibrium in IPO and refinancing activities. Some 279 companies began trading in mainland bourses this year, versus 339 over the same period of 2022, the data showed.

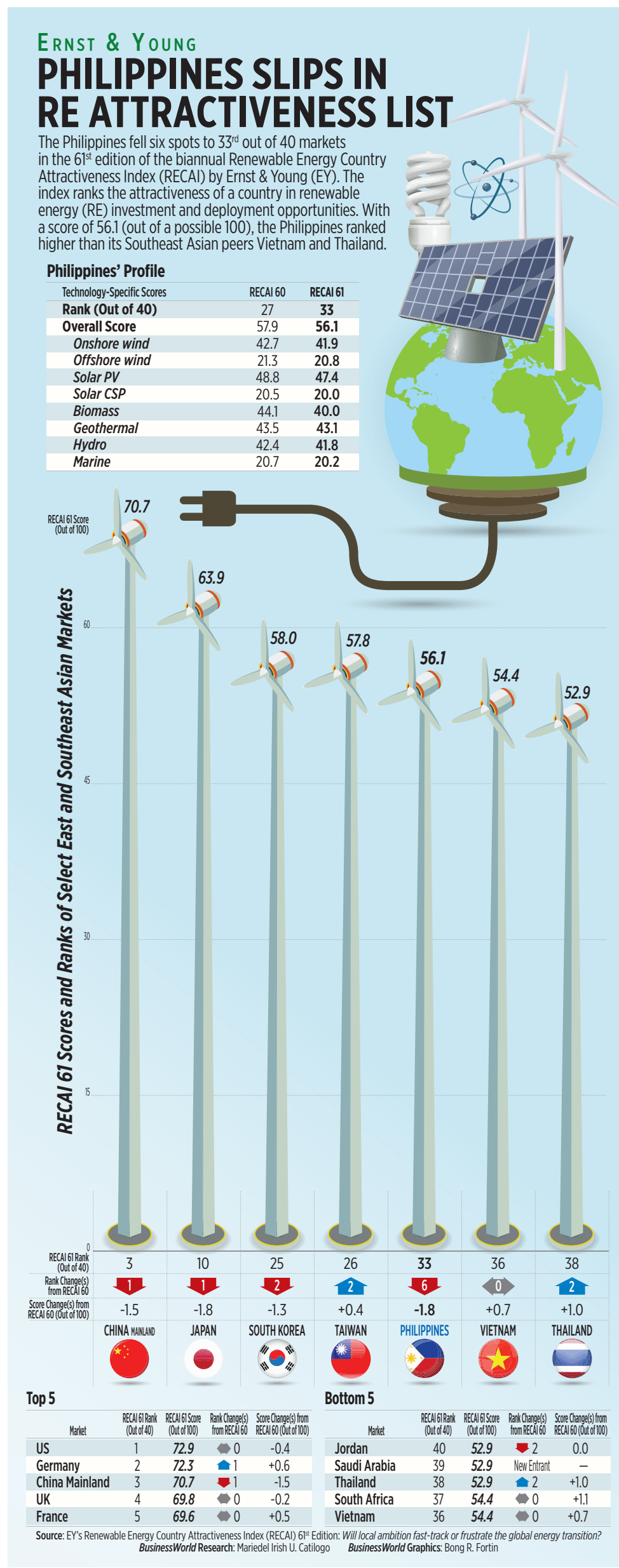
Chinese IPOs used to outperform newcomers within the region but lately have been trailing other Asian markets. New emerging market mandates that exclude China stocks reached a record this year, and global funds have cut their positioning in the country to the lowest since 2020.

In Hong Kong, where it is easier for foreign investors to participate in new share sales, IPO proceeds in October stood at \$778 million, the second highest for the year. Still, total proceeds so far in 2023 are down 64% from the previous year and there are fewer jumbo deals.

Five companies are due to debut in Hong Kong over the next two weeks, but none of them is larger than \$100 million.

To be sure, some Asian markets such as India and South Korea remained active this month, but average deal sizes are smaller than last year. And choppy markets have claimed some casualties.

Last week, Seoul Guarantee Insurance Co. withdrew a plan to list in South Korea as it was unable to get an "appropriate valuation." It was expected to be the country's second biggest this year, and the first insurer in Seoul since 2020. — Bloomberg



## Philippine motor vehicle production second fastest in ASEAN in September

PHILIPPINE MOTOR VEHICLE production increased by 23% in September, the second fastest among six Association of Southeast Asian Nations (ASEAN) members, data showed.

Data from the ASEAN Automotive Federation (AAF) showed 10,822 motor vehicles were assembled in the Philippines in September, up by 23% from the 8,800 units produced a year ago.

Myanmar posted the fastest growth in motor vehicle production in ASEAN, surging 23 times to 206 units from nine units a year ago.

Malaysia, Thailand, Indonesia and Vietnam all posted a contraction in motor vehicle output in September.

Malaysia saw a 0.4% drop in production to 69,133 motor vehicles, while Thailand's output declined by 8.4% to 164,093 motor vehicles.

Vehicle production in Indonesia dropped by 23.8% to 110,401, while Vietnam's output fell by 24% to 14,596.

In September, AAF data showed the region saw a 12.4% decline in motor vehicle production to 369,251.

For the January-to-September period, the Philippines posted the fastest growth in motor vehicle output at 33.3% to 84,929 units from 63,718 a year ago.

Vehicle production in Malaysia and Thailand increased by 11.3% and 1.6%, respectively during the nine-month period.

On the other hand, Indonesia (0.4%), Vietnam (28.7%) and Myanmar (73.8%) reported a decline in production in the period ending September.

AAF data also showed sales of motor vehicles in the Philippines grew by 9.5% to 38,628 in September.

For the nine-month period, vehicle sales in the Philippines jumped by 26.9% to 314,843 units, from 248,154 last year.

The Philippines and Malaysia (11.1%) were the only two ASEAN countries that registered an annual growth in motor vehicle sales in the January-to-September period.

As of end-September, an annual decline in sales were seen in Myanmar (64.1%), Vietnam (29.2%), Singapore (16.3%), Thailand (7.4%) and Indonesia (0.4%).

From January to September, a total of 2.47 million motor vehicles were sold in the ASEAN countries, 0.9% lower than 2.49 million sold in the same period last year.

### MOTORCYCLE PRODUCTION

Meanwhile, AAF data showed the Philippines posted the fastest year-on-year growth in motorcycle and scooter production among five ASEAN countries in September.

Motorcycle and scooter production in the Philippines jumped by 4.6% to 92,861 in September from 88,767 last year.

The Philippines was the only country that posted an increase in production during the month.

In September, motorcycle and scooter production declined in Malaysia (41.2%), Vietnam (35.5%), Thailand (14.4%) and Indonesia (4.8%).

Overall, the region saw a 15.6% drop in production of motorcycles and scooters to 1.08 million in September.

In the first nine months of 2023, the Philippines also recorded the fastest growth in the production of motorcycles and scooters with a 34.6% increase to 942,255 units from 700,021 a year ago.

Vehicle, SI/9