



MARKET BITE

Bite-sized insights to keep you up-to-date on the financial markets

OCTOBER 2023

PH GDP for Q3 expected to rebound, providing good news for local markets

The National Economic and Development Authority (NEDA) announced that Philippine GDP growth has most likely rebounded for the third quarter, primarily due to higher government spending. Government expenditures in Q2 were lower than expected, resulting in low growth figures, but NEDA has said that this can be recovered in the third and fourth quarters. The government is also closely monitoring inflation in order to support GDP growth. With the BSP pausing rate hikes yet again in September, the slowdown in hawkish policy and the recovering economic growth have resulted in optimism for investors in the local index.

PSEi month-on-month returns (Sep. vs Aug.)

2.36%

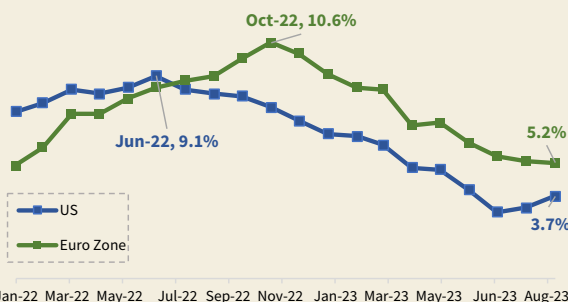
September

-6.31%

August

Mixed economic data for developed markets, US Fed paused again but rates will remain “higher for longer”

US & Euro Zone y/y inflation per month



The US economy showed resilience, with retail sales, industrial output, and manufacturing PMI (Purchasing Managers' Index) all expanding in recent releases. On the other hand, the Euro area had challenges in the form of declining PMI figures and expectations for a weak Q3 GDP print.

The US inflation rate for the month showed a little increase but still remains below peak levels, and so the Fed paused for the September meeting. They will most likely deliver one more hike this year before keeping rates steady for longer. The ECB (European Central Bank) hiked by 25bps but hinted at a potential pause.

Overall, the mixed news led to lower investor sentiment on global markets.

INSIGHTS

By staying invested in the local market and diversifying your portfolio with a global allocation, you can take advantage of potential growth opportunities and benefit from upwards trends, particularly during period of recovery.

AXA FUNDS OVERVIEW

Peso Equity Funds

	MTD	YTD
Wealth Equity	2.88%	-1.54%
Chinese Tycoon	2.67%	-3.00%
Spanish-American Opportunity	2.57%	1.60%
	2.74%	-1.88%

Peso Fixed Income and Balanced Funds

	MTD	YTD
Peso Liquidity	0.36%	2.74%
Wealth Bond	-0.05%	2.70%
Wealth Balanced	0.38%	2.85%

Peso-Denominated Dollar Funds

	MTD	YTD
Peso GAF	-4.82%	35.18%
Peso GDAF-Stable	-0.93%	2.60%
Peso GDAF-Multi Asset	-2.74%	3.41%
Peso GDAF-Growth	-4.26%	5.06%

Dollar Equity Funds

	MTD	YTD
Asia Growth	-3.45%	-4.73%
European Wealth	-5.79%	6.83%
Global Advantage	-5.41%	32.72%

Global Dynamic Allocation Funds

	MTD	YTD
GDAF-Stable	-1.57%	1.21%
GDAF-Multi Asset	-3.36%	1.15%
GDAF-Growth	-4.85%	2.20%

Dollar Fixed Income Funds

	MTD	YTD
Capital Investment	-0.20%	0.21%
Premium Bond	-4.23%	-4.30%

Retire Smart Funds

	MTD	YTD
Retire Smart 30	2.42%	-1.60%
Retire Smart 35	2.05%	-1.01%
Retire Smart 40	2.23%	-1.26%
Retire Smart 45	2.34%	-1.39%

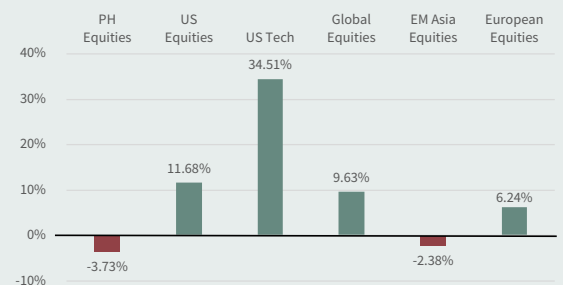
Income Paying Funds

	MTD	YTD
Dollar GAIN	-4.35%	-1.93%
Peso GAIN	-3.77%	-0.78%



FINANCIAL MARKETS SNAPSHOT

Equity Markets (YTD as of Sep. 30, 2023)



Fixed Income Markets (YTD as of Sep. 30, 2023)

