



# Vantage *point*

**MARKET OUTLOOK:** BULLISH  
**STRATEGY:** SELECTIVE BUYING ON PROPERTY,  
FINANCIAL SECTORS AND POTENTIAL M&A PLAYS

No end in sight yet for this unprecedented bull market. With US markets reaching new all-time highs last week, stocks around the world rallied as well. For example, Germany has made a new all-time high while Japan is at levels not seen since 1997. Against a backdrop like this, the PSEi likewise made new record highs.

Note that this record high also came despite political noise, foreign selling and a weakening peso, a reflection of confidence in the Philippines' growth prospects. With Congress now in recess, expect less news on tax reform until regular sessions resume on November 13.

Until we get more news on tax reform, we expect the global bull market to carry Philippine stocks. We will be closely monitoring developments regarding tax reform as well as preparing for the resumption of earnings season at the end of the month.

Philippine Stock Exchange Index (PSEi) – 1 year chart



## TRADING STRATEGY



The global bull market continues to charge on, with strength in the US stocks lifting all equity markets. While dips are elusive, we will be using these as opportunities to buy.



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