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PHILEQUITY CORNER

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History in the making

US markets are surging to new all-time highs. The S&P 500 closed at 7,165 on Friday, April 24, a fresh record. The Nasdaq Composite hit 24,837, also a record.

But the real story is in semiconductors. The Philadelphia Semiconductor Index has gained for 18 consecutive trading days. This broke the previous record of 15 set in 2014 and marks the longest winning streak in the index's 32-year history. The index is up 40 percent in April, putting it on track to its biggest monthly gain since February 2000. Since the rally began on March 31, the world's top chipmakers have added roughly \$3 trillion in market value. Nvidia alone reclaimed a \$5 trillion market cap last Friday.

In my more than 50 years in the stock market and over 20 years of writing this column, I have never seen anything like this.

Intel breaks a 26-year ceiling

The rally was punctuated by Intel finally clearing its dot-com era high for the first time in 26 years. Last Friday, the chipmaker surged 24 percent, its best single day jump since October 1987. Intel reported first-quarter revenue of \$13.6 billion, beating estimates by more than \$1 billion, and guided second-quarter revenue to as much as \$14.8 billion.

The turnaround was not accidental. In August 2025, the US government took a 9.9 percent stake in Intel, an \$8.9 billion investment funded by converting unpaid CHIPS Act grants into equity. A month later, Nvidia announced a \$5 billion equity investment of its own, paired with a partnership to build custom CPUs that link to Nvidia's GPUs through NVLink. Two of the most powerful actors in technology, the US government and the world's most valuable company, both bet on Intel within weeks of each other. Last Friday, those bets paid off with Intel's spectacular run-up.

A global supply chain run-up

It is the entire technology value chain moving together. SK Hynix hit a record. Samsung Electronics posted record Q1 operating profit of 57.2 trillion won, or roughly \$38 billion, the strongest quarterly result in South Korean corporate history. ASML, the Dutch maker of the lithography machines that produce every advanced chip in the world, reported Q1 revenue of €8.8 billion and raised its full-year guidance.

From the foundries in Taiwan to the memory makers in Korea, from the lithography equipment in the Netherlands to the chip designers and hyperscalers in the United States, every link in the global semiconductor supply chain is profiting from the same AI capex cycle.

Follow the money

Why is this happening all at once? Follow the money. The four largest US hyperscalers, Amazon, Alphabet, Meta, and Microsoft, have collectively committed to spending more than \$600 billion on capital expenditure in 2026, nearly doubling 2025 levels. Amazon alone plans to spend \$200 billion. Alphabet doubled its guidance to \$175 to \$185 billion. Meta raised its target to as much as \$135 billion. Microsoft is on track for \$120 billion or more.

All this spending goes straight to the supply chain. It pays for TSMC's foundries, Samsung's and SK Hynix's memory chips, ASML's lithography machines, Nvidia's GPUs, and Intel's CPUs. It is why every link in the chain is moving in sync. No other country has companies investing at this scale.

Diversifying and gaining exposure

The story we have just told plays out in New York, Taipei, Seoul, and Amsterdam. For our readers and investors who want to diversify and gain exposure to this AI-driven industrial revolution, we recently launched the Philequity Global Fund. Those who want to read, learn more, or invest can visit us at www.philequity.net. We have been writing about diversification and global investing for years.

From crisis to opportunity

This rally came out of nowhere. Four weeks ago, the S&P 500 was at its 2026 low, down 7 percent on the year. Oil had surged past \$100, the Strait of Hormuz was effectively shut, and the consensus was that the war in the Middle East would finally end the US market's run. The same technology and semiconductor names that had fallen hardest led the recovery. The war was actually a buying opportunity for US stocks.

We made that case last week (see "USA Wins," April 20, 2026), explaining why US stocks were rising despite the war. The conflict did not change the narrative for the AI revolution. It may have caused a temporary pause, but the innovation, the earnings, and the technological change all continue.

Why US stocks keep winning

Every 10 to 15 years, the US gives birth to a new technology platform that becomes the growth engine of the world. In the 1990s, it was the Internet. From 2007, it was Mobile. From 2015, it was Cloud. Since 2023, it has been Artificial Intelligence. These cycles are all US-originated. The companies building each platform are American. The capital follows the innovation.

The \$600 billion capex wave, TSMC's record earnings, the semiconductor rally, the massive datacenters and power infrastructure, the mega-IPO pipeline: these all flow from the same source. The world's most important technologies are invented in the US, funded by US capital markets, and built by US companies. The Internet, Mobile, and Cloud cycles each ran for a decade or more. This AI cycle is history in the making. So is the US stock market. We are seeing it right before our eyes.

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