

Market Commentary

➔ **The View:** The PSEi gained 204.57 points or 3.54% and ended at 5,987.72 on Tuesday. The benchmark index surged back to the 5,900-level on the back of continued bargain hunting and faster growth in manufacturing activity in September. US' major indices continued its rally from the previous day, posting around 3% gains each as bond yields went down. The latest US jobs data showed weaker than expected results which had some investors considering a possible slowdown in the US Federal Reserve (Fed)'s pace of interest rate hikes. European markets also rose on Tuesday led by travel and leisure stocks and technology stocks. The rise of the British pound and the dip in sovereign bond yields contributed to the upward behavior of the markets. Meanwhile, Asia-Pacific markets also closed higher, tracking Wall Street's rally on Monday. Japan's Nikkei rose 2.96%, its biggest single-day gain since March 23. Australia's S&P/ASX 200 was up 3.75% after the Reserve Bank of Australia's lower than expected policy hike of 25-basis points (bps). In the local bourse, sectors recorded notable gains across the board, with Holding Firms (+4.73%), and Property (+4.19%) being the top performers. In the main index, GLO (+7.61%), AEV (+7.31%), and AP (+7.10%) posted the biggest gains among Tuesday's 24 gainers. WLCON (-5.88%), CNVRG (-2.10%), and PGOLD (-1.44%) were at the bottom among the day's 6 laggards. The market's value turnover went up by 16% to PHP4.59 billion from PHP3.95 billion. Total foreign activity increased by 22% to PHP3.89 billion from PHP3.18 billion last Monday. Foreigners continued to be net sellers but with net foreign selling going down to PHP96.45 million from PHP691.88 million in the previous session. The Philippine Peso strengthened by 35 centavos and closed at PHP58.65 versus the US dollar, coming down from its all-time low of PHP59.00. The benchmark index spiked as bargain hunting continued in the local bourse. Index stocks had an average gain of 4.25%. The faster expansion in manufacturing activity in September helped alleviate some worries about the business environment in the midst of the rising prices and peso depreciation. Rallies from big markets like the US and Europe also contributed to the upbeat performance of the local bourse. Despite the rise, market participation remained thin yesterday as some investors could still be on the sidelines waiting for the release of the September consumer price index (CPI) data today. With a faster inflation print expected to be seen today, paired with the big gains from yesterday, some investors may be keen to take in profits in the absence of strong cues that sustain the latest rally going.

PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	5,783.15	5,987.72	3.54%
All Shares	3,114.13	3,210.48	3.09%
Financial	1,474.97	1,496.21	1.44%
Industrial	8,585.48	8,897.31	3.63%
Holding Firms	5,557.62	5,820.44	4.73%
Property	2,469.97	2,573.52	4.19%
Services	1,500.77	1,522.86	1.47%
Mining & Oil	10,312.40	10,699.39	3.75%

TOP 10

GLO	7.61%	WLCON	-5.88%
AEV	7.31%	CNVRG	-2.10%
AP	7.10%	PGOLD	-1.44%
AGI	6.78%	GTCAP	-1.44%
JGS	6.55%	SMC	-0.15%
ACEN	5.07%	BPI	-0.11%
AC	4.71%	MEG	0.98%
MER	4.69%	ICT	1.35%
SMPH	4.58%	BDO	1.44%
ALI	4.57%	LTG	2.30%

BOTTOM 10

Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,528.00	48.49%	3.34%
CNPF	3/13/20	13.10	23.00	75.57%	3.34%
FGEN	9/23/20	24.80	16.44	-33.71%	1.61%
AP	9/23/20	25.55	32.45	27.01%	1.61%
BDO	11/17/20	92.60	113.00	22.03%	-13.45%
BPI	11/17/20	83.00	91.90	10.72%	-13.45%
MBT	11/17/20	44.35	50.40	13.64%	-13.45%
SECB	11/17/20	103.90	82.00	-21.08%	-13.45%
CNVRG	6/13/22	22.50	13.04	-42.04%	-7.41%
ALI	6/13/22	30.05	24.05	-19.97%	-7.41%
SGP	6/13/22	12.06	11.60	-3.81%	-7.41%
Ave. Return				6.99%	-6.01%

MARKET DATA

Market Volume	514,186,466
Market Turnover (Value)	4,586,819,572
Foreign Buying	1,898,471,871
Foreign Selling	1,994,918,712
Net Foreign Buy / (Sell)	(96,446,841)

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Economic Developments

- ➔ **Foreign outflows in September from emerging market Asian equities exceed 2008 level.** Data from stock exchanges in South Korea, India, Taiwan, the Philippines, Vietnam, Indonesia, and Thailand showed that foreigners sold equities worth a net \$8.83 billion in September — their first monthly selling since June. Total outflows for the first three quarters have gone up to \$69.7 billion, higher than the \$47.63 billion recorded during the 2008 global financial crisis. Analysts are saying that the rising interest rates and a surging US dollars are negatively affecting the region's currencies and export markets. Only a small inflow at best could be expected for Asian equities in the near-term given the current conditions. (*BusinessWorld*)
- ➔ **Philippine vehicle production had minimal increase of 0.67% in 8 months.** Data from the Association of Southeast Asian Nations (ASEAN) Automotive Federation (AAF) showed 54,918 motor vehicles were assembled in the Philippines from January to August, higher than the 54,551 units in the same period last year. This is dwarfed by its peers' double and triple-digit growth in their motor vehicle production during the period. Myanmar posted the fastest growth at 192.7%, followed by Malaysia with 70.3%, and Vietnam with 43.6%. For the first eight months, A total of 2.804 million motor vehicles were assembled in ASEAN, 28.2% more than the 2.188 million units in the same period a year ago. However, in terms of motor vehicle sales, the Philippines fell in the middle of the pack, being up 25.1% year-on-year. Malaysia had the biggest growth in sales as of end-August at 62.9%. Motor vehicle sales in ASEAN rose by 31.3% to 2.206 million units from January to August. (*Philstar*)

Corporate Developments

- ➔ **San Miguel Corporation (SMC), Eagle Cement Corporation (EAGLE).** SMC disclosed that its board of directors have authorized the acquisition of 88.5% of EAGLE with an approved acquisition price of PHP22.02 per share. The company will make additional disclosures upon the execution of definitive agreements relating to the proposed transaction. EAGLE closed at PHP15.40 yesterday. (*SMC Disclosure*)
- ➔ **Manila Electric Company (MER).** MER is determined to comply with the Energy Regulatory Commission (ERC)'s decision to deny the claim for price adjustment of SMC, and to prevent the termination of its power supply agreements (PSAs) with South Premiere Power Corp. (SPPC) and San Miguel Energy Corp. (SMEC). However, the company said that if SMC's power units are unable to deliver power to MER, it would have to source up 1,000 megawatts from the Wholesale Electricity Spot Market (WESM) which would mean higher prices for consumers. MER also said that it has entered emergency power supply agreements (EPSAs) with other generation companies in case the PSAs with SMC are terminated. (*Philstar*)

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CASH DIVIDEND SCHEDULE

*Arranged by ex-date

Ticker	Company	Amount/ Rate	Dividend Type	Share	Ex-date	Record Date	Payment Date
ABA	AbaCore Capital Holdings, Inc.	Php0.01	Cash	Common	06/23/22	06/28/22	TBA
RFM	RFM Corporation	Php0.059355	Cash	Common	09/12/22	09/15/22	10/11/22
JFCPA	Jollibee Foods Corporation	Php8.20525	Cash	Preferred	09/16/22	09/21/22	10/14/22
JFCPB	Jollibee Foods Corporation	Php10.60125	Cash	Preferred	09/16/22	09/21/22	10/14/22
DMPA2	Del Monte Pacific Limited	US\$0.325	Cash	Preferred	09/26/22	09/29/22	10/07/22
DDPR	DoubleDragon Corporation	Php1.61945	Cash	Preferred	09/27/22	09/30/22	10/14/22
FEU	Far Eastern University, Incorporated	Php14.00	Cash	Common	09/29/22	10/04/22	10/14/22
CPGP	Century Properties Group, Inc.	Php1.679425	Cash	Preferred	09/30/22	10/05/22	10/10/22
SGP	Synergy Grid & Development Phils., Inc.	Php0.26	Cash	Common	09/30/22	10/05/22	10/19/22
SMC	San Miguel Corporation	Php0.35	Cash	Common	10/04/22	10/07/22	10/28/22
MWP4	Megawide Construction Corporation	Php1.325	Cash	Preferred	10/05/22	10/10/22	10/31/22
STR	Vistamalls, Inc.	Php0.0262	Cash	Common	10/11/22	10/14/22	10/27/22
VLL	Vista Land & Lifescapes, Inc.	Php0.0292	Cash	Common	10/11/22	10/14/22	10/28/22
AUB	Asia United Bank Corporation	Php1.00	Cash	Common	10/11/22	10/14/22	10/31/22
DDPR	DoubleDragon Corporation	Php0.2324	Cash	Common	10/11/22	10/14/22	10/31/22
ROCK	Rockwell Land Corporation	Php0.0537	Cash	Common	10/14/22	10/18/22	11/14/22
BRNP	A Brown Company, Inc.	Php1.75	Cash	Common	10/28/22	11/03/22	11/29/22
CEU	Centro Escolar University	Php0.60	Cash	Common	11/08/22	11/11/22	12/07/22
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.015	Cash	Preferred	12/01/22	12/06/22	12/19/22

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Stocks Dividends/Property Dividends

Ticker	Company	Amount/Rate	Dividend Type	Share Type	Ex-date	Record Date	Payment Date
PNB	Philippine National Bank	0.158866919 shares of PNB for every 1 share of PNB	Property	Common	05/13/21	05/18/21	TBA
AC	Ayala Corporation	3 ACEN shares per 1 AC common share	Property	Common	05/24/22	05/27/22	TBA
ABA	AbaCore Capital Holdings, Inc.	0.0009 PRIDE shares per 1 ABA common share	Property	Common	06/23/22	06/28/22	TBA
BDO	BDO Unibank, Inc.	20%	Stock	Common	TBA	TBA	TBA
MFIN	Makati Finance Corporation	0.5435056706%	Stock	Common	08/22/22	08/25/22	TBA

Stocks Rights/Follow-on Offering

Ticker	Company	Offer Price	Ratio	Offer Shares	Ex-date	Offer Start	Offer End	Listing Date
MA	Manila Mining Corporation	Php0.01	1:5	51,917,357,741	04/26/22	05/16/22	05/20/22	TBA
ANI	AgriNurture, Inc.	Php1.00	1:2.5	288,000,027	TBA	TBA	TBA	TBA
LC	Lepanto Consolidated Mining Company	Php0.12	1:3.95	16,803,989,391	TBA	TBA	TBA	TBA
GLO	Globe Telecom, Inc.	Php1,680.00	1:13.2366	10,119,047	09/16/22	10/03/22	10/07/22	10/28/22

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