



Market Commentary

➔ **The View:** The PSEi gained 42.01 points or 0.72% and ended at 5,895.64 on Thursday. The benchmark index managed to keep its small rally going for a third consecutive session. It touched the 5,900-level during the day but eventually fell back ahead of the US consumer price index (CPI) data. US' major indices posted gains of more than 2% even after the US September inflation print came in hotter than expected at 8.2%. Analysts think that markets have priced in the worries of hot inflation in the previous days' declines. European markets also closed in the green as reports about a possible fiscal policy turnaround from the British government circulated. Meanwhile, Asia-Pacific markets also rose on Thursday ahead of the US CPI data. Stocks in the region are expected to climb and track US markets' rally despite the hot inflation print. In the local bourse, sectoral performances were mostly positive albeit with sub-1% movements. Services (+0.97%), Holding Firms (+0.84%), and Financial (+0.62%) had the biggest gains, while Mining&Oil (-0.58%) was the lone sectoral decliner. In the main index, SM (+3.21%), WLCON (+3.18%), and AP (+2.58%) topped Thursday's group of 17 gainers. On the other end, GLO (-2.25%), AC (-2.13%), and URC (-1.01%) had the biggest declines yesterday among the small pack of 7 laggards. The market's value turnover lowered by 1% to PHP3.65 billion from PHP3.70 billion. Total foreign activity decreased by 4% to PHP4.29 billion from last Wednesday's PHP4.46 billion. Foreigners continued as net sellers with net foreign selling amounting to PHP29.88 million, 91% less than the PHP327.60 million in the previous session. The Philippine Peso closed at its all-time low again at PHP59.00 against the US dollar. The benchmark index kept its rally going yesterday as traders continued to hunt for bargains. Trading range remained thin and market participation was still low. The local bourse is expected to react to the latest US inflation print of 8.2% which cooled down from August's 8.3%. The result still came in hotter than expected, but US and European markets still closed positive as some analysts believe that the downside was already factored slowly in the contractions prior to the CPI report. Bargain hunting may continue, however, selling pressure could still be expected to persist in the local bourse given that the inflation print may likely prompt the US Federal Reserve to continue having big interest rate hikes and keep them high until price stability is notably restored. Market activity may increase today as investors who have been on the sidelines waiting for economic cues could take up or reduce positions depending on the market's overall sentiment.

Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,438.00	39.75%	1.76%
CNPF	3/13/20	13.10	23.80	81.68%	1.76%
FGEN	9/23/20	24.80	15.52	-37.42%	0.05%
AP	9/23/20	25.55	31.80	24.46%	0.05%
BDO	11/17/20	92.60	118.00	27.43%	-14.78%
BPI	11/17/20	83.00	92.00	10.84%	-14.78%
MBT	11/17/20	44.35	49.15	10.82%	-14.78%
SECB	11/17/20	103.90	82.70	-20.40%	-14.78%
CNVRG	6/13/22	22.50	12.52	-44.36%	-8.84%
ALI	6/13/22	30.05	22.80	-24.13%	-8.84%
SGP	6/13/22	12.06	12.38	2.65%	-8.84%
Ave. Return				6.48%	-7.46%

PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	5,853.63	5,895.64	0.72%
All Shares	3,155.58	3,164.75	0.29%
Financial	1,498.23	1,507.58	0.62%
Industrial	8,658.39	8,687.19	0.33%
Holding Firms	5,618.21	5,665.21	0.84%
Property	2,484.81	2,493.54	0.35%
Services	1,522.95	1,537.72	0.97%
Mining & Oil	10,413.83	10,353.79	-0.58%

TOP 10

SM	3.21%	GLO	-2.25%
WLCON	3.18%	AC	-2.13%
AP	2.58%	URC	-1.01%
MER	2.01%	JGS	-0.97%
MEG	2.00%	AEV	-0.88%
MPI	1.77%	JFC	-0.60%
BDO	1.72%	PGOLD	-0.18%
ICT	1.71%	BPI	0.00%
AGI	1.30%	SCC	0.00%
TEL	1.27%	RLC	0.00%

BOTTOM 10

MARKET DATA

Market Volume	458,535,665
Market Turnover (Value)	3,653,211,873
Foreign Buying	2,131,079,986
Foreign Selling	2,160,958,784
Net Foreign Buy / (Sell)	(29,878,799)

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Economic Developments

- ➔ **Lower pork tariffs to be extended.** Finance Secretary Benjamin E. Diokno said that the government is seeking to extend the lower tariff rates on key commodities like pork, corn, rice, and coal to next year to help cool down rising food inflation. Executive Order 171 (EO 171), which was issued in May, extended the lower pork tariffs until year-end. Under the EO, tariff rates on pork for in-quota and out-quota shipments were kept at a reduced rate of 15% (from 30%) and 25% (from 40%). According to the United States Department of Agriculture (USDA), Philippine pork imports will likely drop in 2023 if the lower tariffs are not extended. The USDA projected that the Philippines would import 450,000 MT of pork in 2023, lower than its 2022 forecast of 550,000 MT. (*BusinessWorld*)
- ➔ **Mid-sized banks led the banking sector's income growth in 1H2022, but lagged industry averages on other metrics.** In a speech during the 2022 Annual Conference of the Chamber of Thrift Banks, Bangko Sentral ng Pilipinas Governor Felipe Medalla said the earnings of mid-sized banks or thrift banks jumped by 57.1% for the first half of the year, faster than the 16.7% increase recorded by the entire banking industry. Meanwhile, credit growth of the thrift banking sector was at 6.5% as of the first half of 2022, lower than the 9.0% rise of the entire banking system. Deposits growth was also smaller at 3.9% versus the industry average of 7.5%. Mid-sized banks also booked a higher non-performing loan (NPL) ratio of 7.8% as of end June, versus the sector's 3.6 percent. Its NPL cover of 63.2% was also lower than the industry's 97.1%. (*Philstar*)

Corporate Developments

- ➔ **Aboitiz Power Corporation (AP).** AP, through its subsidiary Aboitiz Renewables, Inc. (ARI), signed a joint venture agreement with global renewable energy company Mainstream Renewable Power (Mainstream) to build a 90-MW onshore wind project in Libmanan, Camarines Sur. According to AP President and CEO Emmanuel V. Rubio, it will be AP's first foray into wind energy. The company targets to grow its renewable energy portfolio to 4,600-megawatts (MW) by the end of 2030. The joint venture, which is subject to regulatory approvals, is being delivered through an investment agreement for ARI's proposed acquisition of a 60% stake in the Libmanan onshore wind project, which Mainstream has been developing since 2017. (*AP Disclosure*)
- ➔ **Globe Telecom Inc. (GLO).** GLO had its PHP17-billion stock rights offering (SRO) fully subscribed. The company sold a total of 10.12 million common shares at an offer price of PHP1,680 per entitlement right. GLO had initially announced that it would use the proceeds of the SRO for debt repayments and for capital expenditures. The rights shares are scheduled to be listed on or before October 28, subject to the regulatory approvals. (*GLO Disclosure*)

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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
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
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
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
AREIT	AREIT, Inc.	Php0.49	Cash	Common	10/20/22	10/25/22	11/30/22
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
FCG	Figaro Coffee Group, Inc.	Php0.01936	Cash	Common	11/16/22	11/21/22	12/09/22
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 PHC 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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