

Market Commentary

➔ **The View:** The PSEi went up by 65.58 points or 1.11% and ended at 5,970.33 last Monday. The benchmark index sustained its rally which is now running for 5 days on continued bargain hunting and the positive reaction to a rise in cash remittances in August. The US' major indices surged on Monday on the back of some better than expected earnings reports by the Bank of America and Bank of New York Mellon. The Dow rose 1.86% while the S&P500 and NASDAQ went up by 2.65% and 3.43%, respectively. European markets also ended positive as the market reacted well to the major turnaround of fiscal policy on tax cuts by the UK. The British pound rallied after the fiscal statement while bond yields dropped. Meanwhile, Asia-Pacific markets were mixed on Monday as it digested the losses in the US markets last Friday. In the local bourse, sectoral performances were still mostly positive. Financial (-1.19%), and Industrial (-0.09%) were the only sectoral decliners, while Holding Firms (+2.27%), and Property (+2.26%) had the biggest gains among the rest of the sectors. In the main index, SM (+4.86%), SMPH (+3.77%), and AGI (+3.36%) were the best performers among Monday's pack of 18 gainers. On the other end, MONDE (-3.65%), RLC (-2.86%), and PGOLD (-2.14%) posted the biggest losses among the 10 laggards. The market's value turnover spiked by 43% to PHP6.64 billion from PHP4.65 billion. Total foreign activity went up by 88% to PHP9.41 billion from last Friday's PHP5.01 billion. Foreigners switched back to being net sellers with net foreign selling amounting to PHP36.51 million, opposite the net foreign buying of PHP513.21 million in the previous session. The Philippine Peso closed at its all-time low again at PHP59.00 against the US dollar from PHP58.935. The benchmark index's rally continued to a 5th straight session as bargain hunting continued. Index heavyweights, SM and SMPH led yesterday's rally. Local market sentiment also likely improved from the higher cash remittances that was recorded in August. A continuation of the recent rally may likely occur today if the local bourse can track the US major indices' big gains yesterday. Despite the sizable rally, most economists that this is a bear market bounce and that markets globally have yet to hit their bottoms. Global headwinds like a higher and longer high interest rate environment which could trigger economic recessions will likely continue weighing down on equities until next year. The prolonged Ukraine-Russia conflict also remains a major barrier for a significant economic rise. Aside from key economic data, investors could take cues from third quarter corporate earnings from which they can gauge the impact of higher borrowing costs and the peso's depreciation on various businesses.

PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	5,904.75	5,970.33	1.11%
All Shares	3,177.74	3,198.63	0.66%
Financial	1,520.47	1,502.31	-1.19%
Industrial	8,701.26	8,693.45	-0.09%
Holding Firms	5,635.43	5,763.54	2.27%
Property	2,539.75	2,597.20	2.26%
Services	1,519.56	1,529.48	0.65%
Mining & Oil	10,511.73	10,651.20	1.33%

TOP 10

SM	4.86%	MONDE	-3.65%
SMPH	3.77%	RLC	-2.86%
AGI	3.36%	PGOLD	-2.14%
SCC	2.47%	BDO	-1.67%
CNVRG	2.40%	MBT	-1.10%
AP	1.92%	BPI	-1.09%
ALI	1.91%	LTG	-0.50%
TEL	1.40%	MEG	-0.49%
ICT	1.30%	MER	-0.34%
WLCON	1.23%	MPI	-0.29%

BOTTOM 10

Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,450.00	40.91%	13.36%
CNPF	3/13/20	13.10	24.00	83.21%	13.36%
FGEN	9/23/20	24.80	15.60	-37.10%	0.53%
AP	9/23/20	25.55	31.90	24.85%	0.53%
BDO	11/17/20	92.60	118.00	27.43%	-13.82%
BPI	11/17/20	83.00	90.50	9.04%	-13.82%
MBT	11/17/20	44.35	49.50	11.61%	-13.82%
SECB	11/17/20	103.90	81.70	-21.37%	-13.82%
CNVRG	6/13/22	22.50	12.80	-43.11%	-1.56%
ALI	6/13/22	30.05	23.95	-20.30%	-1.56%
SGP	6/13/22	12.06	11.02	-8.62%	-1.56%
Ave. Return				6.05%	-2.93%

MARKET DATA

Market Volume	541,885,342
Market Turnover (Value)	6,638,399,901
Foreign Buying	4,684,946,144
Foreign Selling	4,721,454,313
Net Foreign Buy / (Sell)	(36,508,169)

Mandarin Securities Corp.

Hanz Elmer Torres

hanz.torres@mandarinsecurities.com

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Economic Developments

- ➔ **OFW remittances rise by 4.3% YoY in August.** Data from the Bangko Sentral ng Pilipinas (BSP) showed that cash remittances sent through banks in August was \$2.72 billion, 4.3% higher than the \$2.60 billion in the same month last year. Land-based OFWs sent \$2.13 billion in August, up by 3.3% in the same month last year. Remittances from sea-based workers inched up 1.7% to \$593.18 million in August from a year ago. For the period of January-August, cash remittances was at \$20.99 billion, 3% higher than the \$20.38 billion recorded in the same period last year. It was mainly driven by inflows from OFWs in the US (41.7% of the total), Singapore (6.9%), Saudi Arabia (5.8%), Japan (4.9%), and the UK (4.9%). The BSP estimates cash remittances to be higher by 3% this year compared to 2021. (*BusinessWorld*)
- ➔ **PH sees 2M visitor arrivals by year-end.** The Tourism Congress of the Philippines (TCP) said that the country is expected to have over 2.0-2.1 million visitor arrivals by the end of the year. This is a significant increase from their initial projection of only 1.0-1.2 million. According to the Department of Tourism (DoT), as of October 7, there are already 1.67 million tourist arrivals since reopening the country's borders back in February. However, TCP cites that geopolitical tensions may bar the recovery to pre-pandemic levels next year and delay it to 2024. "Getting back to pre-pandemic levels, (the) closest would probably be in 2024. It's probably when we expect to be back to our 8-million level," TCP President Jose C. Clemente III. (*Philstar*)

Corporate Developments

- ➔ **PXP Energy Corporation (PXP).** The Department of Energy has granted the following to PXP and Forum Limited (Forum): "(i) the Declaration of Force Majeure for Service Contract 75 (SC 75) and Service Contract 72 (SC 72) from 6 April 2022 until such time as the same is lifted by the DOE, (ii) the inclusion of total expenses incurred as a result of the DOE directive to suspend activities as part of the approved recoverable costs, subject to DOE audit, and (iii) in addition to the period in item (i) above, PXP and Forum will be entitled to an extension of the exploration period under SC75 and SC72 corresponding to the number of days that the contractors actually spent in preparation for the activities that were suspended by the DOE's suspension order on 06 April 2022." PXP stands as the operator under SC 75, while Forum is the operator under SC 72. PXP holds 50% interest in SC 75 located in Northwest Palawan. Forum Energy Limited ("FEL"), in which PXP holds a direct and indirect interest of 79.13%, has a 70% participating interest in SC 72 located in Northwest Palawan, through its wholly-owned subsidiary Forum. PXP has a total economic interest of 54.36% in SC 72. (*PXP Disclosure*)
- ➔ **Security Bank Corporation (SECB).** SECB began its fixed-rate bond offering with a minimum bond issue size of PHP3 billion, with an oversubscription option. The bonds will have 1.5-year tenor and a fixed rate of 5.3% per annum. The offer period will run from October 17-28, 2022 and the target listing date on the Philippine Dealing and Exchange Corp. is on November 20, 2022. Minimum denominations have been set for PHP1 million and increments of PHP100 thousand thereafter. (*SECB 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
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
MEG	Megaworld Corporation	Php0.06146228	Cash	Common	10/26/22	10/31/22	11/14/22
SCC	Semirara Mining and Power Corporation	Php3.50	Cash	Common	10/26/22	10/31/22	11/15/22
ACPB1	Ayala Corporation	Php6.56250	Cash	Preferred	10/26/22	10/31/22	11/15/22
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	0.158868919 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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