

Market Commentary

➔ **The View:** The PSEi spiked by 158.31 points or 2.65% and ended at 6,128.64 on Tuesday. The benchmark index climbed back to the 6,100-level as investors continued to pick up bargains from the last week's decline. It broke through the 6,000-level after dropping from it two weeks ago. The US' major indices continued its rally, ending with more gains yesterday on the back of earnings beat from some companies like Netflix. European markets also ended higher as UK's recent fiscal policy turnaround continued to have a positive impact on sentiment. Furthermore, EU proposed a limit on daily gas trading levels to avoid spikes given the already extremely high gas prices. Meanwhile, Asia-Pacific markets were mostly higher yesterday led by Australia's S&P/ASX 200 (+1.72%), Japan's Nikkei (+1.46%). In the local bourse, sectors posted gains across the board. Property (+4.20%), Financial (+2.78%), Holding Firms (+2.23%), and Services (+2.23%) had the biggest gains while the rest had sub-1% additions. In the main index, JGS (+11.30%), ALI (+7.72%), and AC (+6.39%) were the best performers among Tuesday's group of 26 gainers. On the other end, MER (-2.24%), SM (-1.63%), CNVRG (-1.56%), and SMC (-0.10%) were the only laggards yesterday. The market's value turnover declined by 27% to PHP4.82 billion from PHP6.64 billion. Total foreign activity went down by 53% to PHP4.42 billion from last Monday's PHP9.41 billion. Foreigners switched back to being net buyers with net foreign buying amounting to PHP752.76 million, in contrast to the net foreign selling of PHP36.51 million in the previous session. The Philippine Peso closed at PHP58.75 against the US dollar, a 25-centavo gain from its previous close and all-time low of PHP59.00. The benchmark index sustained its rally for the 6th consecutive session as investors continued to pick up index stocks whose prices have dropped steeply last week. Some analysts believe that the monetary policy concerns have already been priced in. The focus could likely shift to the release of companies' 3rd quarter earnings reports. Market movements may be highly dependent on 3rd quarter results in the coming weeks. Major US and European indices are also on the rise which could mean an improvement in overall sentiment. Investors will be on the lookout for banks' results given the higher interest rate environment which could have benefited them. The quick rise of the main index in the past two days also made it susceptible to profit taking, however, a positive earnings season could keep the rally going until the next set of key economic indicators are made available.

Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,479.00	43.73%	5.78%
CNPF	3/13/20	13.10	25.00	90.84%	5.78%
FGEN	9/23/20	24.80	15.80	-36.29%	4.00%
AP	9/23/20	25.55	32.20	26.03%	4.00%
BDO	11/17/20	92.60	123.00	32.83%	-11.41%
BPI	11/17/20	83.00	91.80	10.60%	-11.41%
MBT	11/17/20	44.35	51.90	17.02%	-11.41%
SECB	11/17/20	103.90	82.95	-20.16%	-11.41%
CNVRG	6/13/22	22.50	12.60	-44.00%	-5.23%
ALI	6/13/22	30.05	25.80	-14.14%	-5.23%
SGP	6/13/22	12.06	11.20	-7.13%	-5.23%
Ave. Return				9.03%	-3.80%

PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	5,970.33	6,128.64	2.65%
All Shares	3,198.63	3,253.51	1.72%
Financial	1,502.31	1,544.01	2.78%
Industrial	8,693.45	8,754.59	0.70%
Holding Firms	5,763.54	5,891.82	2.23%
Property	2,597.20	2,706.27	4.20%
Services	1,529.48	1,563.53	2.23%
Mining & Oil	10,651.20	10,753.08	0.96%

TOP 10

JGS	11.30%	MER	-2.24%
ALI	7.72%	SM	-1.63%
AC	6.39%	CNVRG	-1.56%
MPI	6.02%	SMC	-0.10%
MEG	5.42%	SCC	0.12%
MBT	4.85%	JFC	0.26%
GLO	4.82%	URC	0.27%
BDO	4.24%	EMI	0.71%
GTAP	3.14%	AP	0.94%
SMPH	3.03%	BPI	1.44%

BOTTOM 10

MARKET DATA

Market Volume	351,700,007
Market Turnover (Value)	4,820,779,339
Foreign Buying	2,587,975,547
Foreign Selling	1,835,215,951
Net Foreign Buy / (Sell)	752,759,596

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Economic Developments

- ➔ **Electricity spot market prices go up early October.** The Independent Electricity Market Operator of the Philippines (IEMOP) said the average electricity spot market price in early October rose to PHP9.31 per kilowatt-hour (kWh) from PHP9.12 per kWh in September and PHP7.26 per kWh in August. According to IEMOP corporate communications OIC manager Josell Co, “For October, we have lower average supply and higher average demand so effectively, the average price went up to PHP9.31 per kWh. But we will still see what the final result for the month will be.” Back in September, average demand rose by 1.47% while average supply fell by 4.73% leading WESM prices to be at their highest level so far. (*Philstar*)
- ➔ **Inflation may slow down 2023 growth by 0.6%.** National Economic and Development Authority (NEDA) and Socioeconomic Planning Secretary Arsenio M. Balisacan said that a sustained “inflation shock” may cut the country’s gross domestic product (GDP) growth by 0.6% in 2023 from its target of range of 6.5%-8% expansion until 2028. The Bangko Sentral ng Pilipinas (BSP) expects inflation to average 5.6% this year and eventually cool down to 4.1% and 3% in the next two years. He also noted that the Philippines could face challenges from possible slowdowns in major economies such as the United States, European Union members and China. (*BusinessWorld*)

Corporate Developments

- ➔ **Atlas Consolidated Mining & Development Corporation (AT).** AT reported a net income of PHP3.069 billion in 3Q2022, 12% lower than the PHP3.477 billion it posted in the same period last year. Copper metal production declined by 14% year-on-year to 54.82 million pounds from 64.09 million pounds which led to an 11% lower milling tonnage. Gold production decreased year-on-year by 13% from 19,562 ounces to 16,923 ounces due also to lower gold grades. Copper metal content of concentrate shipped decreased by 12% to 56.90 million pounds and gold content decreased by 11% to 16,377 ounces from 18,415 ounces. In the 3Q2022, copper price decreased by 2% from \$4.22/lb to \$4.15/lb but gold price increased by 1% from USD1,803/ounce to USD1,827/ounce compared to the same period last year. The increase in operating costs despite lower revenues was mainly due to higher energy and fuel prices, along with higher wastage charged to operations. (*AT Disclosure*)
- ➔ **Citicore Energy REIT Corp. (CREIT).** CREIT is planning tap into the capital markets for the first time by issuing ASEAN green bonds in 4Q2022 to fund some real estate acquisitions and sustain its growth momentum. The company is looking to offer PHP3 billion with an oversubscription allotment of PHP1.5 billion. The proceeds are intended for the acquisition of solar rooftop systems to be leased out to an affiliate solar power operator, and land parcels totaling about 500 hectares planned to host affiliate solar power developers and operators. Upon completion of the offer, CREIT will move from its zero-debt status to a minimum leverage of 35% of its invested capital. (*CREIT 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
DMC	DMCI Holdings, Inc.	Php0.72	Special Cash	Common	10/27/22	11/02/22	11/16/22
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 PNC 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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