

Market Commentary

➔ **The View:** The PSEi eked out another 27.04 points or 0.40% gain and ended at 6,755.26 yesterday. This pushed the benchmark index's rally to a third consecutive session and increased year-to-date growth to 4.73%. January inflation data showed a sharp cooldown of the headline figure to 2.8% from 3.9% in December. It was the lowest inflation print since the 2.3% back in October 2020 during the COVID-19 pandemic. Core inflation also slowed to 3.8% from 4.4% as food price uptick eased to 3.3% from 5.5% in December. In the US, the 3 major averages finished with gains. The Dow inched up by 0.37%, while the S&P500 and the Nasdaq Composite rose by 0.23% and 0.07%, respectively. Yesterday's bag of corporate results had some mixed results with earnings hits and misses. Still, the earnings season continues to be strong overall so far. The market partially rebounded from the pullback last Monday after more hawkish comments from US Federal Reserve Chairman Jerome Powell came to light. Meanwhile, European markets also closed higher yesterday despite the muddying timeline of the Fed's interest rate cuts this year. The Stoxx600 was up by 0.63%, while FTSE 100 gained 0.90%. In the Asia-Pacific, markets had mixed results. Hong Kong's Hang Seng and China's Shanghai Composite led the gains with 4.04% and 3.23%, respectively. Investors welcomed the Chinese governments' implementation of measures to mitigate further selloff in its equity market. Australia's ASX200 and South Korea's Kospi both ended with a 0.58% loss. In the local bourse, Financial (-0.47%) was the lone sector to fall while Services (+1.16%) had the best day. The rest had sub-1% additions. In the main index, CNPF (+4.40%), WLCON (+2.76%), and DMC (+2.62%) were the top performers among 18 gainers. On the flip side, MBT (-1.56%) and MER (-1.03%) had the biggest losses while the rest of the 8 laggards had sub-1% contractions. The market's turnover fell by 9% to ₱4.76 billion with foreigners posting a net buy of ₱44.45 million, much lower than the ₱127.83 million last Monday. The Philippine Peso slightly improved against the US dollar and finished at ₱56.20 from ₱56.29. The PSEi looks steady at the 6,700-level but profit taking could cut the rally short. Investors will now shift their focus to earnings results which have already begun with divergent results from BPI and UBP, with the latter posting a record-high net profit and with the latter showing some struggles in 2023.

PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	6,728.22	6,755.26	0.40%
All Shares	3,525.14	3,539.05	0.39%
Financial	1,937.30	1,928.25	-0.47%
Industrial	9,112.03	9,134.08	0.24%
Holding Firms	6,340.21	6,379.59	0.62%
Property	2,895.31	2,916.06	0.72%
Services	1,656.91	1,676.18	1.16%
Mining & Oil	9,111.58	9,143.72	0.35%

TOP 10

CNPF	4.40%	MBT	-1.56%
WLCON	2.76%	MER	-1.03%
DMC	2.62%	BPI	-0.70%
SCC	2.24%	URC	-0.45%
ALI	1.64%	BDO	-0.40%
ICT	1.56%	ACEN	-0.23%
JGS	1.25%	JFC	-0.23%
TEL	1.18%	CNVRG	-0.21%
LTG	1.14%	BLOOM	0.00%
MONDE	1.05%	AEV	0.00%

BOTTOM 10

Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,290.00	25.36%	16.59%
CNPF	3/13/20	13.10	36.75	180.53%	16.59%
FGEN	9/23/20	24.80	17.90	-27.82%	14.64%
AP	9/23/20	25.55	37.05	45.01%	14.64%
BDO	11/17/20	92.60	148.00	59.83%	-2.35%
BPI	11/17/20	83.00	114.20	37.59%	-2.35%
MBT	11/17/20	44.35	56.80	28.07%	-2.35%
SECB	11/17/20	103.90	73.00	-29.74%	-2.35%
CNVRG	6/13/22	22.50	9.51	-57.73%	4.46%
ALI	6/13/22	30.05	34.15	13.64%	4.46%
SGP	6/13/22	12.06	7.45	-38.23%	4.46%
Ave. Return				21.50%	6.04%

MARKET DATA

Market Volume	749,463,156
Market Turnover (Value)	4,763,022,928
Foreign Buying	2,570,467,562
Foreign Selling	2,526,020,947
Net Foreign Buy / (Sell)	44,446,615

Mandarin Securities Corp.

Hanz Elmer Torres

hanz.torres@mandarinsecurities.com

Information and opinions presented represent the judgment of the author and securities offered and sold by Mandarin Securities Corp. are subject to price movements and possible loss of amount invested. The information is based upon sources we believe to be reliable and has been obtained from public sources. Opinions and estimates are subject to change without notice. Mandarin Securities, and/or its employees may act or take a view in a different and inconsistent way contained in this report. This report is for informational purposes only, and is not an offer or solicitation to buy or sell any financial instrument or product or financial security.



Economic Developments

- ➔ **Food prices pull down January 2024 inflation to 2.8%.** In the Philippines, inflation decelerated for the fourth consecutive month, primarily driven by a slowdown in the increases of food and non-alcoholic beverages. National Statistician and Philippine Statistics Authority (PSA) chief Claire Dennis Mapa announced that inflation dropped to 2.8% in January 2024, down from 3.9% in December of the previous year. The slower inflation was attributed to a reduced growth rate in food and non-alcoholic beverages, which decreased to 3.5% from the previous month's 5.4%. Core inflation also slowed to 3.8% in January 2024, lower than the previous month's 4.4%, and significantly lower than January 2023's 7.4%. The decline in the prices of vegetables, tubers, cooking bananas, and other factors contributed to the decrease in food and non-alcoholic beverages inflation. Aside from food and non-alcoholic beverages, other factors contributing to the inflation downtrend included housing, water, electricity, gas, and other fuels, which experienced a slower annual increase of 0.7% during the month, down from 1.5% in December 2023. The January inflation rate falls within the forecast range of 2.8% to 3.6% by the Bangko Sentral ng Pilipinas. Food inflation also slowed to 3.3%, down from 5.5% last month and 11.2% in January 2023. The deceleration in food inflation is linked to a year-on-year decline in the index of vegetables, tubers, plantains, cooking bananas, and pulses at 20.8%. Fish and other seafood played a role in the downtrend, experiencing a decrease in the inflation rate from 4.8% in December 2023 to 1.2% in January 2024. However, rice inflation remained elevated at 22.6%, up from 19.6% the previous month. According to Mapa, this is the highest rice inflation recorded since March 2009, which had a rate of 22.9%. The latest inflation print is the lowest recorded since October 2020, according to the PSA. *(Philstar)*
- ➔ **World Bank whips out to-do list for faster PH growth.** The World Bank has suggested that the Philippines could accelerate its economic growth by implementing growth-enhancing reforms over the next decade, potentially increasing potential growth by 0.8 percentage points per year by the end of the decade. The report titled "Falling Long-Term Growth Prospects: Trends, Expectations, and Policies" emphasizes that more than half of this increase (approximately 0.5 percentage points per year) would come from a boost to investment growth. The World Bank recommended measures such as broadening the tax base to finance infrastructure projects, improving education quality to raise labor force skills and promote productivity growth, and developing more resilient and inclusive education systems for future crises. According to the report, the Philippines could benefit from increased investment that is expected to pick up from depressed levels and boost growth in potential output. The World Bank highlighted the importance of financing infrastructure projects through measures like broadening the tax base. Additionally, reforms to enhance education quality were suggested to improve labor force skills and productivity growth, with a focus on mitigating learning losses, especially in the wake of the pandemic. *(BusinessMirror)*

Mandarin Securities Corp.

Hanz Elmer Torres

hanz.torres@mandarinsecurities.com



Corporate Developments

- ➔ **Apex Mining Company, Inc. (APX), First Gen Corporation (FGEN).** APX has partnered with FGEN to increase its use of renewable energy in its mining operations in Davao de Oro. APX will source energy from FGEN's Mt. Apo Geothermal Power Plant in Kidapawan, Cotabato, aiming for uninterrupted, reliable energy with a lower carbon footprint. This move aligns with the global trend of evaluating mining companies based on sustainability and energy sourcing practices. Prior to the agreement, APX already sourced 59% of its energy usage from renewable sources. The company's focus on renewable energy is seen as a step towards corporate and ethical responsibility, managing its environmental impact effectively. In the first three quarters of 2023, APX allocated ₱89 million for its environmental protection and enhancement program (EPEP). EPEP is a comprehensive plan required by the Department of Environment and Natural Resources (DENR) to ensure responsible management of resources in mining operations. (*BusinessWorld*)
- ➔ **First Gen Corporation (FGEN).** The Philippine Competition Commission (PCC) has approved the acquisition of the Casecnan Hydroelectric Power Plant (CHEPP) by Fresh River Lakes Corp., a subsidiary of FGEN. The PCC stated that the transaction would not substantially lessen competition in the relevant markets. Fresh River Lakes Corp. is set to acquire CHEPP from the Power Sector Assets Liabilities Management Corporation (PSALM) and National Irrigation Administration. The hydro plant was previously turned over to the government in 2021, following the expiration of the build-operate-transfer contract with the previous operator, Casecnan Water and Energy Co., Inc. The Casecnan plant's sale aligns with PSALM's mandate under the Electric Power Industry Reform Act of 2001 (EPIRA) to privatize state-owned National Power Corporation assets. The PCC found that the volume generated by the plant is unlikely to impact relevant markets, and safeguards under the EPIRA are in place to ensure market competitiveness. (*BusinessWorld*)
- ➔ **Century Properties Group, Inc. (CPG).** CPG has secured approval from the Securities and Exchange Commission (SEC) for its follow-on public offering of up to 40 million Series B preferred shares. The offering includes a base offer of 20 million Series B preferred shares, with an option to oversubscribe for up to 20 million more at ₱100 each. The initial dividend rate is 7.5432% per annum. CPG aims to raise up to ₱4 billion from the issuance if the oversubscription option is fully exercised. Proceeds will be used for the partial repayment of the company's fixed-rate three-year bonds issued in March 2021, as well as for strategic land banking, capital expenditures, and general corporate obligations. (*CPG Disclosure*)

Mandarin Securities Corp.

Hanz Elmer Torres

hanz.torres@mandarinsecurities.com



Other Developments

- ➔ **World's biggest chipmaker TSMC to open second Japan factory with backing from Sony, Toyota.** TSMC (Taiwan Semiconductor Manufacturing Company) announced plans to open a second manufacturing plant in Japan, backed by Sony and Toyota. The manufacturing operation, Japan Advanced Semiconductor Manufacturing (JASM), majority-owned by TSMC, will start building the new factory this year and aims to begin operations by the end of 2027. The overall investment in JASM, including a first facility set to begin operations this year, is expected to exceed \$20 billion, reflecting TSMC's expansion in Japan and the Japanese government's efforts to onshore semiconductor manufacturing. While TSMC's Japanese plants will not produce cutting-edge chips, they will focus on applications for the automotive industry, industrial uses, consumer electronics, and high-performance computing. TSMC is the world's largest contract chip manufacturer, producing chips for companies like Apple and Nvidia. *(CNBC)*
- ➔ **China regulator announces more curbs on short-selling.** China's securities regulator, the China Securities Regulatory Commission (CSRC), announced additional measures to curb short-selling, including suspending brokerages from borrowing shares for lending and capping the size of the securities re-lending business. The CSRC will ban securities lending to investors who sell stocks on the same day of purchase and crack down on illegal arbitrage using short-selling. The regulator emphasized "zero tolerance" against malicious short sellers, warning of severe consequences. Mutual fund companies, including China Asset Management, E Fund Management, and Southern Asset Management, have suspended lending shares, and are phasing out securities re-lending in response to the new measures. The CSRC aims to tighten scrutiny over clients' trading behaviors and has seen a 24% drop in securities lending business due to recent efforts to curb short-selling. *(Reuters)*

Mandarin Securities Corp.

Hanz Elmer Torres

hanz.torres@mandarinsecurities.com

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
BKR	Bright Kindle Resources & Investments Inc.	Php0.0037	Cash	Common	10/13/23	10/16/23	TBA
DDMPR	DDMP REIT, Inc.	Php0.0256820	Cash	Common	01/19/24	01/22/24	02/14/24
8990B	8990 Holdings, Inc.	Php1.375	Cash	Preferred	01/26/24	01/29/24	02/10/24
PSB	Philippine Savings Bank	Php0.75	Cash	Common	02/01/24	02/02/24	02/19/24
MWP2B	Megawide Construction Corporation	Php1.4375	Cash	Preferred	02/06/24	02/07/24	02/27/24
RFM	RFM Corporation	Php0.074194	Cash	Common	02/06/24	02/07/24	03/05/24
ACPAR	Ayala Corporation	Php39.741875	Cash	Preferred	02/13/24	02/14/24	02/29/24
APB2R	Ayala Corporation	Php6.02675	Cash	Preferred	02/13/24	02/14/24	02/29/24
ALCPD	Arthaland Corporation	Php7.50	Cash	Preferred	02/14/24	02/15/24	03/03/24
FB	San Miguel Food and Beverage, Inc.	Php0.45	Cash	Common	02/15/24	02/16/24	03/01/24
BRNP Series A	A Brown Company, Inc.	Php1.75	Cash	Preferred	02/15/24	02/16/24	03/01/24
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	02/21/24	02/22/24	03/08/24
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	02/27/24	02/28/24	03/14/24
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	02/27/24	02/28/24	03/14/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	02/29/24	03/01/24	03/18/24
PRF3A	Petron Corporation	Php17.17825	Cash	Preferred	02/29/24	03/01/24	03/25/24
PRF3B	Petron Corporation	Php17.84575	Cash	Preferred	02/29/24	03/01/24	03/25/24
ALCPC	Arthaland Corporation	Php1.7319	Cash	Preferred	02/29/24	03/01/24	03/27/24
PRF4A	Petron Corporation	Php16.76975	Cash	Preferred	03/12/24	03/13/24	04/08/24
PRF4B	Petron Corporation	Php16.99300	Cash	Preferred	03/12/24	03/13/24	04/08/24
PRF4C	Petron Corporation	Php17.71525	Cash	Preferred	03/12/24	03/13/24	04/08/24
SMC2F	San Miguel Corporation	Php1.27635	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2I	San Miguel Corporation	Php1.18790625	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2J	San Miguel Corporation	Php0.890625	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2K	San Miguel Corporation	Php0.84375	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2M	San Miguel Corporation	Php1.5703125	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2N	San Miguel Corporation	Php1.5649875	Cash	Preferred	03/20/24	03/21/24	04/04/24
SMC2O	San Miguel Corporation	Php1.611300	Cash	Preferred	03/20/24	03/21/24	04/04/24
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	04/04/24	04/05/24	04/29/24
BRNP Series A	A Brown Company, Inc.	Php1.75	Cash	Preferred	05/02/24	05/03/24	05/29/24
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	05/23/24	05/24/24	06/10/24
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	05/29/24	05/30/24	06/14/24
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	05/29/24	05/30/24	06/14/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	05/31/24	06/03/24	06/18/24
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	07/04/24	07/05/24	07/29/24
BRNP Series A	A Brown Company, Inc.	Php1.75	Cash	Preferred	07/31/24	08/01/24	08/29/24

Mandarin Securities Corp.

Hanz Elmer Torres

hanz.torres@mandarinsecurities.com

Disclaimer:

Information and opinions presented represent the judgment of the author and securities offered and sold by Mandarin Securities Corp. are subject to price movements and possible loss of amount invested. The information is based upon sources we believe to be reliable and has been obtained from public sources. Opinions and estimates are subject to change without notice. Mandarin Securities, and/or its employees may act or take a view in a different and inconsistent way contained in this report. This report is for informational purposes only, and is not an offer or solicitation to buy or sell any financial instrument or product or financial security.



CASH DIVIDEND SCHEDULE

*Arranged by ex-date

Ticker	Company	Amount/ Rate	Dividend Type	Share	Ex-date	Record Date	Payment Date
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	08/22/24	08/23/24	09/09/24
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	08/29/24	08/30/24	09/16/24
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	08/29/24	08/30/24	09/16/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	09/02/24	09/03/24	09/18/24
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	10/04/24	10/07/24	10/28/24
BRNP Series A	A Brown Company, Inc.	Php1.75	Cash	Preferred	11/04/24	11/05/24	11/29/24
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	11/21/24	11/22/24	12/09/24
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	11/28/24	11/29/24	12/16/24
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	11/28/24	11/29/24	12/16/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	12/02/24	12/03/24	12/18/24

Mandarin Securities Corp.

Hanz Elmer Torres

hanz.torres@mandarinsecurities.com

Disclaimer:

Information and opinions presented represent the judgment of the author and securities offered and sold by Mandarin Securities Corp. are subject to price movements and possible loss of amount invested. The information is based upon sources we believe to be reliable and has been obtained from public sources. Opinions and estimates are subject to change without notice. Mandarin Securities, and/or its employees may act or take a view in a different and inconsistent way contained in this report. This report is for informational purposes only, and is not an offer or solicitation to buy or sell any financial instrument or product or financial security.

28/F LKG TOWER, 6801 AYALA AVENUE, MAKATI CITY : OFFICE: +63 (02) 884-1271 : FAX +63 (02)884-1384



Stocks Dividends/Property Dividends

Ticker	Company	Amount/Rate	Dividend Type	Share Type	Ex-date	Record Date	Payment Date
PNB	Philippine National Bank	0.156886919 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	01/09/23
ABA	AbaCore Capital Holdings, Inc.	0.0009 PRIDE shares per 1 ABA common share	Property	Common	06/23/22	06/28/22	TBA
GREEN	Greenery Holdings Incorporated	0.0561786222 share of ANI for every 1 share of the company	Property	Common	06/27/22	06/30/22	TBA
BKR	Bright Kindle Resources & Investments Inc.	(1) BHD share for every three (3) common BKR shares	Property	Common	10/13/23	10/16/23	TBA
MACAY	Macay Holdings, Inc.	0.936 common share of ARC for every 1 common share of MACAY	Property	Common	10/20/23	10/23/23	TBA
MFIN	Makati Finance Corporation	0.5435056706%	Stock	Common	08/22/22	08/25/22	TBA
LPC	LFM Properties Corporation	60%	Stock	Common	TBA	TBA	TBA
VMC	Victorias Milling Company, Inc.	100%	Stock	Common	TBA	TBA	TBA
CEI	Crown Equities, Inc.	10%	Stock	Common	TBA	TBA	TBA
SBS	SBS Philippines Corporation	22%	Stock	Common	TBA	TBA	TBA

Note: AC
Sripless shareholders will have a moving payment date for their property dividends

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
PBB	Philippine Business Bank	Php10.00	1:4.6428	50,000,000	03/07/2023	03/10/2023	03/17/2023	TBA

Mandarin Securities Corp.

Hanz Elmer Torres

hanz.torres@mandarinsecurities.com

Disclaimer:

Information and opinions presented represent the judgment of the author and securities offered and sold by Mandarin Securities Corp. are subject to price movements and possible loss of amount invested. The information is based upon sources we believe to be reliable and has been obtained from public sources. Opinions and estimates are subject to change without notice. Mandarin Securities, and/or its employees may act or take a view in a different and inconsistent way contained in this report. This report is for informational purposes only, and is not an offer or solicitation to buy or sell any financial instrument or product or financial security.

28/F LKG TOWER, 6801 AYALA AVENUE, MAKATI CITY : OFFICE: +63 (02) 884-1271 : FAX +63 (02)884-1384