

Market Commentary

➔ **The View.** The PSEi surged by 96.12 points or 1.31% and ended at 7,458.74 yesterday. The local bourse quickly recovered, with the benchmark index finishing with a fresh 2-year high, turning Wednesday's pullback to a brief correction. Market sentiment received a boost from Bangko Sentral ng Pilipinas (BSP) Governor Eli Remolona, Jr. pointed out that the central bank may have two more interest rate cuts this year, following its 25-bps reduction last August. In the US, the 3 major indices finished higher as well. The Dow and the S&P500 rose by 0.62% and 0.40%, respectively, after small dips last Wednesday. The latter hit another fresh record high. The Nasdaq Composite also went up by 0.60%. The weekly jobless claims figure came in at 218,000, lower than the estimated 223,000, and the 222,000 from the preceding week. Meanwhile, European markets also closed in the green. The Stoxx600 jumped by 1.25%, while the FTSE100 inched higher by 0.20%. Household goods, mining, and tech stocks fueled the rallies. In the Asia-Pacific, markets posted big gains after the China's Politburo affirmed the new stimulus measures that were initially announced. China's CSI300 jumped by 4.23% and hit a 4-month high. Hong Kong's Hang Seng followed suit with a 4.16% gain of its own. South Korea's Kospi climbed 2.90% on the back of chipmaker stocks, while Japan's Nikkei surged by 2.79% as investors digested the minutes from the Bank of Japan (BoJ)'s latest meeting. Locally, Mining&Oil (-0.34%) was the lone sectoral loser. The rest went up, led by Financial (+2.59%) and Holding Firms (+1.07%). In the PSEi, SMC (+6.11%), PGOLD (+4.58%), and BPI (+4.55%) were the top performers, while SCC (-1.48%), ALI (-0.91%), and AGI (-0.53%) were the main laggards. Market turnover increased to ₱12.53 billion, while net foreign inflows stood at ₱4.79 billion. The Philippine Peso weakened to ₱55.965 from ₱55.88 against the US dollar. The local bourse is likely to keep trading with an upward bias. Recent economic data and estimates from the likes of Asian Development Bank (ADB) highlight a steady and robust growth trajectory for the Philippine economy. With the local bourse still trading at attractive valuations despite the recent rallies, we may see the PSEi hitting and breaking higher resistance levels towards the end of the year.

Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,520.00	47.72%	28.73%
CNPF	3/13/20	13.10	39.50	201.53%	28.73%
FGEN	9/23/20	24.80	17.84	-28.06%	26.58%
AP	9/23/20	25.55	37.50	46.77%	26.58%
BDO	11/17/20	92.60	167.10	80.45%	7.82%
BPI	11/17/20	83.00	138.00	66.27%	7.82%
MBT	11/17/20	44.35	82.00	84.89%	7.82%
SECB	11/17/20	103.90	96.30	-7.31%	7.82%
CNVRG	6/13/22	22.50	16.40	-27.11%	15.34%
ALI	6/13/22	30.05	38.05	26.62%	15.34%
SGP	6/13/22	12.06	9.25	-23.30%	15.34%
Ave. Return				42.59%	17.08%

PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	7,362.62	7,458.74	1.31%
All Shares	3,939.64	3,978.10	0.98%
Financial	2,324.48	2,384.69	2.59%
Industrial	9,739.89	9,821.05	0.83%
Holding Firms	6,261.62	6,328.70	1.07%
Property	2,977.40	2,988.45	0.37%
Services	2,234.75	2,255.78	0.94%
Mining & Oil	8,773.20	8,743.01	-0.34%

TOP 10

SMC	6.11%	SCC	-1.48%
PGOLD	4.58%	ALI	-0.91%
BPI	4.55%	AGI	-0.53%
MONDE	3.50%	CNVRG	-0.49%
AEV	3.15%	URC	-0.19%
NIKL	3.01%	GLO	-0.09%
JGS	3.00%	SM	0.00%
BLOOM	2.85%	DMC	0.00%
TEL	2.63%	ICT	0.00%
MBT	2.24%	EMI	0.11%

BOTTOM 10

MARKET DATA

Market Volume	1,181,527,705
Market Turnover (Value)	12,531,318,265
Foreign Buying	9,475,202,753
Foreign Selling	4,685,854,161
Net Foreign Buy / (Sell)	4,789,348,592

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Economic Developments

- ➔ **₱3.74 trillion of RE projects endorsed by Bol for 'green-lane' treatment.** The Philippine Board of Investments (BoI) has endorsed ₱3.74 trillion worth of renewable energy (RE) projects for green-lane treatment as of Sept. 25, 2024, advancing the country's goals of expanding RE capacity, cutting carbon emissions, and generating local jobs. This initiative supports 114 RE projects, with ₱1.64 trillion in registered investments and ₱2.1 trillion under processing. Notably, 11 RE projects, including a ₱289-billion offshore wind project in Ilocos Norte, were endorsed in September. This green-lane program, established under Executive Order No. 18, expedites project approvals to maintain the Philippines' global competitiveness in sustainability. Besides RE projects, green-lane endorsements cover digital infrastructure, food security, and manufacturing investments. With over ₱4 trillion worth of certified projects, the BoI is on track to exceed its ₱1.6-trillion investment target for the year. Two solar power projects, in Pangasinan and Camarines Sur, have already commenced operations under this initiative. *(BusinessWorld)*
- ➔ **Government to borrow ₱310 billion from local market in Q4.** The Philippine government plans to borrow ₱310 billion from the domestic debt market in the fourth quarter of 2024, anticipating further monetary policy easing. The Bureau of the Treasury (BTr) intends to raise ₱220 billion from short-term Treasury bills (T-bills) and ₱90 billion from long-term Treasury bonds (T-bonds). The auction of T-bills, covering 91, 182, and 364-day tenors, will be held every Monday, while T-bonds with maturities ranging from five to 20 years will be auctioned every Tuesday. This borrowing plan represents a 51% decrease from the previous quarter's ₱630 billion program. Rizal Commercial Banking Corp.'s Chief Economist, Michael Ricafort, noted that the reduced borrowing is largely due to seasonal factors, including holiday-shortened weeks and fewer government securities maturities. The easing of monetary policy, both by the US Federal Reserve and the Bangko Sentral ng Pilipinas (BSP), is also expected to impact local yield rates. The BSP, following its 25-basis-point rate cut last month, has signaled the possibility of two more rate reductions by year-end. *(Philstar)*
- ➔ **Tourist spending to rise nearly 30% with VAT refund law in place — DoT.** The Department of Tourism (DoT) expects tourist spending in the Philippines to increase by 29.8% with the passage of a value-added tax (VAT) refund law for foreign tourists. The proposed measure, recently approved by the Senate and earlier by the House of Representatives, will allow tourists to claim VAT refunds on locally purchased goods worth at least ₱3,000. This initiative is seen as a major step in boosting the country's competitiveness as a tourism destination, enhancing local businesses, and promoting Filipino products like Marikina shoes and traditional weaves. The Philippine Retailers Association highlighted that the Philippines is the only country in Asia without a VAT refund scheme for tourists, which has hampered the country's ability to attract shopping-focused travelers. Retail giants like SM Prime Holdings support the measure, noting that its success depends on a user-friendly implementation, with technology playing a key role in simplifying the refund process. The VAT refund law is expected to make the Philippines more attractive to tourists, aligning the country with regional competitors like Thailand, Vietnam, and Singapore. *(BusinessWorld)*

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Corporate Developments

- ➔ **Manila Electric Company (MER)**. MER has enlisted its subsidiary, Meralco Industrial Engineering Services Corp. (MIESCOR), to connect the ₱200-billion Terra Solar project to the Luzon grid. MIESCOR signed a contract with Terra Solar Philippines, Inc. (TSPI) to design and build critical infrastructure, including substations and transmission lines, ensuring efficient energy delivery once the project is operational. The Terra Solar project will feature a 3,500-megawatt solar power plant and a 4,000-megawatt-hour energy storage system, expected to generate over five billion kilowatt-hours annually. Phase 1 is set for completion in 2026, with Phase 2 targeted for 2027. (*BusinessWorld*)
- ➔ **DoubleDragon Corporation (DD)**. DD's subsidiary, Hotel101 Global Pte. Ltd. is expected to sell all units in its Japan and Spain projects ahead of schedule as it prepares for a NASDAQ listing in Q4 2024. The 680-room Hotel101-Madrid, set for completion by end-2025, and the 482-room Hotel101-Niseko in Japan, scheduled for 2026, are part of Hotel101's global expansion. The company anticipates generating ₱71.2 billion from the Niseko project and ₱8.8 billion from the Madrid property. Hotel101 will list on NASDAQ via a merger with JVSPAC Acquisition Corp., trading under the ticker "HBNB," becoming the first Philippine firm to list in the US. The Madrid project has already issued golden visas to unit owners, a significant milestone for the development, allowing investors to qualify for Spain's investor visa. Hotel101 CEO Hannah Yulo-Luccini highlighted strong investor interest, while DD Chairman Edgar Sia noted the project's positive economic impact on Spain through job creation, land purchases, and taxes. (*BusinessWorld*)

Other Developments

- ➔ **Low weekly US jobless claims, robust corporate profits highlight economy's resilience**. The U.S. labor market remains robust as initial jobless claims dropped to 218,000, a four-month low, signaling economic strength despite concerns about slowing job growth. Corporate profits also grew faster than previously estimated in the second quarter, suggesting resilience in business investment and supporting employment levels. This strong economic performance may complicate hopes for a large Federal Reserve rate cut in November. Meanwhile, corporate profits saw a substantial upward revision, and gross domestic income (GDI) growth was revised to 3.4%, further aligning with the economy's 3% gross domestic product (GDP) growth last quarter. These revisions suggest sustained economic momentum and healthier household savings, likely leading the Fed to adopt a more gradual approach to future rate cuts. (*Reuters*)
- ➔ **Bank of Japan board members split over monetary policy path, meeting minutes show**. The Bank of Japan's (BOJ) July meeting minutes reveal a divided board over the future direction of interest rates. While some members advocate for gradual rate hikes to manage inflation risks, others emphasize caution, suggesting monetary policy normalization should not be rushed. The BOJ's economic outlook predicts core inflation to hover around 2.5% for fiscal 2024, aligning with its 2% target in subsequent years. In July, the BOJ raised its policy rate to 0.25% in a split decision, its highest since 2008, and announced plans to reduce government bond purchases. Following this, the yen appreciated, leading to stock market declines, including a 12.4% drop in the Nikkei on August 5, its worst since 1987. (*CNBC*)

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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
BKR	Bright Kindle Resources & Investments Inc.	Php0.0037	Cash	Common	10/13/23	10/16/23	TBA
SLF	Sun Life Financial Inc.	C\$0.81	Cash	Common	08/27/24	08/28/24	09/27/24
AUB	Asia United Bank Corporation	Php1.00	Cash	Common	09/05/24	09/06/24	09/30/24
CREIT	Citicore Energy REIT Corp.	Php0.049	Cash	Common	09/09/24	09/10/24	10/04/24
VREIT	VistaREIT, Inc.	Php0.04523	Cash	Common	09/11/24	09/12/24	10/03/24
PREIT	Premiere Island Power REIT Corporation	Php0.0326	Cash	Common	09/12/24	09/13/24	09/27/24
PRF4A	Petron Corporation	Php16.76975	Cash	Preferred	09/12/24	09/13/24	10/07/24
PRF4B	Petron Corporation	Php16.99300	Cash	Preferred	09/12/24	09/13/24	10/07/24
PRF4C	Petron Corporation	Php17.71525	Cash	Preferred	09/12/24	09/13/24	10/07/24
BDO	BDO Unibank, Inc.	Php1.00	Cash	Common	09/16/24	09/17/24	09/30/24
SMC2F	San Miguel Corporation	Php1.27635	Cash	Preferred	09/19/24	09/20/24	10/04/24
SMC2I	San Miguel Corporation	Php1.18790625	Cash	Preferred	09/19/24	09/20/24	10/04/24
SMC2J	San Miguel Corporation	Php0.890625	Cash	Preferred	09/19/24	09/20/24	10/04/24
SMC2K	San Miguel Corporation	Php0.84375	Cash	Preferred	09/19/24	09/20/24	10/04/24
SMC2L	San Miguel Corporation	Php1.48396875	Cash	Preferred	09/19/24	09/20/24	10/04/24
SMC2M	San Miguel Corporation	Php1.5703125	Cash	Preferred	09/19/24	09/20/24	10/04/24
SMC2N	San Miguel Corporation	Php1.5649875	Cash	Preferred	09/19/24	09/20/24	10/04/24
SMC2O	San Miguel Corporation	Php1.611300	Cash	Preferred	09/19/24	09/20/24	10/04/24
CNVRG	Converge ICT Solutions, Inc.	Php0.18	Cash	Common	09/23/24	09/24/24	10/10/24
CPG	Century Properties Group, Inc.	Php0.015989	Special Cash	Common	09/27/24	09/30/24	10/14/24
JFCPB	Jollibee Foods Corporation	Php10.60125	Cash	Preferred	09/27/24	09/30/24	10/15/24
FEU	Far Eastern University, Incorporated	Php16.00	Cash	Common	09/30/24	10/01/24	10/17/24
CLIA1	Cebu Landmasters, Inc.	Php18.9625	Cash	Preferred	10/01/24	10/02/24	10/12/24

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*Arranged by ex-date

Ticker	Company	Amount/ Rate	Dividend Type	Share	Ex-date	Record Date	Payment Date
CLIA2	Cebu Landmasters, Inc.	Php20.625	Cash	Preferred	10/01/24	10/02/24	10/12/24
MWP5	Megawide Construction Corporation	Php1.97605	Cash	Preferred	10/01/24	10/02/24	10/17/24
DDPR	DoubleDragon Corporation	Php2.42125	Cash	Common	10/02/24	10/03/24	10/14/24
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	10/04/24	10/07/24	10/28/24
CPGPB	Century Properties Group, Inc.	Php1.8858000	Cash	Preferred	10/25/24	10/28/24	11/22/24
BRNPB Series B	A Brown Company, Inc.	Php2.0625	Cash	Preferred	11/04/24	11/05/24	11/25/24
BRNPC Series C	A Brown Company, Inc.	Php2.1875	Cash	Preferred	11/04/24	11/05/24	11/25/24
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
EEIPA	EEl Corporation	Php1.441025	Cash	Preferred	11/29/24	12/02/24	12/23/24
EEIPB	EEl Corporation	Php1.73485	Cash	Preferred	11/29/24	12/02/24	12/23/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	12/02/24	12/03/24	12/18/24
BRNPB Series B	A Brown Company, Inc.	Php2.0625	Cash	Preferred	02/07/25	02/10/25	02/24/25
BRNPC Series C	A Brown Company, Inc.	Php2.1875	Cash	Preferred	02/07/25	02/10/25	02/24/25

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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	0.156886919 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) BHDI 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
LFM	Liberty Flour Mills, Inc.	97 common shares of LPC for every 1 common share of LFM	Property	Common	06/18/24	06/19/24	TBA
BDO	BDO Unibank, Inc.	TBA	Property	Treasury	TBA	TBA	TBA
CEI	Crown Equities, Inc.	0.10 common share for every one (1) CEI common share	Property	Common	TBA	TBA	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	09/16/24	09/17/24	10/11/24
CEI	Crown Equities, Inc.	10%	Stock	Common	TBA	TBA	TBA
SBS	SBS Philippines Corporation	22%	Stock	Common	TBA	TBA	TBA
MFIN	Makati Finance Corporation	0.7127962684%	Stock	Common	08/21/24	08/22/24	09/18/24
COL	COL Financial Group, Inc.	25%	Stock	Common	10/22/24	10/23/24	11/14/24

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

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