

## Market Commentary

➔ **The View.** The PSEi surged by 129.90 points (+1.77%) on Tuesday, closing at 7,326.41 as local shares rallied amidst expectations of another policy rate cut by the Bangko Sentral ng Pilipinas (BSP). Investors regained optimism following Monday's lackluster session, with many making early bets ahead of the upcoming BSP meeting this week. In the US, Wall Street took a breather on Tuesday, with the Dow Jones declining by 0.75%, the S&P 500 falling by 0.76%, and the Nasdaq Composite dropping 1.01%. Chipmakers Nvidia and AMD posted significant losses of 4.7% and 5.2%, respectively. UnitedHealth also weighed heavily on the Dow, sliding 8.1% after cutting its full-year earnings outlook. Despite these declines, the three major indices remain higher for the month and appear well-positioned to overcome October's historical volatility. In Europe, stocks also closed lower, with the Stoxx50 down 1.87% and the Stoxx600 slipping 0.80%, as investors grappled with earnings reports and a sharp fall in oil and tech stocks. Meanwhile, APAC markets saw mixed performances. China's CSI 300 and Hong Kong's Hang Seng dropped sharply by 2.66% and 3.67%, respectively, following China's disappointing September trade data that missed expectations. In contrast, Japan's Nikkei gained 0.77%, South Korea's Kospi rose by 0.39%, and Australia's S&P/ASX 200 added 0.79%, as these markets followed the positive momentum from Wall Street's record-setting Monday. Locally, most sectors ended higher. Property (+2.06%), Holding Firms (+1.77%) and Financials (+1.71%) gained the most. Mining&Oil (-0.26%) was the only sector to post a slight loss. In the PSEi, MER (+5.10%), CNVRG (+4.13%), and MBT (+3.95%) led the gainers. On the downside, NIKL (-1.05), DMC (-1.01%), and BLOOM (-0.88%) were the worst performers. Market turnover surged to ₱6.41 billion, up by 65% from the previous session. Foreign investors also turned net buyers, recording ₱638.15 million in net foreign buying, snapping a four-day streak of net foreign selling. The Philippine Peso weakened against the U.S. dollar, closing at ₱57.865 per dollar, down 39.5 centavos, as broad dollar strength and cautious Fed signals weighed on the local currency. Despite the market's gains, investor sentiment remains cautious, weighed down by uncertainties surrounding the upcoming US presidential election, rising Treasury yields, US Federal Reserve policy moves, and geopolitical tensions in the Middle East. Risk appetite is likely to remain tempered as these risks continue to cloud the global economic outlook.

## Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,516.00	47.33%	28.69%
CNPF	3/13/20	13.10	39.45	201.15%	28.69%
FGEN	9/23/20	24.80	18.06	-27.18%	26.53%
AP	9/23/20	25.55	38.10	49.12%	26.53%
BDO	11/17/20	92.60	161.00	73.87%	7.78%
BPI	11/17/20	83.00	140.60	69.40%	7.78%
MBT	11/17/20	44.35	81.50	83.77%	7.78%
SECB	11/17/20	103.90	98.20	-5.49%	7.78%
CNVRG	6/13/22	22.50	17.16	-23.73%	15.30%
ALI	6/13/22	30.05	37.10	23.46%	15.30%
SGP	6/13/22	12.06	9.80	-18.74%	15.30%
<b>Ave. Return</b>				<b>43.00%</b>	<b>17.04%</b>

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## PSEI INTRADAY



### INDICES

Index	Prev	Last	% Chg
PSEi	7,326.41	7,456.31	1.77%
All Shares	4,024.72	4,086.45	1.53%
Financial	2,360.34	2,400.80	1.71%
Industrial	9,928.58	10,070.51	1.43%
Holding Firms	6,216.62	6,326.71	1.77%
Property	2,909.20	2,969.20	2.06%
Services	2,232.46	2,263.13	1.37%
Mining & Oil	8,787.21	8,764.54	-0.26%

### TOP 10

MER	5.10%	NIKL	-1.05%
CNVRG	4.13%	DMC	-1.01%
MBT	3.95%	BLOOM	-0.88%
SM	3.13%	SCC	-0.73%
ALI	3.06%	SMC	-0.51%
MONDE	2.91%	AEV	-0.27%
WLCON	2.18%	CNPF	-0.13%
SMPH	2.07%	GTAP	-0.07%
GLO	1.83%	EMI	0.11%
AGI	1.81%	URC	0.39%

### BOTTOM 10

### MARKET DATA

Market Volume	584,489,177
Market Turnover ( Value)	6,413,702,664
Foreign Buying	3,536,586,866
Foreign Selling	2,898,441,557
Net Foreign Buy / (Sell)	638,145,309

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## Economic Developments

- ➔ **OFW remittances up by 3.2% in August.** Cash remittances from overseas Filipino workers (OFWs) rose by 3.2% in August 2024, reaching \$2.89 billion, according to the Bangko Sentral ng Pilipinas (BSP). This increase was driven by higher remittances from land-based workers, which grew by 3.9% to \$2.28 billion, and a modest 0.7% increase from sea-based workers. Personal remittances, including in-kind inflows, also grew by 3.3% to \$3.2 billion. Despite the annual growth, cash remittances slipped from \$3.08 billion in July. For the first eight months of 2024, cash remittances rose by 2.9% to \$22.22 billion, led by inflows from the US, Saudi Arabia, UAE, and Singapore. The US accounted for 41.3% of total remittances. Analysts anticipate steady single-digit growth in remittances, driven by the holiday season and household spending normalization. The BSP expects cash remittances to grow by 3% for the full year. (*BusinessWorld*)
- ➔ **Rice stocks up 7% year-on-year.** The country's rice stocks in September increased by 6.8% year-on-year to 1.66 million metric tons (MT), driven by higher inventories held by commercial entities and the National Food Authority (NFA), according to the Philippine Statistics Authority (PSA). Commercial rice stocks surged by 16.4% to 1.05 million MT, while NFA holdings nearly tripled to 151,160 MT. However, household rice inventories dropped by 23.7% to 457,820 MT. On a monthly basis, overall rice stocks declined as traders and importers depleted old stocks before restocking. Commercial warehouse inventories and household stocks fell by 9.8% and 17%, respectively. The PSA reported that 63.3% of rice stocks came from the commercial sector, 27.6% from households, and 9.1% from NFA. The U.S. Department of Agriculture forecasts a continued rise in NFA stocks but a decrease in household reserves due to high prices and tariff reductions. (*Philstar*)
- ➔ **Bureau of Treasury fully awards T-bills.** The Bureau of the Treasury (BTr) fully awarded bids for Treasury bills (T-bills) during its auction on October 14, raising the full program of ₱20 billion. The 91-day, 182-day, and 364-day T-bills fetched average rates of 5.444%, 5.668%, and 5.623%, respectively, marking a continued rise in yields for the third consecutive week. Last week, the respective yields were 5.414%, 5.474%, and 5.540%. Rizal Commercial Banking Corporation Chief Economist Michael Ricafort attributed the higher yields to the weaker peso against the U.S. dollar and rising global crude oil prices, exacerbated by Middle East tensions. The auction was 2.6 times oversubscribed, receiving ₱51.7 billion in total tenders. (*Inquirer*)

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## Corporate Developments

- ➔ **First Gen Corporation (FGEN).** Energy Development Corp. (EDC) is investing ₱25 billion to enhance the steam flow and maximize power generation at its Southern Negros Geothermal Project (SNGP) in Valencia, Negros Oriental. The investment will fund the drilling of new wells, the construction of additional well pads, and the development of necessary infrastructure, including roads and pipeline routes. With the SNGP currently operating at 241.8 megawatts (MW) out of its 282.5 MW capacity, the company aims to address the natural decline in geothermal well pressure by drilling 2-5 replacement wells annually. EDC is also seeking approval from the Department of Environment and Natural Resources (DENR) to expand its project area from 151.5 hectares to 400 hectares, ensuring long-term operational sustainability. This expansion will bolster the performance of several geothermal power plants in the region and support future developments. EDC's broader geothermal investments include an additional ₱24 billion earmarked for new domestic projects this year and a \$456-million initiative to develop two greenfield geothermal sites in Indonesia. As a subsidiary of FGEN, EDC's 1,480 MW portfolio accounts for 20% of the Philippines' total renewable energy capacity, with its geothermal capacity providing 61% of the country's geothermal output. The Negros project is expected to be completed by 2057. (*Philstar*)
- ➔ **Ayala Corporation (AC).** AC successfully raised ₱15 billion from the sale and follow-on offering (FOO) of 7.5 million preferred "B" shares to support its investment initiatives. The offer, which included a base of 5 million non-convertible, non-participating, non-voting, peso-denominated perpetual preferred shares and an oversubscription option of 2.5 million shares, was fully subscribed. Priced at ₱2,000 per share, with an initial dividend rate of 6.0538%, the offering ran from October 1 to 7, 2024. Philippine Stock Exchange (PSE) President Ramon Monzon highlighted the strong demand for AC's shares, reflecting investor confidence in the company's leadership and its commitment to integrity and social consciousness. AC President and CEO Cezar Consing emphasized the group's longstanding support for the Philippine equity market, noting that AC has been listed on the exchange for over 50 years. The oversubscription of this FOO, which follows the success of last year's preferred "A" shares offering, demonstrates sustained investor interest in the conglomerate, which continues to leverage its strong reputation to drive capital-raising initiatives. (*The Manila Times*)

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## Corporate Developments

➔ **Bloomerry Resorts Corporation (BLOOM)**. BLOOM has secured a ₱72-billion syndicated refinancing facility from a consortium of banks, including BDO Unibank, Bank of the Philippine Islands (BPI), China Banking Corp., and Philippine National Bank (PNB), to enhance its operations and support the growth of Solaire Resort North. This new facility replaces a ₱73.5-billion loan secured in 2018 and an additional ₱20-billion loan obtained in 2020. The refinancing maintains a back-ended payment schedule, with over 65% of the balance due in the last five years, allowing for better financial management as Solaire North ramps up. The facility, priced 75 basis points lower than the previous loans, offers an option to fix interest rates within the next 12 months, potentially benefiting BLOOM from future rate cuts. Chairman and CEO Enrique Razon Jr. highlighted the refinancing as a strategic move to ease debt service, improve cash flow, and boost the company's bottom line, ensuring steady capital returns to shareholders. BDO Capital and Investment Corp. acted as lead arranger and sole bookrunner for the transaction. *(The Manila Times)*

## Other Developments

➔ **Goldman Sachs beats on profit and revenue as stock trading and investment banking boost results**. Goldman Sachs reported strong third-quarter results, surpassing estimates with earnings of \$8.40 per share compared to the \$6.89 forecast, and revenue of \$12.7 billion versus the \$11.8 billion estimate. The bank's profit surged 45% year-on-year to \$2.99 billion, driven by a 7% revenue increase. Key contributors included a robust 18% rise in equities trading revenue, reaching \$3.5 billion, and a 20% jump in investment banking revenue to \$1.87 billion, thanks to strength in debt and equity underwriting. The asset and wealth management division also exceeded expectations with a 16% revenue rise to \$3.75 billion, supported by higher management fees and investment gains. While fixed-income trading saw a 12% decline from last year, it still slightly beat estimates at \$2.96 billion. CEO David Solomon pointed to an "improving operating environment" as a positive sign for the firm's future, with the easing of the Federal Reserve's rate tightening expected to further boost corporate activity. Despite the impressive financial results, Goldman shares remained relatively flat after an initial 2% rise earlier in the session. *(CNBC)*

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## Other Developments

➔ **U.S. crude prices fall more than 4% as Israel is not expected to strike Iran's oil industry.** U.S. crude futures fell over 4% on Tuesday, following reports that Israel does not intend to target Iran's oil facilities, alleviating concerns of potential supply disruptions in the Middle East. According to senior Biden administration officials, Israel is focusing its retaliatory efforts solely on military targets and will not engage the Islamic Republic's oil industry or nuclear facilities. This announcement comes after heightened tensions earlier this month when Iran launched a ballistic missile attack against Israel, which had sparked fears of an escalating conflict that could impact crude supplies. As a result, West Texas Intermediate crude for November delivery closed at \$70.58 per barrel, down \$3.25, or 4.4%, while Brent crude for December fell to \$74.25 per barrel, down \$3.21, or 4.14%. Despite a significant pullback from recent highs, geopolitical risks remain, with RBC Capital Markets' Helima Croft cautioning that a cycle of escalation could still lead to oil disruptions. The outlook for global demand is also weakening, as OPEC has cut its 2024 oil forecast for the third consecutive month, projecting slower growth of around 900,000 barrels per day compared to previous years. The International Energy Agency (IEA) reports that Chinese oil demand has declined, with a drop of 500,000 bpd in August marking the fourth consecutive month of decrease. Meanwhile, crude production in the Americas, particularly in the U.S., is expected to increase by 1.5 million bpd this year and next. The IEA emphasized that unless a major supply disruption occurs, the market is likely to face a considerable surplus next year, though OPEC maintains spare capacity that could be activated if needed. (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
FEU	Far Eastern University, Incorporated	Php16.00	Cash	Common	09/30/24	10/01/24	10/17/24
MWPS	Megawide Construction Corporation	Php1.97605	Cash	Preferred	10/01/24	10/02/24	10/17/24
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	10/04/24	10/07/24	10/28/24
MWP4	Megawide Construction Corporation	Php1.325	Cash	Preferred	10/11/24	10/14/24	10/29/24
BALAI	Balai Ni Fruitas Inc.	Php0.005	Cash	Common	10/23/24	10/24/24	11/08/24
CPGPB	Century Properties Group, Inc.	Php1.8858000	Cash	Preferred	10/25/24	10/28/24	11/22/24
DDMPR	DDMP REIT, Inc.	Php0.0235610	Cash	Common	10/30/24	10/31/24	11/26/24
BRNP 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
DD	DoubleDragon Corporation	Php0.2648000	Cash	Common	11/05/24	11/06/24	11/29/24
HTI	Haus Talk, Inc.	Php0.02	Cash	Common	11/07/24	11/08/24	12/02/24
FCG	Figaro Coffee Group, Inc.	Php0.027	Cash	Common	11/13/24	11/14/24	12/04/24
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	10/25/24
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
CEU	Centro Escolar University	20%	Stock	Common	TBA	TBA	TBA

Note: AC Stripless 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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