

Market Commentary

➔ **The View.** The PSEi rebounded from a two-day slump, gaining 30.44 points or 0.42% to close at 7,314.23. The market was lifted by bargain hunters, with investors capitalizing on attractive valuations following the recent decline. Sentiment was also bolstered by the Bangko Sentral ng Pilipinas' move to cut banks' reserve requirement ratio (RRR), which took effect last Friday, injecting approximately ₱400 billion into the financial system. This liquidity boost helped to stabilize market confidence after a period of risk aversion. In the US, the Nasdaq Composite climbed by 0.56%, reaching an all-time high as megacap tech stocks, drove the market forward ahead of more upcoming earnings reports. However, the broader US market was mixed, with the Dow Jones dropping 0.61% and the S&P 500 marginally dipping by 0.03%. Rising bond yields continued to create uncertainty, tempering the optimism surrounding decent earnings. European markets ended the week on a mixed note, with the Stoxx50 edging up by 0.15%, while the Stoxx600 dipped slightly by 0.03%. The region's markets were weighed down by a series of corporate earnings reports, with banks generally beating expectations, but concerns over other sectors kept investor sentiment cautious. In the APAC region, China's CSI 300 led the gains, rising 0.70%, followed by Hong Kong's Hang Seng, which increased by 0.49%. South Korea's Kospi posted marginal gains, while Australia's ASX200 ended up just 0.06%. Japan's Nikkei, however, fell 0.60% ahead of the country's general election last weekend. Locally, most sectors posted gains, led by Financials (+0.97%) and Services (+0.76%). Property (-0.67%) and Industrials (-0.16%) were the only sectors to close in negative territory. In the main index, BPI (+5.04%), DMC (+2.12%), and PGOLD (+2.01%) were the top gainers. On the other hand, WLCON (-2.29%), BDO (-1.90%), and MONDE (-1.79%) took the most losses. Market turnover was higher at ₱4.20 billion, reflecting a 10% increase from the previous session. Foreign investors turned into net buyers, with a modest net inflow of ₱7.61 million, contrasting the ₱206.43 million net selling recorded on Thursday. The Philippine Peso weakened further, closing at ₱58.32, its lowest in nearly three months, as the US dollar strengthened amidst expectations of a slower pace of Fed rate cuts and rising speculation over a potential second Trump presidency. Looking ahead, investors may exercise increased caution in the coming weeks, especially with the US presidential election on the horizon. The main index is expected to trade within the 7,200–7,500 range as the market digests corporate earnings and global economic developments.

PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	7,283.79	7,314.23	0.42%
All Shares	4,007.39	4,017.27	0.25%
Financial	2,364.47	2,387.40	0.97%
Industrial	9,904.09	9,887.75	-0.16%
Holding Firms	6,148.86	6,181.13	0.52%
Property	2,868.35	2,849.10	-0.67%
Services	2,224.81	2,241.79	0.76%
Mining & Oil	8,597.95	8,606.98	0.11%

TOP 10

BPI	5.04%	WLCON	-2.29%
DMC	2.12%	BDO	-1.90%
PGOLD	2.01%	MONDE	-1.79%
URC	1.53%	MER	-1.62%
NIKL	1.52%	SMPH	-1.13%
TEL	1.38%	AEV	-0.83%
BLOOM	1.31%	ALI	-0.57%
ACEN	1.24%	SCC	-0.30%
AGI	1.08%	JFC	-0.22%
CNPF	0.99%	EMI	-0.11%

BOTTOM 10

Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,465.00	42.37%	26.24%
CNPF	3/13/20	13.10	40.90	212.21%	26.24%
FGEN	9/23/20	24.80	17.70	-28.63%	24.12%
AP	9/23/20	25.55	37.80	47.95%	24.12%
BDO	11/17/20	92.60	159.70	72.46%	5.73%
BPI	11/17/20	83.00	146.00	75.90%	5.73%
MBT	11/17/20	44.35	77.00	73.62%	5.73%
SECB	11/17/20	103.90	93.30	-10.20%	5.73%
CNVRG	6/13/22	22.50	16.80	-25.33%	13.10%
ALI	6/13/22	30.05	34.80	15.81%	13.10%
SGP	6/13/22	12.06	9.60	-20.40%	13.10%
Ave. Return				41.43%	14.81%

MARKET DATA

Market Volume	729,877,781
Market Turnover (Value)	4,197,613,944
Foreign Buying	2,378,466,692
Foreign Selling	2,370,855,723
Net Foreign Buy / (Sell)	7,610,969

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Economic Developments

- ➔ **Peso back in ₱58:\$1 territory.** The peso weakened to its lowest level in nearly three months, closing at ₱58.32:\$1 on Friday as the US dollar strengthened amid expectations of slower Federal Reserve rate cuts and the potential impact of a second Trump presidency. The peso's performance followed a two-day suspension of foreign exchange operations due to storm disruptions, with trading volumes reaching ₱1.691 billion. Despite the decline, the peso remains above this year's low of ₱58.80:\$1 recorded in June, as market pressures mount on the back of resilient US economic data and speculation over the 2024 US elections. The peso's recent slide, alongside other regional currencies such as the Thai baht and the Singapore dollar, is linked to increased demand for the US dollar and reduced attractiveness of emerging market assets. Analysts suggest that concerns over a Trump presidency, which is perceived to bring inflationary pressures due to potential tax cuts and tariff increases, are weighing on investor sentiment. The peso is also reacting to the impact of the BSP's reserve requirement ratio cuts and ongoing geopolitical tensions, contributing to its decline against the greenback. *(The Manila Times)*
- ➔ **PH ocean economy grows by nearly 10% in 2023.** The Philippine's ocean economy grew by 9.9% in 2023, reaching ₱943.05 billion, up from ₱857.93 billion in 2022, according to the Philippine Statistics Authority. This sector contributed 3.9% to the country's gross domestic product, with significant revenue increases in coastal recreation and accommodations (139.6%), food and beverage services (117%), and marine education (14.4%). Ocean fishing emerged as the largest industry, comprising 28.6% of the total ocean economy, followed by ocean-based manufacturing (20.9%) and sea-based transportation and storage (15.0%). Employment in ocean-related industries surged by 20.8% to 2.42 million in 2023, accounting for 5% of the country's total workforce. Ocean fishing remained the dominant employer, representing 42.8% of ocean-based employment. This substantial growth highlights the ocean economy's expanding role in both revenue generation and job creation in the Philippines. *(The Manila Times)*

Corporate Developments

- ➔ **Robinsons Retail Holdings, Inc. (RRHI).** RRHI posted a 7.6% growth in core net earnings, reaching ₱4.1 billion for the first nine months of 2024, driven by an increase in gross profit and improved operational efficiencies. Meanwhile, net income attributable to equity holders of the parent company surged over threefold to ₱7.8 billion, benefiting from a one-time gain from the Robinsons Bank and Bank of the Philippine Islands (BPI) merger in the first quarter. Earnings per share (EPS) also rose significantly to ₱5.38. Net sales for September 2024 hit ₱142.4 billion, a 3.0% increase, with strong contributions from the core food and drugstore segments. Third-quarter net sales reached ₱48.7 billion, a 3.1% rise. Gross profit grew by 4.3% to ₱34.3 billion, reflecting a better sales mix and stronger vendor support, while operating income increased 3.7% to ₱6.4 billion despite higher costs from two new distribution centers. As of September 30, 2024, Robinsons Retail operated 2,413 stores and 2,163 franchised TGP stores. *(RRHI Disclosure)*

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Corporate Developments

- ➔ **Pacific Online Systems Corporation (LOTO)**. LOTO reported a sharp 98.3% drop in net income for the first nine months of 2024, plunging to just ₱3.8 million from ₱228.2 million in the same period last year. The significant decline was attributed to the company's transition to a new Philippine Lottery System (PLS) for the Philippine Charity Sweepstakes Office (PCSO), which increased depreciation expenses and operational costs. Revenues also fell by 17% to ₱388.4 million, while costs and expenses surged by 33% to ₱360.5 million, reflecting the heightened operational demands of the PLS. Despite these setbacks, LOTO's cash reserves surged by 68% to ₱577.3 million, fueled by proceeds from the sale of Premium Leisure Corp. shares to Belle Corp. However, total assets declined by 6%, largely due to a 56% drop in investments held for trading. Earlier this year, LOTO secured a ₱4.088-billion contract for PCSO's five-year e-lotto lease, positioning the company for future growth as it transitions to a fully digitized lottery platform. (*The Manila Times*)

Other Developments

- ➔ **Russia's central bank raises key rate to 21% to rein in higher-than-forecast inflation**. Russia's central bank raised its key interest rate by 200 basis points to 21%, its highest level since February 2003, in response to rising inflation, which has surpassed earlier forecasts. This follows a 100 basis-point increase in September, bringing the rate to 19%. The central bank cited inflation risks in the medium term, with consumer prices in September rising to an annualized 9.8%, up from 7.5% in August. The bank now expects inflation to sit at 8.0–8.5% by the end of 2024, significantly above its earlier forecast of 6.5–7.0%. Governor Elvira Nabiullina indicated that further rate hikes may follow, with inflation risks remaining high due to persistent inflation expectations and challenges in foreign trade conditions. Russia's economy has been constrained by Western sanctions and depressed global oil prices, contributing to a weakened ruble and concerns over potential stifling of growth. The International Monetary Fund (IMF) forecasts Russia's inflation to average 7.9% this year, with GDP expected to drop from 3.6% in 2023 to 1.3% by 2025 as private consumption and investment slow. (*CNBC*)
- ➔ **China schedules meeting expected to reveal fiscal stimulus details**. China's parliament will hold a crucial meeting from November 4 to 8, where investors are eager to hear details on potential fiscal stimulus measures. The National People's Congress standing committee is expected to discuss adjustments to the national budget, echoing last year's increase in the fiscal deficit to 3.8%. Chief economist Bruce Pang from JLL notes that recent Chinese stimulus efforts highlight the need for further fiscal support, with potential changes in bond issuance and deficit expansion anticipated. China's Minister of Finance, Lan Fo'an, recently indicated that there is room to increase the deficit, but formal announcements require parliamentary approval. The meeting follows a late-September gathering led by President Xi Jinping, which called for stronger fiscal and monetary policies. While analysts doubt large-scale stimulus will directly boost consumption, they expect support for struggling local governments. China's economy grew 4.8% in the first three quarters, just shy of Beijing's 5% growth target for 2024. (*CNBC*)

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Other Developments

➔ **Markets gear up for two wild weeks of elections and rate moves.** Global investors are rushing into the U.S. dollar and preparing for heightened market volatility as crucial events unfold over the next two weeks. These include leadership elections in the U.S. and Japan, interest rate decisions from three major central banks, and the presentation of the U.K.'s new budget. The U.S. dollar has already gained over 3% in October, buoyed by a strong economy and increasing odds of a potential win for Donald Trump in the November 5 election. This has fueled market expectations of higher tariffs and inflation under a Trump administration, leading to a rise in bond yields. As a result, investors are hedging against currency and bond market volatility, with gauges of euro volatility reaching an 18-month high. Stocks have remained relatively calm, supported by strong U.S. earnings and data, although volatility indicators like the VIX index signal possible turbulence ahead. With geopolitical risks and policy shifts looming, many portfolio managers are taking defensive positions, reducing exposure to U.S. government debt and increasing bets on assets like gold and German bonds. The upcoming U.S. jobs report and Federal Reserve rate decision could also act as key flashpoints for market movements. *(Reuters)*

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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
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
SCC	Semirara Mining and Power Corporation	Php2.50	Special Cash	Common	10/28/24	10/29/24	11/14/24
DMC	DMCI Holdings, Inc.	Php0.48	Special Cash	Common	10/29/24	10/30/24	11/15/24
PRC	Philippine Racing Club, Inc.	Php0.08	Cash	Common	10/29/24	10/30/24	11/21/24
ASLAG	Raslag Corporation	Php0.05	Cash	Common	10/30/24	10/31/24	11/25/24
DDMPR	DDMP REIT, Inc.	Php0.0235610	Cash	Common	10/30/24	10/31/24	11/26/24
PSB	Philippine Savings Bank	Php0.75	Cash	Common	10/31/24	11/04/24	11/18/24
MEG	Megaworld Corporation	Php0.08175968	Cash	Common	11/04/24	11/05/24	11/18/24
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
DD	DoubleDragon Corporation	Php0.2648000	Cash	Common	11/05/24	11/06/24	11/29/24
RFM	RFM Corporation	Php0.148388	Cash	Common	11/05/24	11/06/24	12/02/24
ALI	Ayala Land, Inc.	Php0.2913	Cash	Common	11/07/24	11/08/24	11/22/24
HTI	Haus Talk, Inc.	Php0.02	Cash	Common	11/07/24	11/08/24	12/02/24
MWP2B	Megawide Construction Corporation	Php1.4375	Cash	Preferred	11/11/24	11/12/24	11/27/24
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
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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