

Market Commentary

➔ **The View.** The PSEi extended its decline last Friday, slipping 24.84 points or 0.37% to close at 6,616.51. This marked the local benchmark's third consecutive session in negative territory, with a week-on-week loss of 1.67%. The downturn was influenced by Wall Street's overnight decline, driven by the US November producer price index (PPI) data, which exceeded expectations, signaling persistent inflationary pressures. The weakening of the Philippine Peso against the US dollar added further weight to the bourse, dampening investor sentiment. In the US, the Dow Jones fell by 0.20%, marking its longest losing streak since 2020. The S&P 500 edged down by 0.01%, while the Nasdaq eked out a modest gain of 0.12%. Meanwhile, European equities also struggled, with the Stoxx50 inching up 0.05% while the broader Stoxx600 fell 0.53%. Disappointing economic data from the UK and Germany fueled concerns, including a surprise contraction in UK GDP and weaker German exports. In the APAC region, Chinese equities led losses, with the CSI 300 plunging 2.37% and the Hang Seng declining 2.09%, as Beijing's growth measures fell short of investor expectations. Japan's Nikkei and Australia's ASX 200 also posted losses, shedding 0.95% and 0.41%, respectively. Sectoral performance on the local bourse was mixed. Services (+0.54%) and Mining & Oil (+0.91%) led the gainers, while Holding Firms (-1.29%) and Industrial (-0.32%) lagged. In the main index, NIKL (+4.00%), WLCON (+2.15%) and MBT (+2.10%) were the top performers. On the flip side, BPI (-1.93%), AC (-1.92%), and JFC (-1.89%) were among the main laggards. Market turnover declined to ₱5.02 billion, down 19% from the previous session, while foreign investors registered a net outflow of ₱601.88 million, a 58% increase from Thursday's levels. The Philippine peso weakened against the US dollar, losing 23 centavos to close at ₱58.47. This week, the market is likely to remain volatile as investors anticipate the policy decisions from the US Federal Reserve (Fed) and the Bangko Sentral ng Pilipinas (BSP). Both central banks are expected to implement 25-bps rate cuts, which could bolster sentiment and provide a potential catalyst for recovery. Despite persistent foreign outflows, the PSEi's attractive valuations could encourage bargain hunting, especially if monetary easing signals further support for economic growth. Investors, however, remain cautious, given the lingering uncertainties surrounding inflation and global growth trajectories.

Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,298.00	26.14%	14.20%
CNPF	3/13/20	13.10	45.00	243.51%	14.20%
FGEN	9/23/20	24.80	16.70	-32.66%	12.28%
AP	9/23/20	25.55	36.70	43.64%	12.28%
BDO	11/17/20	92.60	150.00	61.99%	-4.36%
BPI	11/17/20	83.00	132.00	59.04%	-4.36%
MBT	11/17/20	44.35	75.50	70.24%	-4.36%
SECB	11/17/20	103.90	86.90	-16.36%	-4.36%
CNVRG	6/13/22	22.50	16.30	-27.56%	2.31%
ALI	6/13/22	30.05	26.60	-11.48%	2.31%
SGP	6/13/22	12.06	9.32	-22.72%	2.31%
Ave. Return				35.80%	3.86%

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PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	6,641.35	6,616.51	-0.37%
All Shares	3,756.07	3,752.73	-0.09%
Financial	2,253.29	2,261.34	0.36%
Industrial	9,124.67	9,095.55	-0.32%
Holding Firms	5,683.06	5,609.57	-1.29%
Property	2,436.95	2,434.94	-0.08%
Services	2,085.54	2,096.75	0.54%
Mining & Oil	7,534.62	7,603.29	0.91%

TOP 10

NIKL	4.00%	BPI	-1.93%
WLCON	2.15%	AC	-1.92%
MBT	2.10%	JFC	-1.89%
ACEN	2.02%	MONDE	-1.67%
PGOLD	1.64%	SM	-1.66%
TEL	1.41%	ALI	-1.30%
BDO	1.21%	CNVRG	-1.21%
ICT	0.51%	BLOOM	-1.20%
AGI	0.46%	AEV	-0.88%
SMPH	0.38%	DMC	-0.75%

BOTTOM 10

MARKET DATA

Market Volume	1,198,172,848
Market Turnover (Value)	5,023,401,431
Foreign Buying	2,249,888,679
Foreign Selling	2,851,766,127
Net Foreign Buy / (Sell)	(601,877,448)

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Economic Developments

- ➔ **Current account deficit surges to \$5.7 billion in Q3 as trade gap widens.** The Philippines' current account deficit more than doubled in the third quarter of 2024 to \$5.7 billion, compared to \$2.2 billion in the same period last year, driven by a growing merchandise trade gap and declining net service receipts, according to the Bangko Sentral ng Pilipinas (BSP). The trade-in-goods deficit expanded by 10.1% to \$18.5 billion, as imports rose 3.8% to \$32.4 billion, outpacing a 3.2% drop in exports, which fell to \$13.9 billion due to reduced demand for electronic products like semiconductors. The decline in service trade net receipts, which dropped 36.3% to \$3.3 billion, and higher interest payments on external obligations also contributed to the deficit. For the first nine months of 2024, the current account deficit rose 19.4% year-on-year to \$12.9 billion, reflecting trends of weaker service exports, modestly higher primary and secondary income inflows, and a narrowing goods trade deficit. However, the financial account recorded a significant net inflow of \$20.8 billion, supporting a balance of payments (BOP) surplus of \$5.1 billion for the same period, up from \$1.7 billion a year ago. The BSP noted strong import growth for infrastructure-related materials such as iron and steel but remains cautious about future trends, with updated forecasts to be released soon. *(BusinessWorld)*
- ➔ **Financial system's total resources grow by 9% year-on-year to ₱32.8 trillion as of October 2024.** The Bangko Sentral ng Pilipinas (BSP) reported that the total resources of the Philippine financial system increased by 9% year-on-year, reaching ₱32.8 trillion as of October 2024, up from ₱30.1 trillion in the same period last year. This growth was primarily driven by a 9.7% rise in banks' resources, which totaled ₱27.28 trillion. Universal and commercial banks, comprising 77.8% of the total, saw their resources climb by 9.6% to ₱25.52 trillion. Thrift banks experienced a 7.4% increase to ₱1.15 trillion, while digital banks reported a significant 34.8% surge to ₱113.8 billion. Rural and cooperative banks' resources grew by 17% to ₱498.3 billion. Despite this annual growth, there was a slight month-on-month decline of 0.9% from ₱33.1 trillion in September. Nonbank financial institutions also contributed, with their resources rising by 5.3% to ₱5.52 trillion as of end-June 2024. Analysts attribute the consistent expansion in total resources to robust domestic demand and a double-digit increase in bank lending, which grew by 10.6% to ₱12.5 trillion in October. Additionally, recent reductions in the reserve requirement ratio (RRR) by the BSP, effective October 25, have infused approximately ₱400 billion into the banking system, further supporting resource growth.

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Corporate Developments

- ➔ **Manila Electric Company (MER)**. MER is set to invest up to ₱70 billion from 2025 to 2029 for infrastructure upgrades and the deployment of four million smart meters. Around ₱30 billion will focus on enhancing its distribution network through storm hardening, system improvements, and pole relocation, while ₱40 billion will fund the rollout of advanced metering infrastructure (AMI) to bolster operational efficiency and grid resilience. Initial plans include installing 390,000 smart meters by mid-2026 at a cost of ₱4.56 billion and deploying mobile medium-voltage switchgear in 2025. Meralco has already spent ₱26 billion on capital expenditures in 2024, allocating ₱5.3 billion for distribution network improvements and the rest for renewable energy projects and telecom infrastructure. As the company expects to surpass its ₱43-billion profit target for 2024, Chairman Manuel V. Pangilinan expressed optimism about continued economic growth, forecasting robust performance driven by organic expansion and strategic investments. *(BusinessMirror)*
- ➔ **PetroEnergy Resources Corporation (PERC)**. PetroWind Energy, Inc. (PWEI) aims to complete three additional turbines at its Nabas wind farm by 2025, increasing its capacity from 36 MW to 49.2 MW. The expansion, part of the Nabas-2 project, adds to the six turbines installed during the second phase launched in late 2023. Located in Aklan, Nabas-2 remains the only new power plant connected to the Panay sub-grid since a major outage in January 2024, underscoring its importance to regional power stability. PWEI, a joint venture between PetroGreen Energy Corp. and Thailand's BCPG Public Co. Ltd., supports government efforts to enhance Aklan's grid, reducing curtailment risks and ensuring a steady supply of clean energy. Operating since 2015, the Nabas wind farm currently supplies 4-5% of Panay's power demand, helping stabilize energy needs in the Western Visayas region. *(BusinessWorld)*

Other Developments

- ➔ **U.S. import prices rise marginally in November, signaling easing inflation pressures**. U.S. import prices edged up by 0.1% in November, following a similar increase in October, as higher costs for food and fuel were largely offset by declines in other areas, aided by a stronger dollar. According to the Labor Department, annual import price growth reached 1.3% in November, driven by a sharp 47.4% increase in natural gas prices and a 13.1% spike in vegetable costs. However, core import prices—excluding fuel and food—remained unchanged, with the dollar's strength curbing price gains for goods like capital equipment and automotive parts. The data aligns with economists' expectations for subdued inflationary pressures, bolstering hopes for modest gains in the Fed-tracked core PCE price index. Analysts highlight the disinflationary effects of the strong dollar, which rose 2.1% against trade-weighted currencies between October and November. Despite this, potential shifts in U.S. trade policy, including tariffs and import taxes under the incoming administration, could disrupt the trend. *(Reuters)*

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Other Developments

- ➔ **ECB policymakers signal more rate cuts in 2024 as inflation nears target.** Four European Central Bank (ECB) policymakers voiced support on Friday for further interest rate cuts in 2024, contingent on inflation aligning with the 2% target. This follows the ECB's fourth rate cut of 2023, which reduced the deposit rate by 25 basis points to 3.0%. French Governor François Villeroy de Galhau and his Spanish counterpart José Luis Escrivá suggested more 25 bp cuts are likely, while Austria's Robert Holzmann and Luxembourg's Gaston Reinesch also backed gradual easing, targeting a neutral rate around 2%. Despite cautious optimism from ECB President Christine Lagarde, who cited risks from U.S. trade policies and domestic political uncertainty, market expectations align with at least 100 basis points in additional cuts by mid-2024. Reinesch hinted at potential rate reductions to 2.5% by spring, while Escrivá dismissed larger 50 bp cuts, emphasizing a measured approach to evaluate disinflation progress. *(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
OGP	OceanaGold (Philippines), Inc.	US\$0.0138	Cash	Common	11/19/24	11/20/24	12/16/24
ALTP2	Alternergy Holdings Corporation	Php0.0238	Cash	Preferred	11/21/24	11/22/24	12/18/24
AREIT	AREIT, Inc.	Php0.58	Cash	Common	11/26/24	11/27/24	12/13/24
SLF	Sun Life Financial Inc.	CAD 0.84	Cash	Common	11/26/24	11/27/24	12/31/24
SLI	Sta. Lucia Land, Inc.	Php0.04	Cash	Common	11/27/24	11/28/24	12/20/24
PRF4D	Petron Corporation	Php17.09100	Cash	Preferred	11/27/24	11/28/24	12/23/24
PRF4E	Petron Corporation	Php17.75800	Cash	Preferred	11/27/24	11/28/24	12/23/24
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
PRF3A	Petron Corporation	Php17.17825	Cash	Preferred	11/28/24	11/29/24	12/26/24
PRF3B	Petron Corporation	Php17.84575	Cash	Preferred	11/28/24	11/29/24	12/26/24
LTG	LT Group, Inc.	Php0.35	Cash	Common	11/29/24	12/02/24	12/09/24
PPC	Pryce Corporation	Php0.20	Cash	Common	11/29/24	12/02/24	01/02/25
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
MONDE	Monde Nissin Corporation	Php0.14	Cash	Common	11/29/24	12/02/24	12/27/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	12/02/24	12/03/24	12/18/24
BPI	Bank of the Philippine Islands	Php1.98	Cash	Common	12/03/24	12/04/24	12/20/24
PRF4A	Petron Corporation	Php16.76975	Cash	Preferred	12/06/24	12/09/24	01/07/25
PRF4B	Petron Corporation	Php16.99300	Cash	Preferred	12/06/24	12/09/24	01/07/25
PRF4C	Petron Corporation	Php17.71525	Cash	Preferred	12/06/24	12/09/24	01/07/25
FGEN	First Gen Corporation	Php0.45	Cash	Common	12/11/24	12/12/24	12/23/24
BDO	BDO Unibank, Inc.	Php1.00	Cash	Common	12/12/24	12/13/24	12/27/24
PREIT	Premiere Island Power REIT Corporation	Php0.0325	Cash	Common	12/12/24	12/13/24	12/27/24
VREIT	VistaREIT, Inc.	Php0.04667	Cash	Common	12/12/24	12/13/24	01/10/25
SMC2F	San Miguel Corporation	Php1.27635	Cash	Preferred	12/19/24	12/20/24	01/03/25
SMC2O	San Miguel Corporation	Php1.611300	Cash	Preferred	12/19/24	12/20/24	01/03/25
SMC2N	San Miguel Corporation	Php1.5649875	Cash	Preferred	12/19/24	12/20/24	01/03/25
SMC2M	San Miguel Corporation	Php1.5703125	Cash	Preferred	12/19/24	12/20/24	01/03/25
SMC2L	San Miguel Corporation	Php1.48396875	Cash	Preferred	12/19/24	12/20/24	01/03/25
SMC2K	San Miguel Corporation	Php0.84375	Cash	Preferred	12/19/24	12/20/24	01/03/25
SMC2J	San Miguel Corporation	Php0.890625	Cash	Preferred	12/19/24	12/20/24	01/03/25
SMC2I	San Miguel Corporation	Php1.18790625	Cash	Preferred	12/19/24	12/20/24	01/03/25
CLIA1	Cebu Landmasters, Inc.	Php18.9625	Cash	Preferred	12/27/24	01/02/25	01/12/25
CLIA2	Cebu Landmasters, Inc.	Php20.625	Cash	Preferred	12/27/24	01/02/25	01/12/25
BRNPS Series B	A Brown Company, Inc.	Php2.0625	Cash	Preferred	02/07/25	02/10/25	02/24/25

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CASH DIVIDEND SCHEDULE

*Arranged by ex-date

Ticker	Company	Amount/ Rate	Dividend Type	Share	Ex-date	Record Date	Payment Date
BRNPC Series C	A Brown Company, Inc.	Php2.1875	Cash	Preferred	02/07/25	02/10/25	02/24/25
PRF4D	Petron Corporation	Php17.09100	Cash	Preferred	02/27/25	02/28/25	03/24/25
PRF4E	Petron Corporation	Php17.75800	Cash	Preferred	02/27/25	02/28/25	03/24/25
PRF3B	Petron Corporation	Php17.84575	Cash	Preferred	02/28/25	03/03/25	03/25/25
PRF4A	Petron Corporation	Php16.76975	Cash	Preferred	03/12/25	03/13/25	04/07/25
PRF4B	Petron Corporation	Php16.99300	Cash	Preferred	03/12/25	03/13/25	04/07/25
PRF4C	Petron Corporation	Php17.71525	Cash	Preferred	03/12/25	03/13/25	04/07/25
CLIA1	Cebu Landmasters, Inc.	Php18.9625	Cash	Preferred	04/01/25	04/02/25	04/12/25
CLIA2	Cebu Landmasters, Inc.	Php20.625	Cash	Preferred	04/01/25	04/02/25	04/12/25
CLIA1	Cebu Landmasters, Inc.	Php18.9625	Cash	Preferred	07/01/25	07/02/25	07/12/25
CLIA2	Cebu Landmasters, Inc.	Php20.625	Cash	Preferred	07/01/25	07/02/25	07/12/25
CLIA1	Cebu Landmasters, Inc.	Php18.9625	Cash	Preferred	10/01/25	10/02/25	10/12/25
CLIA2	Cebu Landmasters, Inc.	Php20.625	Cash	Preferred	10/01/25	10/02/25	10/12/25

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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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