Philippine Stock Exchange index (PSEi) 5,862.59 ▼245.07 PTS. ▼4.01%

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PSEi MEMBER STOCKS

Ticker	Company	Price	Change	% Change
AC	Ayala Corp.	P544.00	-P5.00	-0.91%
ACEN	ACEN Corp.	P3.10	-P0.30	-8.82%
AEV	Aboitiz Equity Ventures, Inc.	P32.20	-P1.70	-5.01%
AGI	Alliance Global Group, Inc.	P6.00	-P1.50	-20.00%
ALI	Ayala Land, Inc.	P22.30	-P2.20	-8.98%
BDO	BDO Unibank, Inc.	P137.60	-P3.90	-2.76%
BLOOM	Bloomberry Resorts Corp.	P3.43	-P0.54	-13.60%
BPI	Bank of the Philippine Islands	P116.20	-P8.30	-6.67%
CNPF	Century Pacific Food, Inc.	P36.65	-P4.20	-10.28%
CNVRG	Converge ICT Solutions, Inc.	P16.00	-P1.10	-6.43%
DMC	DMCI Holdings, Inc.	P10.90	-P0.26	-2.33%
EMI	Emperador, Inc.	P16.04	-P2.02	-11.18%
GLO	Globe Telecom, Inc.	P2,210.00	-P78.00	-3.41%
GTCAP	GT Capital Holdings, Inc.	P495.00	-P31.00	-5.89%
ICT	International Container Terminal Services, Inc.	P350.00	-P1.00	-0.28%
JFC	Jollibee Foods Corp.	P222.00	-P14.60	-6.17%
JGS	JG Summit Holdings, Inc.	P16.16	-P1.12	-6.48%
LTG	LT Group, Inc.	P10.66	-P0.52	-4.65%
MBT	Metropolitan Bank & Trust Co.	P69.30	+P0.45	+0.65%
MER	Manila Electric Co.	P448.00	-P20.60	-4.40%
MONDE	Monde Nissin Corp.	P6.65	-P0.25	-3.62%
NIKL	Nickel Asia Corp.	P2.17	-P0.47	-17.80%
PGOLD	Puregold Price Club, Inc.	P24.70	-P2.80	-10.18%
SCC	Semirara Mining and Power Corp.	P34.60	-P1.40	-3.89%
SM	SM Investments Corp.	P780.00	-P15.00	-1.89%
SMC	San Miguel Corp.	P65.20	-P16.30	-20.00%
SMPH	SM Prime Holdings, Inc.	P23.15	-P0.90	-3.74%
TEL	PLDT Inc.	P1,340.00	+P17.00	+1.28%
URC	Universal Robina Corp.	P60.80	-P3.55	-5.52%
WLCON	Wilcon Depot, Inc.	P8.40	-P0.14	-1.64%

PSEi relief rally expected this week

By Revin Mikhael D. Ochave
Reporter

THE BELLWETHER Philippine Stock Exchange Index (PSEi) may see a "relief rally" this week after entering bear territory last Friday, with market movements likely to be driven by upcoming economic data.

"Barring any negative surprises, a relief rally is possible," China Bank Capital Corp. Managing Director Juan Paolo E. Colet said in a Viber message.

"This week's market action will be driven mainly by the Philippine January inflation report, US December jobs data, and the evolving situation on tariffs," he added.

The PSEi plunged by 4.01% or 245.07 points to close at 5,862.59 on Friday — its lowest finish in 27 months, since the 5,853.63 close on Oct. 12, 2022.

The main index officially entered bear territory after dropping over 20% from its intraday high of 7,604.61 and highest close of 7,554.68, both recorded on Oct. 7 last year.

The broader All Shares Index also declined by 2.19% or 79 points to 3,520.32.

Philippine inflation data for January will be released on Wednesday, Feb. 5. The Bangko Sentral ng Pilipinas (BSP) recently projected that January inflation could range from 2.5% to 3.3%, within its 2% to 4% target range.

On Feb. 1, US President Donald J. Trump imposed a 25% tariff on goods from Mexico and Canada, as well as a 10% tariff on products from China. He demanded that these countries act against the flow of fentanyl into the US, as well as address the issue of illegal immigration in the cases of Mexico and Canada.

"The January inflation data out on Feb. 5 must not add to the gross domestic product (GDP) disappointment," First Metro Investment Corp. Head of Research Cristina S. Ulang said in a Viber message.

"Inflation should decelerate below last December's 2.9% and beat consensus estimates. If not, the market will remain in the bear trap," she added.

Last Thursday, Philippine Statistics Authority data revealed that the country's GDP expanded by a weaker-than-expected 5.2% in the fourth quarter, bringing full-year growth to 5.6%, short of the revised 6% to 6.5% target set by the government.

COL Financial Group, Inc. Chief Equity Strategist April Lynn Lee-Tan said in a Viber message that the PSEi is expected to recover next week following adjustments to the index's composition.

"There is a chance next week for the market to bounce back immediately because the index rebalancing is already done," she said.

"Last Friday, a lot of fund managers had to sell their other index stocks to make way for the addition of AREIT, Inc. and China Banking Corp. (Chinabank). Since volumes were so thin, they had to sell at a lower price to get their orders through," she added.

AREIT, Inc. and Chinabank will join the 30-member PSEi starting Monday, Feb. 3, following the market operator's index review for 2024.

The two companies will replace Nickel Asia Corp. and Wilcon Depot, Inc., which will become members of the 20-member PSE MidCap Index.

Philippine Seven Corp. will also join the PSE MidCap Index, replacing DDMP REIT, Inc.

Robinsons Land Corp. will be added to the PSE Dividend Yield Index following the removal of International Container Terminal Services, Inc.

All sector indices will remain unchanged except for the industrial sector, which will see the addition of Pryce Corporation and the exclusion of Fruitas Holdings, Inc.

"This was an extraordinary circumstance because the drop was due to index rebalancing. I'm optimistic that we should bounce back next week," AP Securities, Inc. Research Head Alfred Benjamin R. Garcia said in a Viber message.

"We have Philippine inflation coming out next Wednesday and US jobs report coming out next Friday. These two data points could dictate market direction next week," he added.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message that a "healthy upward correction" is possible for the local bourse next week.

"The market is also waiting for bottoming out signals to do some bargain-hunting, avoiding a risk of further losses. It is still wait-and-see until the dust settles and to grab opportunities for long-term purchases of high-quality listed companies with strong valuations," he said.

IPOs possible by second half of the year — ICCP

INITIAL PUBLIC OFFERINGS (IPOs) could come by the second half of 2025 amid uncertainties posed by the administration of United States President Donald J. Trump and the May 12 local midterm polls, according to the Investment & Capital Corporation of the Philippines (ICCP).

"I think many will come by the second half because in the first half, I think everybody is still trying to understand the Trump presidency. You have the May elections coming up," ICCP Senior Managing Director Jesus Mariano P. Ocampo told reporters on the sidelines of an event in Makati City last week.

For 2025, the Philippine Stock Exchange (PSE) is eyeing six IPOs.

Mr. Ocampo said it is possible for the PSE to meet its IPO target this year.

"We know of four (possible IPOs) already," he said, without providing specifics.

Cebu-based fuel retailer Top Line Business Development Corp. (Topline) is expected to be the first company to conduct an IPO this year.

The company selected ICCP and PNB Capital and Investment Corp. as the joint lead underwriters and joint bookrunners for the offer.

On Jan. 22, the company said it is eyeing a listing on the local bourse by the second quarter after lowering the size of its IPO.

Topline reduced the size of its planned IPO to around P900 million from the previous P3.16 billion after talks with potential institutional investors.

Its IPO now comprises up to 2.15 billion primary common shares with an overallotment option of up to 214.84 million secondary shares, priced at up to 38 centavos per share. Its public float will be around 22%, assuming the full exercise of the overallotment option.

Topline is engaged in commercial fuel trading, depot operations, and retail fuel in the Visayas region. — **Revin Mikhael D. Ochave**

OUTLIER

Chinabank shares surge before index comeback

SHARES of China Banking Corp. (Chinabank) surged last week ahead of its reentry to the Philippine Stock Exchange index (PSEi) today.

Data from the Philippine Stock Exchange showed that the bank was the most actively traded stock in value terms last week, with 76.39 million shares worth P6.51 billion changing hands from Jan. 27 to 31.

The lender's shares closed at P93 on Friday, up 33.8% or P23.50 from a week earlier. This marked a 46.5% increase from its previous close of P63.50 on the last trading day of 2024.

Claire T. Alviar, assistant manager for Research and Online Engagement at Philstocks Financial, Inc., attributed the stock's performance to Chinabank's inclusion in the PSEi.

"Additionally, we believe the anticipation of strong earnings results from Chinabank further contributed to the upward momentum in its share price," Ms. Alviar said in a Viber message on Friday.

On Jan. 24, the PSE announced Chinabank's return to the main index, marking its comeback since its previous stint from May 2010 to 2011. Chinabank starts trading on the main bourse today, Feb. 3.

AREIT, Inc., the first real estate investment trust to enter the PSEi, also joins the index for the first time. They replace Nickel Asia Corp. and Wilcon Depot, Inc., which are moving to the PSE MidCap index.

Ms. Alviar noted the market's positive reaction, saying Chinabank's inclusion is "expected to attract increased attention from large funds and institutional investors."

"This shift in investment focus could drive higher demand for CBC shares, potentially leading to an upward price movement," she added, referring to the bank's ticker symbol.

Being part of the PSEi, she said, is generally a significant advantage as index constituents typically experience greater liquidity and demand compared to non-index stocks.

Jeconiah S. Nicolas, research analyst at First Resources Management and Securities Corp., said Chinabank's shares had been gradually gaining momentum in recent months due to speculation about its PSEi re-entry.

"CBC's share price significantly jumped as funds tracking the index adjusted their portfolios to reflect the recent PSEi rebalancing," he said in a separate Viber message.

Chinabank's attributable net income rose 29.4% to P6.93 billion in the third quarter of 2024, bringing its nine-month earnings to P18.37 billion, a 13.5% increase.

Ms. Alviar identified a "psychological resistance level" at P100, with support at P70.

Mr. Nicolas agreed with the P100 resistance level, setting support at P83, or 5% below its closing price of P93 on Friday. — **Kenneth H. Hernandez**

'I Am Forest Lake' program honors stakeholders behind the Forest Lake's success

Forest Lake Development Inc. capped the year 2024 by presenting an initiative that aims to celebrate the success-driven people behind Forest Lake.

Executives and managers joined in celebrating the 5-year, 10-year, and 20-year service awardees, honoring their dedication, hard work, and invaluable contributions to the success and growth of Forest Lake.

Aptly called "I Am Forest Lake," the program takes immense pride in the employees, sellers, and sales leaders who continue to propel the company to its coveted status in the industry. By showcasing their stories and their vital roles in Forest Lake's growth, the initiative affirms how the company values its people, builds their morale, and fosters loyalty and a sense of belonging among them.

For one, "I Am Forest Lake" motivates the company's sales leaders by acknowledging their accomplishments, stressing on their crucial role in Forest Lake's success.

"I Am Forest Lake" likewise spurs clients and customers to share the trust and satisfaction they experience as they avail of Forest Lake's services, highlighting how the company offers comfort and support in meaningful ways.

"At Forest Lake, our success is built on the dedication of our employees, sales leaders and sellers, and the trust of our clients. Through 'I Am Forest Lake,' we celebrate the people who make our mission of care and service possible," Forest Lake President and CEO Alfred Xerez-Burgos III said.

Among the many people who were honored at the event was Ruperto Rivera Jr., Group Chief Finance Officer for Forest Lake. Mr. Rivera was awarded for his 20 years of service with the company, a tenure marked by excellence and loyalty.

"As someone who has been part of Forest Lake for two decades, I am deeply honored to be part of this celebration. It reminds us all that our work is not just about numbers—it's about people, families, and the legacies we help create," Mr. Rivera said.

SteelAsia Manufacturing Corp. says January shipment sets export record

STEELASIA MANUFACTURING Corp. completed a P1.1-billion shipment of high-strength reinforcing steel to a subway project in Vancouver, Canada, last week, its chairman said.

"We have repeat orders from the same buyer and project, a vote of confidence in our reliability as a supplier and in the quality of our products," SteelAsia Chairman and Chief Executive Officer Benjamin Yao said in a statement on Feb. 1.

"Locally, it is the same for us since the top developers are our biggest loyal customers," he added.

According to the company, the shipment on Jan. 30 was the country's largest steel export to date.

The 32,000-metric-ton shipment of high-strength reinforcing steel came from the company's mill in Davao City.

The latest shipment brought SteelAsia's total exports to the Canadian subway project to 87,000 metric tons with an approximate value of P3.2 billion.

SteelAsia operates four steel mills, which have a total capacity of 2.5 million metric tons per year.

These are Meycauayan Works, Calaca Works, Davao Works, and Compostela Works.

It is also constructing a green steel H-beam plant in Lemery, Batangas, and will begin site development in Candelaria for a second green steel H-beam plant worth P30 billion.

In July 2024, the company announced an P82-billion investment for plants in Candelaria, Quezon; Lemery, Batangas; Davao City; and Concepcion, Tarlac.

The company's investment aims to reduce the country's reliance on imports, create jobs, and contribute to the country's economic growth. — **Justine Irish D. Tabile**