

Morning Briefing

Top Stories:

- **Recommended Cash Dividend Stocks Portfolio**
- **Projected Annual Yields of Cash Dividend Stocks Portfolio**

Markets

<u>PSEi</u>	<u>PH10Y</u>	<u>DJIA</u>	<u>S&P500</u>	<u>NASDAQ</u>	<u>US10Y</u>	<u>Gold</u>	<u>Oil</u>
6,330	6.06%	49,077	6,876	23,225	4.247%	4,831	60.642
-0.36	+0.028	+1.21%	+1.16%	+1.18%	-0.048	+1.42%	+0.47%

US Markets

US markets rebounded after US President Trump called off EU tariffs linked to Greenland. With the US markets' rise, the average discount of the Mag 7 to their latest consensus target prices contracted from 13.84% to **12.84%** (connoting a decline in market ceiling), while the S&P 500's PER rose from 30.69x to **31.05x** (still connoting a frothy index). We believe Emerging Markets (EMs) such as the **Philippines may benefit** from a shift of funds to it from the US.

PSEi

The PSEi fell by 0.36% to 6,330 at 10.52x PER yesterday. This was led by index stocks PLUS (-5.96% to PHP14.20), JFC (-2.48% to PHP204.20), and AC (-2.43% to PHP523). The PSEi declined in a narrow range. Asian markets were mixed. Our **PSEi forecast is currently 8,405 at 13.96x PER.** The PSEi has a **33% upside** to our forecast



Source: CNBC, Trading Economics, PSE, multpl.com, and Asiasec Equities Research

Economic Calendar

Day / Time	Previous	Consensus	Forecast
Tuesday January 27 2026			
9:00 AM Balance of Trade DEC	\$-3.514B		\$ -4.3B
9:00 AM Exports YoY DEC	21.30%		
9:00 AM Imports YoY DEC	-2%		
Thursday January 29 2026			
10:00 AM Full Year GDP Growth 2026			
10:00 AM GDP Growth Rate QoQ Q4			
10:00 AM GDP Growth Rate YoY Q4			
Friday January 30 2026			
9:00 AM PPI YoY DEC	0.10%		
Monday February 02 2026			
8:30 AM S&P Global Manufacturing PMI JAN	50.2		
Thursday February 05 2026			
9:00 AM Inflation Rate YoY JAN	1.80%		
9:00 AM Core Inflation Rate YoY JAN	2.40%		
9:00 AM Inflation Rate MoM JAN	0.90%		
Friday February 06 2026			
9:00 AM Unemployment Rate DEC	4.40%		
9:00 AM Industrial Production YoY DEC	-1.40%		
Foreign Exchange Reserves JAN	\$110.9B		

Source: Trading Economics

Q4-2025 to Q1-2026 Market Events Timeline and Outlook

October	November	December	January	February	March
9M-2025 Earnings Season, 4.10% net inc rise below PH GDP 4.96% (3% rise in H1-2025)			US Fed Policy Mtg Jan 27-28, 25 bps cut, 65-70% probability	2025 Earnings Season (starts late Feb)	
BSP 0.25% Rate Cut to 4.75%		US Fed cut rates by 25 bps to 3.5-3.75%		BSP Policy Mtg Feb 12, 25 bps cut, 70-80% probability	US Fed Policy Mtg Mar 17-18, 25 bps cut, 50-60% probability
US Fed cut rates by 25 bps to 3.75-4%		BSP 0.25% Rate Cut to 4.50%			

Source: Asiasec Equities Research

Recommended Cash Dividend Stocks Portfolio

With headwinds hitting the markets, we believe this gives an **opportunity to create a solid cash dividend stocks portfolio** for the long term. As prices fall, yields of stable cash-dividend paying companies increase. Below is our portfolio recommendation:

Stocks	Share Price (PHP per share)	Dividend per Share (PHP)	Dividend Yield
LTG	15.52	1.20	7.73%
TEL	1,334.00	98.00	7.35%
MBT	70.90	5.00	7.05%
GLO	1,602.00	100.00	6.24%
FB	55.50	3.25	5.86%
URC	71.50	3.80	5.31%

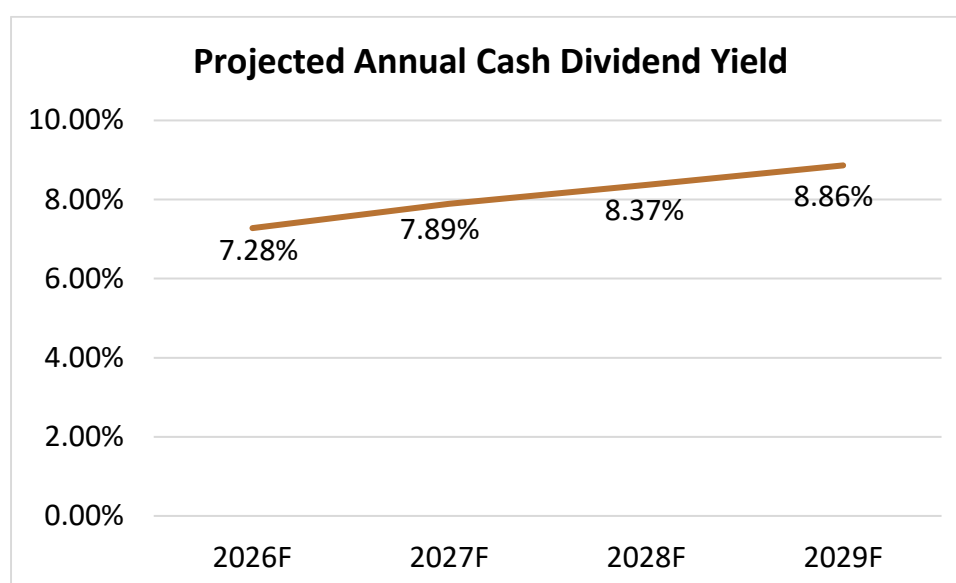
Source: PSE and Asiasec Equities Research

Notes:

1. With equal weighting, the average cash dividend yield from this portfolio is currently **6.6% per annum**.
2. This **beats inflation** of 1.6% this year from the IMF and 2-4% from the government.
3. This also beats the yield of the PH10YTN rate of 6.06%. We believe this proves that **stocks are still better than bonds**.
4. The yield from this portfolio from an investment of PHP5M notably **covers** the annual food (PHP20k minimum) and utilities (PHP5k minimum) **expenses of a typical Filipino family** (Source: NEDA and Numbeo).
5. The companies' businesses are deemed stable and **have a suitable degree of resistance from the US tariffs** with LTG mainly tobacco and banking, TEL with telecommunications and digibanking, MBT with banking, FB with beer and food, AP with power, and GLO with telecommunications and fintech.
6. Banking may encounter additional NPLs as an effect of the US tariffs from affected clientele from manufacturing. The industrial sector (including manufacturing, utilities, and construction) comprise 20-30% of banks' total loans.

Projected Annual Cash Dividend Yields

The following is a line graph showing the increasing annual yields of our current recommended cash dividend stocks portfolio. The stocks have increasing annual cash dividends which are based on prior year's net income. This assumes that investors are locked in at the current share prices of the recommended stocks. There is also a potential 73% gain from share price appreciation as the stocks' share prices gradually go up to their fair values.



Source: Companies and Asiasec Equities Research

Other Economic, Sector, and Corporate News

MacroAsia unit cleared to develop Palawan nickel project

MACROASIA CORP.'S wholly owned subsidiary MacroAsia Mining Corp. (MMC) can now proceed with the development and operation of its Infanta Nickel Project in Brooke's Point, Palawan, following regulatory clearance from the Mines and Geosciences Bureau (MGB) of the Department of Environment and Natural Resources (DENR).

Source: Businessworld

Raslag to spend up to PHP3B on Nueva Ecija project this year

RASLAG CORP. is allocating up to PHP3B in capital expenditures (capex) this year, mainly for the development of its 140-megawatt (MW) solar and 100-megawatt-hour battery energy storage project in Liwayway, Nueva Ecija.

Source: [Businessworld](#)

Megaworld enters MICE sector with PHP1.5B Mactan convention center

Megaworld Corp. has entered the MICE (meetings, incentives, conferences, and exhibitions) sector with the opening of Mactan Expo, its first standalone convention center in the 30-hectare The Mactan Newtown township in Lapu-Lapu City, Cebu.

Source: [Businessworld](#)

DigiPlus strikes deal with Pacquiao for co-branded games

DigiPlus and Pacquiao are teaming up for a slate of co-branded games that tell the story of the Filipino sporting legend's journey, resilience and legacy.

Source: [Philstar](#)

Commodities

Biggest Daily Movers: Natural Gas (+27.76%), Heating Oil (+2.61%), Propane (+7.14%), Coking Coal (+2.88%), Lithium (+3.93%), Oat (-2.50%), Cocoa (-4.26%), Tea (-9.75%), Potatoes (-10%)

Source: [Trading Economics](#)

Dividends Calendar

Company Name	Type of Security	Type of Dividend	Dividend Rate	Ex-Dividend Date	Record Date	Payment Date
Filinvest Development Corporation	FDCPB	Cash	FDCPB – Php17.7720	22-Jan-26	23-Jan-26	8-Feb-26
Filinvest Development Corporation	FDCPA	Cash	FDCPA – Php16.5630	22-Jan-26	23-Jan-26	8-Feb-26
Century Properties Group, Inc.	CPGPB	Cash	PHP 1.8858 per share	26-Jan-26	27-Jan-26	23-Feb-26
RFM Corporation	COMMON	Cash	Php0.08903	28-Jan-26	29-Jan-26	24-Feb-26
DDMP REIT, Inc.	COMMON	Cash	Php 0.024043000	29-Jan-26	30-Jan-26	26-Feb-26
Philippine Savings Bank	COMMON	Cash	Php0.75	29-Jan-26	30-Jan-26	16-Feb-26
Megawide Construction Corporation	MWP7B	Cash	1.75175	30-Jan-26	2-Feb-26	19-Feb-26
Megawide Construction Corporation	MWP7A	Cash	1.828275	30-Jan-26	2-Feb-26	19-Feb-26
A Brown Company, Inc.	BRNPC Series C	Cash	Php 2.1875 per share	6-Feb-26	9-Feb-26	23-Feb-26
A Brown Company, Inc.	BRNPB Series B	Cash	Php 2.0625 per share	6-Feb-26	9-Feb-26	23-Feb-26
In Coverage						

Source: PSE Edge



Asiasec Equities Stocks Table

Stocks	Share Price (PHP/share)	Target Price (PHP/share)	Discount/ (Premium)	2025F PER (x)	2025F PBV (x)	Dividend per Share (PHP)	Dividend Yield	Reco
AC	523.00	923.41	43.4%	5.77	0.42	8.32	1.6%	BUY
ACEN	3.00	2.06	-45.7%	50.47	1.02	0.05	1.6%	TRDG SELL
AEV	31.50	56.60	44.3%	9.97	0.61	1.54	4.9%	BUY
AGI	7.74	16.76	53.8%	1.67	0.15	0.16	2.1%	BUY
ALI	22.50	43.63	48.4%	9.71	0.86	0.57	2.5%	BUY
AP	44.70	53.79	16.9%	9.68	1.78	2.35	5.3%	BUY
APX	15.72	21.67	27.5%	13.25	3.92	0.14	0.9%	BUY
BDO	137.80	173.43	20.5%	7.79	1.15	4.00	2.9%	BUY
BLOOM	2.63	5.78	54.5%	130.22	0.48	-	0.0%	LT BUY
BPI	117.80	162.02	27.3%	10.03	1.44	4.74	4.0%	BUY
CBC	63.00	102.19	38.4%	6.79	0.93	2.50	4.0%	BUY
CEB	32.70	60.08	45.6%	3.42	1.02	-	0.0%	LT BUY
CNPF	40.15	40.37	0.6%	19.17	4.27	1.10	2.7%	BUY
CNVRG	15.60	27.44	43.1%	8.27	1.85	0.43	2.8%	STRONG BUY
DMC	10.70	14.21	24.7%	8.45	0.96	1.08	10.1%	HOLD
EMI	16.00	12.05	-32.8%	33.36	3.64	0.24	1.5%	SELL
FB	55.50	96.98	42.8%	8.02	1.52	3.25	5.9%	BUY
GLO	1,602.00	1,978.23	19.0%	11.96	1.51	100.00	6.2%	BUY
GTCAP	648.00	1,133.99	42.9%	3.68	0.44	9.70	1.5%	BUY
ICT	625.00	629.44	0.7%	22.12	7.51	14.44	2.3%	BUY
JFC	204.20	283.74	28.0%	22.71	19.33	3.68	1.8%	BUY
JGS	26.60	40.04	33.6%	9.09	0.44	0.40	1.5%	LT BUY
KEEPR	2.38	3.80	37.4%	9.41	1.79	0.12	5.0%	BUY
LTG	15.52	32.95	52.9%	5.81	0.55	1.20	7.7%	BUY
MBT	70.90	88.80	20.2%	6.25	0.74	5.00	7.1%	BUY
MEG	2.20	2.60	15.4%	3.33	0.25	0.07	3.0%	BUY
MER	581.00	630.89	7.9%	14.28	4.54	21.53	3.7%	BUY
MONDE	5.86	9.13	35.8%	12.00	1.92	0.31	5.3%	LT BUY
NIKL	4.50	6.14	26.7%	10.10	1.23	0.11	2.4%	BUY
PCOR	2.72	3.52	22.7%	3.01	0.23	0.10	3.7%	LT BUY
PGOLD	39.50	64.14	38.4%	10.16	1.38	1.81	4.6%	BUY
PLUS	14.20	18.67	23.9%	6.39	1.79	0.86	6.1%	LT BUY
PNB	61.00	134.56	54.7%	3.55	0.41	2.76	4.5%	BUY
RLC	18.40	33.82	45.6%	6.71	0.55	0.65	3.5%	BUY
SCC	30.90	37.68	18.0%	10.49	2.63	4.50	14.6%	SELL
SM	705.00	1,489.14	52.7%	10.90	1.03	9.45	1.3%	BUY
SMC	83.70	103.12	18.8%	5.44	1.00	1.40	1.7%	LT BUY
SMPH	22.60	42.06	46.3%	12.48	1.37	0.48	2.1%	BUY
TEL	1,334.00	2,073.48	35.7%	7.77	4.24	98.00	7.3%	BUY
UBP	26.30	25.39	-3.6%	7.27	0.45	1.00	3.8%	TRDG SELL
URC	71.50	97.59	26.7%	12.24	1.55	3.80	5.3%	BUY
WLCON	7.24	15.89	54.4%	14.20	1.21	0.36	5.0%	LT BUY
Averages			28.8%	13.75	2.00		3.90%	

Source: Asiasec Equities Research

Asiasec Equities Banks Table

Banks	Share Price (PHP/share)	Target Price (PHP/share)	Discount/ (Premium)	ttm/2025F PER (x)	9M/2025F PBV (x)	Dividend per Share (PHP)	Dividend Yield	Reco
AUB	42.50	85.77	50.4%	4.56	0.95	2.00	4.7%	BUY
BDO	137.80	173.43	20.5%	7.79	1.15	4.30	3.1%	BUY
BNCOM	9.11	34.16	70.5%	3.69	0.37	0.45	4.9%	BUY
BPI	117.80	162.02	27.3%	10.03	1.44	4.06	3.4%	BUY
CBC	63.00	102.19	38.4%	6.79	0.93	2.50	4.0%	BUY
EW	12.26	29.16	58.0%	3.34	0.36	0.68	5.5%	BUY
MBT	70.90	88.80	20.2%	6.25	0.74	5.00	7.1%	BUY
PBB	7.53	19.48	61.3%	3.40	0.31	0.45	6.0%	BUY
PNB	61.00	134.56	54.7%	3.55	0.41	2.76	4.5%	BUY
PSB	57.75	93.94	38.5%	5.13	0.54	3.00	5.2%	BUY
RCB	25.10	46.75	46.3%	5.83	0.37	0.70	2.8%	BUY
SECB	66.65	111.09	40.0%	4.31	0.34	3.00	4.5%	BUY
UBP	26.30	25.39	-3.6%	8.61	0.45	1.00	3.8%	TRDG SELL
Averages			40.2%	5.64	0.64		4.6%	

Asiasec Equities REITs Table

REITs	Share Price (PHP/share)	NAV (PHP/share)	Discount/ (Premium)	Dividend per Share (PHP)	Dividend Yield	Reco	Est Next Div Ex-Date
AREIT	43.90	44.34	1.0%	2.37	5.4%	BUY	04-Mar-26
CREIT	3.55	3.71	4.2%	0.20	5.7%	BUY	23-Apr-26
DDMPR	1.10	1.43	23.1%	0.09	8.4%	SPEC BUY	29-Jan-26
FILRT	3.05	4.21	27.6%	0.24	8.0%	LT BUY	11-Mar-26
MREIT	13.86	19.69	29.6%	1.00	7.2%	BUY	20-Mar-25
PREIT	1.23	1.10	-11.3%	0.09	7.0%	SELL	06-May-25
RCR	8.09	8.14	0.6%	0.46	5.7%	BUY	19-Feb-26
VREIT	1.52	3.37	55.0%	0.20	13.0%	SPEC BUY	14-May-25
Averages			16.2%		7.6%		

Source: Asiasec Equities Research

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