Determinants on the Movement of Stock Price among the Selected Companies Listed in the Philippine Stock Exchange Index

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ABSTRACT

The revolution in the stock market had become more aggressive and experienced significant change throughout the years as it captured the interest of many investors. Nevertheless, this study investigates the predictors of the stock price through multiple regression using secondary data. Predictors identified by the researchers were categorized as financial indicators. Moreover, financial indicators consist of book value per share, dividend per share, earnings per share, return on equity, and price-to-earnings ratio that falls under market share and profitability ratios. Macroeconomic indicators, on the other hand, such as interest rates, unemployment rate, inflation rate, foreign exchange rate, and gross domestic product that comprises the Philippines' selected economic indicators, were also assessed as it affects the company's performance. The research subject were the selected companies listed in the Philippine stock exchange composing the PSEi indices composition that comes from various respective sectors like financials, holding firms, property, industrial, services sectors. The period covered was from January 2016 to December 2020, a 5-year data that merely supports the entire study. The data were regressed and showed one among the five was a significant predictor and that is, earnings per share. EPS is an important metric for investors to gauge the profitability of the company. Contrastingly, book value per share, dividends per share, return on equity, and price-to-earnings ratio showed a non-significance manner towards the movement of stock price. In line with this, a regression model was concluded that highlights the coefficients of the given predictors.

Keywords: *stock market, financial indicators, macroeconomic indicators, predictors, regression, Philippine stock exchange*

INTRODUCTION

Investment has always been essential in excellent management of money since this ensures both at hand and future financial stability. The world's largest financial institutions were developed in the past including firms like Lehman Brothers, JP Morgan and Goldman Sachs, etc. As everyone knows, the stock market is one of the most popular types of investing. Over the years, it has been known that the world's first ever stock market in history is the Amsterdam Stock Exchange, although some of the historians argued this fact. Historians stated that the stock market could be found through different forms. These forms specifically occurred in Europe during the Medieval and Renaissance ages. This claim only leads to a fact that investment has always been broad ever since the beginning.

In today's world, financial markets are becoming more popular at the domestic and international scene. Such people like businessmen and even the government are investing in stocks, and or bonds to increase their corporate revenue. Moreover, young adults today are becoming more interested in buying and selling stock in the market. In fact, about 45 percent of people ranging from 26 to 40 years old worldwide are interested in investing. Financial Market is a marketplace wherein the investors can buy and sell equities, bonds, currencies, and derivatives. It can be seen in different places at different platforms and volume of transactions. The birth of

the financial market was driven by the emergence of exchanges of goods and services. Over a century, it was discovered in the middle of East India where the firms started to issue stock that resulted in the birth of the financial era. Since then, the first stock exchange in London, London Stock Exchange (LSE), was established during 1773 and it became the major exchange around Europe. In 1792, the New York Stock Exchange (NYSE) was established. Since then, it has become the most dominant stock exchange until the present day.

In the Philippines, the country had major stock exchanges, namely Manila Stock Exchange Makati Stock Exchange. After 41 years, the two decided to operate as one and become the present-day Philippine Stock Exchange (PSE). It serves as a unified trading floor in the Philippines. As stated by Ho & Odhiambo (2018), PSE is one of the most ancient stock exchanges in the continent of Asia. During 2014, the PSE became more active as it secured the 12th place in the global ranking. On a whole, there are 275 publicly listed companies in the PSE. Furthermore, PSE plays a key role when it comes to financing enterprises in order to utilize the funds for development. Given the opportunities, the growth of PSE continues to increase year by year. According to Royandoyan (2021), the number of registered accounts in the stock market in 2020 totaled 1.4 million, which is 13.7% higher than the last year.

This research aims to propose a model in order to determine the most prominent factor influencing the stock price movement. The researchers will mainly use the indicators in order to determine its influence in stock price movement.

Review of Literature

History of Financial Market Globally

At the present time, the financial market is one of the most captivating inventions of all time. Financial markets are a form of open space or arena that allows people to exchange assets like bonds, derivatives, equities, and foreign exchange (CFI Education Inc, 2021). Financial Markets significantly create an impact in different fields like work, business, and most likely the economy. In a broader view, Financial Markets exist to facilitate borrowings, or investing and take out a profit on doing those things. According to the Bank of England (2021), when markets go twisted, as the financial crisis of 2007 demonstrated, they may wreak a lot of damage. Markets proved to be brittle during the crisis and the economy became more fragile as a result of this happening.

Stock Market

The Stock Market is one of the most significant parts of the financial sector to facilitate economic development. Some countries all over the world rely on the stock market in terms of growth in their economic activity. Back in the 1100s in France, they had a system that manages agricultural debts all over the country for banks. Eventually, a group of banks also started trading government securities, particularly in Italy. This event was followed by the East India Company who was the first publicly traded company in the Amsterdam Stock Exchange, recognized all over the world. The London Stock Exchange (LSE), leading stock market in Europe, was established in 1801 while main exchange market in the globe, New York Stock Exchange (NYSE) established in 1817. Currently, Stock Markets often occur virtually in each country. Each day passes, massive amounts of dollars are being traded worldwide.

Stock Price

The value of any investment can reach its highest peak as well as reach its lowest point, so it is a very crucial key to think of. Investors also must keep in mind that past performance does not automatically imply future success (Bank of England, 2021). Pinsent (2021) defined stock price as the entity's value in the market or its current value. The concept of the price was explained as a representation of the value of stocks when it is being traded. If the purchaser is much higher than the sellers, the stock price will go up high. On the contrary, if sellers are higher than the purchaser, stock prices significantly drop.

History of Financial Market Domestically and the Philippine Stock Exchange

The emergence of the stocks globally signified the development of the Financial Markets in the Philippines. The country's market sustained strong volatilities between 2015 and 2016. During 2015, the global volatilities resulted in US Dollar 600 million of net outflow indicated in the FPI or Foreign Portfolio Investment and continued until the first three months of 2016 (World Bank, 2016). The Philippine Stock Exchange (PSE) that was established in 1993 is the exclusive exchange in the Philippines. PSE was formed from the MSE and MkSE, which started in 1927 and 1963, respectively. Both exchanges agreed to become part of PSE by December 23, 1992. By the year 2011, PSE converted into a revenue-earning corporation from being a non-stock and non-profit organization (Thetski, 2018). As stated by Tolosa et al., (2015), Philippine Stock Exchange gives opportunities to common people and businessmen to expand their assets and develop in a certain period but the movement of the stock price is changing over time. Furthermore, PSEi is considered as a fixed basket consisting of 30 listed firms that are chosen based on PSE criteria to establish the movement of stock prices in the PSE (Guzman, 2015). In an article written by Villafuerte (2020), he stated that a higher PSEi value shows a healthier economy for the country that's why it is considered a useful indicator in terms of the economy in the Philippines. Various studies used Financial; Industrial; Holding; Services; and Property Industries in identifying the determinants influencing the stock price movement. Retumban (2016) identifies that the financial industry index has an important role in stock price predictability. Likewise, the industrial, holding, and services industry was marked as top performing among the sectors that mainly influenced the stock market based on Ho and Odhiambo, (2018), and San Miguel (2019). In PSE Annual Report (2019), the property index led the rising movement with a 14.5% gain during 2019.

Growth of the Global and Philippine Stock Market driven by the market indicators

As presented by Bayar (2016), during World War II, economic and financial globalization have seen enormous development, wherein many countries disrupt walls on the movement of services, and capital across the world. About cumulative 114% of the world's Gross Domestic Product was recorded as an increase of the Global stock market capitalization in 2007. Thus, this increase in global stock market capitalization will lead to identifying the impact on the economy of stock market development. According to Ho and Odhiambo (2018), the emergence of the financial market and its impact on economic growth led to an increasing volume of research that mainly discussed the prominent factors influencing the movement of stock price such as (1) Financial indicators; (2) Macroeconomic indicators. With that being said, accounting plays an important role as it is used to assess and evaluate the firms' equity using financial statements. Thus, it is concluded that investors rely more on a company's financial portfolio than market data (Stephen and Okoro, 2014). In addition, as presented by Rustico (2019), various research studies used a company's financial portfolio to predict stock prices by using a model. One study of Auto Sector

firms in India indicates that financial indicators take a huge role in the stock price in the sector. It states that EPS, DPS, and BVPS have a notable relationship with a stock price. Investopedia Team (2020) states Macroeconomic is used to analyze the economics which deals with assessing the performance, and behavior of a country. A study of Mugableh (2021), Amarasinghe (2015), Singh (2015), Laichena and Obwogi (2015), San Miguel (2019), Sykes (2021), and Bayar (2016), revealed that the inflation rate, gross domestic product, interest rate, exchange rate, and unemployment rate has an impact on the stock price. In the Philippines, the PSE Index displayed an upward trend and experienced troughs during the period between 1996 to 2014. The market activity of the PSE Index dropped by almost 41% during 1996 and 1997. After the complex circumstances, the stock market domestically recovered and experienced slow progress between 2003 and 2007, which gained 2,180 points. While the Philippine stock market experienced progress, the market activity was then affected by the global crisis with a cumulative loss of 1,749 points, representing a drop of 48% from the period of 2007 to 2008. Analyzing 2009 to 2014 growth activity of PSEi, about 286% cumulative growth in the past six consecutive years. The global ranking of the Philippine Stock Exchange (PSE) was in 12th place as the largest stock exchange worldwide during 2014. As elaborated by Rustico (2019), and Murcia (2019), book value per share, return on equity, domestic credit, bank's average interest rates, and exchange rate, were the top indicators that influence the stock price listed in PSE index.

Financial Indicators and Macroeconomic Indicators

This part shall be the financial indicators under Market Strength (BVPS, DPS, EPS, and P/E Ratio) and Profitability Ratios (ROE Ratio), and macroeconomic indicators such as Inflation Rate, Gross Domestic Product, Interest Rate, Unemployment Rate, and Foreign Exchange Rate, which are chosen by the researchers and believed to be a determinant which affects the movement of the stock prices. A study conducted by Ahmadi (2017), Malhorta (2013), and Glezakos (2012), BVPS had a significant role in the analysis of stock price of the firms. The results of the study suggest that the stock price increases over time due to the book value and its relevance. Joshi (2012), and Sharif, Adnan, & Jan (2015), concluded that DPS had an influence on the stock price. This is when a dividend is declared, investors are technically tempted to buy the stock (White, 2021). Investors are more willing to add a premium knowing that they will obtain a dividend if they get the shares prior to the date of ex-dividend. Moreover, the study of Arsgonzaloal (2021), Shehzad & Ismail, (2014), Sharif et al., (2015), Na gendra, Kumar & Venoor (2018), and Pushpa Bhatt, P., & Sumangala, J. K. (2012), showed that EPS has impact on stock prices. Furthermore, a study made by Hunjra et al. (2014), Rustico (2019), and Siagian, A.O., Wiyojo, H., & Cahyono, Y. (2021), proves that ROE had a notable correlation in stock prices. Lastly, according to Ogello (2014), P/E Ratio influences the stock returns in certain listed firms with relatively high or low impact on stock return. On the other hand, Interest rate is the percentage principal amount that the creditor charges to a debtor. Csiszar (2019), Teitey (2019), Khan & Mahmood (2013), Wagg (2020), and Barnor (2014), reported that interest rate had on effect on the stock prices. Then, Unemployment rate is the portion of workers who are unemployed in the citizen workforce. Sykes (2020), and Gonzalo & Taamouti (2017), discussed about the unemployment rate and its effect on stock price. In addition, Inflation is defined as a determined growth in the overall value of costs of services and products throughout the period (Uwubanmwen, 2015). A study conducted by Ouma (2014), Gunardi et al. (2020), and Sucuahi & Alvarez (2016), revealed that it has an influence on the stock price. Also, the foreign exchange rate is the price of

one state's money versus the value of money of another state. The study of Singh (2015), and Suriani et al. (2015), found that it was interconnected in the stock price movement. Following the GDP or Gross Domestic Product, it is the overall economic significance of all the services and goods that are produced within a certain country. Alexius & Spang (2018), and Nanayakkara & Darshi (2016), studied the connection between the GDP and stock price.

Conceptual Framework

Independent Variable:

FINANCIAL INDICATORS
- Book Value per share
- Dividend per Share
- Earnings per Share
- Return on Equity and;
- Price to Earnings Ratio

MACROECONOMIC INDICATORS
- Interest Rates
- Unemployment Rate
- Inflation
- Foreign Exchange Rate and;
- Gross Domestic Product
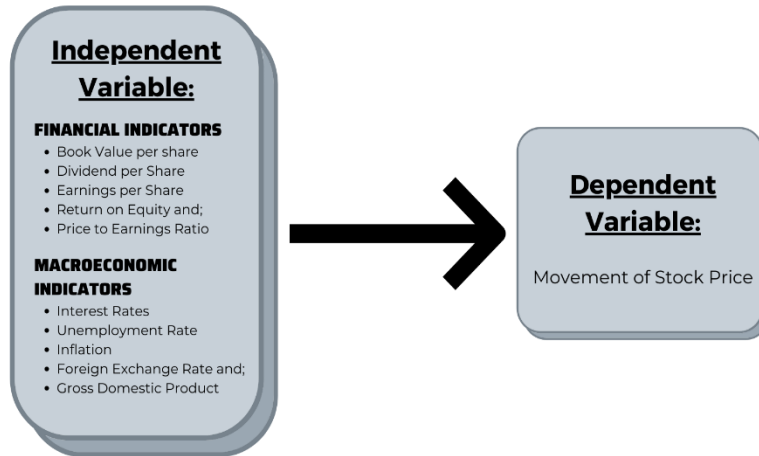
Dependent Variable:

Movement of Stock Price

Figure 1. Conceptual framework of the study

Figure 1 shows a process to identify the determinants of the movement of stock price among the selected companies listed on the Philippine Stock Exchange Index. It is an IV-DV model of the entire procedure of this study. The researchers identified the Independent Variables under Financial Indicators in terms of Financial Ratios, these are Book value per Share, Dividend per Share, Earnings per Share, Return on Equity, and Price to Earnings Ratio that will have a direct effect on the Dependent Variable. As shown in the illustration, the determinants on the movement of stock price are assumed to create an impact by the movement of stock price.

Objectives of the Study

The objectives of the study were categorized as general and specific objectives. The general objectives of the study is to identify the determinants on the movement of stock price among the selected companies listed in the Philippine Stock Exchange Index. In line with this, the specific objectives were (1) the researchers would assess the financial indicators of among the selected companies in terms of: Book Value per share; Dividend per Share; Earnings per Share; Return on Equity; and Price to Earnings Ratio. (2) they would assess the other indicator, the macroeconomic indicator in terms of: Interest Rates; Unemployment Rate; Inflation Rate; Foreign Exchange Rate; and Gross Domestic Product. (3) they would assess the movement of among the selected companies' stock price. (4) the researchers would identify which among the financial indicators are determinants of the movement of stock price among the selected companies.

METHODOLOGY

This study is quantitative research that utilized correlational research design. The correlational design was used to collect and analyze necessary data to determine the relationship between the movement of stock price as a dependent variable and financial indicators as independent variables. The researchers used multiple regression analysis in order to summarize the data and predict the movement of stock price based on financial indicators. Another tool used in the study is the Horizontal analysis is a comparison between historical data like financial ratios, and items during a multiple period Multiple Regression is one of the models under regression. It is a statistical technique that utilizes explanatory variables to forecast the result of a variable (Hayes, 2021).

RESULTS AND DISCUSSIONS

Table 1 shows that the participants of the study are among the selected The participants of this research are among the selected companies listed in the Philippine Stock Exchange composing the PSE Index as of January 10, 2022. The selected qualified companies are chosen based on PSEi criteria. Furthermore, the authors also determined certain criteria that should be met in order to assess and filter companies. These criteria are: (1) Companies must have an annual report from 2016 to 2020 that consists of financial data in order to compute the financial indicators. (2) The financial data were presented in Philippine currency. (3) Necessary variables were available during those mentioned years

Table 1. Participants of the Study

Selected Companies in PSE Index Composition	
Company Name	**Ticker Symbol**
FINANCIALS	
Bank of the Philippine Islands	BPI
BDO Unibank, Inc.	BDO
Metropolitan Bank & Trust Company	MBT
Security Bank Corporation	SECB
HOLDING	
Aboitiz Equity Ventures, Inc.	AEV
Ayala Corporation	AC
GT Capital Holdings, Inc.	GTCAP
JG Summit Holdings, Inc.	JGS
LT Group, Inc.	LTG
Metro Pacific Investments Corporation	MPI
San Miguel Corporation	SMC
SM Investments Corporation	SM
INDUSTRIAL	
Aboitiz Power Corporation	AP
Jollibee Foods Corporation	JFC
Manila Electric Company	MER
Universal Robina Corporation	URC
PROPERTY	
Ayala Land, Inc.	ALI
Megaworld Corporation	MEG
Robinsons Land Corporation	RLC
SM Prime Holdings, Inc.	SMPH
SERVICES	
Globe Telecom, Inc.	GLO
International Container Terminal Services, Inc.	ICT
PLDT Inc.	TEL
Puregold Price Club, Inc.	PGOLD
Robinsons Retail Holdings, Inc.	RRHI

Table 2 shows the analysis of the financial indicator Similarly, in terms of dividends per share, the SECB maintains its lead with the highest average of 1.80 and the MBT with the lowest average of 0.89. In terms of earnings per share, SECB also had the highest average with 12.05 and the lowest recorded with 4.82 from MBT. Contrastingly, in terms of return on equity, BPI obtained the highest average with 11.32% and the lowest from the MBT with 8.30%. Lastly, in terms of price-to-earnings ratio, BDO got the highest average with 18.69 and the lowest from the MBT with 13.52.

In terms of dividends per share, SM had the highest average of 7.29, while MPI had the lowest average of 0.10. In terms of earnings per share, GTCAP had the highest average with 63.50 and the lowest recorded with 0.43 from MPI. Contrastingly, in terms of return on equity, AEV obtained the highest average with 13.61% and the lowest from the SMC with 4.95%. Lastly, in terms of price-to-earnings ratio, SM got the highest average with 33.81 and the lowest from the SMC with -0.48. Overall, GTCAP had positive figures among the companies in the holding sector. Similarly, in terms of dividend per share, MER maintains its lead with the highest average of 9.21, while the AP has the lowest with 1.32. In terms of earnings per share, the two companies maintain their positions, with MER having the highest average with 18.13 and AP having the lowest average with 2.51. In addition, MER also had the highest return on equity with 25.97% and the lowest amount of 10.17% from JFC.

Table 2. Financial Indicator Analysis

	BOOK VALUE PER SHARE	DIVIDEND PER SHARE	EARNINGS PER SHARE	RETURN ON EQUITY	PRICE TO EARNINGS RATIO
FINANCIALS					
Bank of the Philippine Islands	40.19	1.78	5.49	11.32%	16.69
BDO Unibank, Inc.	54.73	1.17	7.34	10.89%	18.69
Metropolitan Bank & Trust Company	48.03	0.89	4.82	8.30%	13.52
Security Bank Corporation	113.42	1.80	12.05	8.92%	15.06
HOLDING					
Aboitiz Equity Ventures, Inc.	28.63	1.26	3.78	13.61%	16.50
Ayala Corporation	240.51	6.79	42.96	10.29%	17.51
GT Capital Holdings, Inc.	556.03	2.76	63.50	9.65%	15.09
JG Summit Holdings, Inc.	28.80	0.28	2.40	6.78%	32.81
LT Group, Inc.	11.40	0.15	1.48	9.79%	12.40
Metro Pacific Investments Corporation	4.21	0.10	0.43	7.27%	16.10
San Miguel Corporation	99.83	1.40	5.82	4.95%	-0.48
SM Investments Corporation	222.47	7.29	28.09	10.02%	33.81
INDUSTRIAL					
Aboitiz Power Corporation	15.76	1.32	2.51	15.95%	14.72
Jollibee Foods Corporation	31.88	1.94	3.22	10.17%	28.71
Manila Electric Company	54.74	9.21	18.13	25.97%	17.95
Universal Robina Corporation	29.50	1.59	4.56	13.83%	28.41
PROPERTY					
Ayala Land, Inc.	9.28	0.45	1.59	13.67%	26.11
Megaworld Corporation	3.67	0.05	0.42	8.88%	10.58
Robinsons Land Corporation	13.49	0.41	1.43	8.73%	15.15
SM Prime Holdings, Inc.	7.17	0.26	0.97	10.62%	37.62
SERVICES					
Globe Telecom, Inc.	412.75	93.80	131.72	27.74%	14.37
International Container Terminal Services, Inc.	35.71	2.84	2.48	6.63%	78.90
Puregold Price Club, Inc.	14.59	0.31	2.31	12.61%	19.00
Robinsons Retail Holdings, Inc.	30.01	0.75	3.05	7.83%	25.59

Notes: Blue – Highest, Red - lowest

Contrastingly, the price-to-earnings ratio had its highest average of 28.71 at JFC and its lowest at AP with 14.72. In terms of dividend per share, ALI had the highest average of 0.45, while MEG had the lowest at 0.05. In terms of earnings per share, ALI had the highest average with 1.59 and the lowest recorded with 0.42 from MEG. Similarly, in terms of return on equity, ALI obtained the highest average with 13.67% and the lowest from the RLC with 8.73%.

Lastly, in terms of price-to-earnings ratio, SMPH got the highest average with 37.62 and the lowest from the MEG with 10.58. Meanwhile, SMPH reached a market valuation of $1 trillion, prompting most financial hubs such as Mutual Funds and UITFS to invest in the company due to its strong equity and long-term growth. Under the service sector, in terms of book value per share, TEL gained the highest average with 423.39, while PGOLD had the lowest average with 14.59. In terms of dividend per share, GLO obtained the highest average of 93.80 and PGOLD the lowest with 0.31.

In terms of earnings per share, GLO still had the highest average with 131.72 and the lowest recorded with 2.31 from PGOLD. Similarly, in terms of return on equity, GLO obtained the highest average with 27.74% and the lowest from ICT with 6.63%. Contrastingly, in terms of price-to-earnings ratio, ICT got the highest average with 78.90 and the lowest from the GLO with 14.37.

Table 3 presents the macroeconomic data from different indicators over the 5-year period. Meanwhile, the lowest rate of 2.73% was recorded in 2020. Moving forward, the unemployment rate had a 6.36% overall average, with its highest recorded rate in 2020 at 10.30% and the lowest at 5.10% in 2019. Following the line-up of indicators is the foreign exchange rate, with an overall average of 50.39. Its highest peak is 52.66 in 2018, and its lowest during the period is 47.49 in 2016. Lastly, the gross domestic product showed a 3.36% overall average for the period.

Table 3. Macroeconomic Indicator Analysis

Macroeconomic						
	2016	**2017**	**2018**	**2019**	**2020**	**OVERALL AVERAGE**
Interest Rates	3.12%	3.00%	3.63%	4.41%	2.73%	**3.38%**
Unemployment Rate	5.40%	5.70%	5.30%	5.10%	10.30%	**6.36%**
Inflation Rate	1.30%	2.90%	5.20%	2.50%	2.60%	**2.90%**
Foreign Exchange Rate	47.49	50.4	52.66	51.8	49.62	**50.39**
Gross Domestic Product	7.10%	6.90%	6.30%	6.10%	-9.60%	**3.36%**

Notes: Blue – Highest, Red - lowest

The stock price analysis as shown in table 4, shows that GTCAP had the highest stock price in the holding sector in 2016, with 1370.33. The lowest recorded in 2020 was 3.35 by MPI. For three consecutive years, GTCAP had the best performance when it came to stock prices, but by 2019 and 2020, it had been replaced by SMC. Meanwhile, MPI has consistently had the lowest stock prices in five years. GTCAP volatility has been stable over the last year, and the company was also involved in a variety of businesses, which can be attributed to its improved stock price performance . In the industrial sector, the highest stock price was recorded in 2019 at 362.07 by MER. AP, on the other hand, received the lowest score of 27.14 in 2020. For five years, MER and AP have consistently gotten the highest and lowest stock prices.

Table 4. Stock Price Analysis

Stock Price Analysis					
	2016	2017	2018	2019	2020
FINANCIALS					
Bank of the Philippine Islands	93.7375	101.4958	99.1333	87.1458	71.0250
BDO Unibank, Inc.	107.5417	128.6083	133.4000	142.6750	103.7375
Metropolitan Bank & Trust Company	81.7000	87.2167	79.6667	72.6958	42.3208
Security Bank Corporation	190.8333	228.2750	195.6750	185.5833	113.5458
HOLDING					
Aboitiz Equity Ventures, Inc.	71.2208	74.4833	59.8208	55.5875	44.6333
Ayala Corporation	790.1250	903.2083	964.7500	893.8333	710.4500
GT Capital Holdings, Inc.	1370.3333	1203.0833	1006.9167	911.1667	492.3000
JG Summit Holdings, Inc.	75.9375	76.8583	58.5625	69.5000	61.9083
LT Group, Inc.	15.1067	16.6467	18.3175	14.3150	9.4350
Metro Pacific Investments Corporation	6.4625	6.5892	5.0592	4.6325	3.3517
San Miguel Corporation	79.7458	104.8083	150.7917	172.5667	108.9417
SM Investments Corporation	786.7917	813.8750	925.9167	987.8750	920.9583
INDUSTRIAL					
Aboitiz Power Corporation	44.3750	41.0042	36.5333	36.5000	27.1375
Jollibee Foods Corporation	229.4500	223.0083	280.4500	264.5000	152.3917
Manila Electric Company	305.4833	286.1500	351.5500	362.0667	269.4000
Universal Robina Corporation	191.6667	155.8583	137.4000	154.6750	133.6333
PROPERTY					
Ayala Land, Inc.	35.5833	39.7083	41.0208	47.3875	34.2500
Megaworld Corporation	4.1617	4.5458	4.6142	5.2183	3.1867
Robinsons Land Corporation	28.5292	24.1750	20.1183	25.2500	17.1633
SM Prime Holdings, Inc.	25.5500	33.1042	35.8583	38.7500	32.9458
SERVICES					
Globe Telecom, Inc.	1987.9167	1979.5000	1837.3333	1988.5000	2033.2500
International Container Terminal Services, Inc.	68.3750	96.8125	94.2792	127.1500	104.7500
PLDT Inc.	1799.0000	1631.5000	1363.3333	1161.7500	1257.3750
Puregold Price Club, Inc.	40.1417	46.6458	46.7250	43.4417	43.9208
Robinsons Retail Holdings, Inc.	75.5625	87.8625	84.6917	79.2208	66.3458

Notes: Blue – Highest, Red - lowest

As stated by De Guzman , MEG is still trading in a broad range, which makes its stock price below most of the averages of some companies listed in the same industry. In the service sector, the highest stock price recorded was 2033.25 by GLO in 2020, while PGOLD was the lowest with 40.14 in 2016. GLO and PGOLD also showed consistently high and low stock prices from 2016 to 2020. Both companies under telecommunication, GLO and TEL, also show an above-average stock price performance. According to Deter , as the year progresses, the general public's interest in communication services grows, creating new market demand and influencing company share performance.

the result of the regression showed one of the five indicators was statistically significant, and this is the earnings per share, or EPS. Earnings per share with a 0.003 p-value indicates that it is a significant determinant of the stock price. This is due to a reason wherein the investors are becoming more vigilant in terms of the earnings of the company, as it is one of the drivers of stock prices . EPS also determines the profitability of a firm as it discusses the earnings outcome for a company . In addition, an increase in EPS will bring an increase in the market price of equity shares. Furthermore, the results of the study by Arsal indicate that EPS had a significant impact on stock prices because, when a company declares its earnings, certain investors will consider the EPS value to gauge what to expect from the stock price. When the company's EPS

does not reach its value, the stock price will result in a declining position. Book value has no bearing on stock price because it is not a useful metric for investors.

Table 5. Regression Analysis

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Interpretation
Relationship of Stock Price and Financial Indicators						
	B	Std. Error	Beta			
Book per share	0.276	0.546	0.082	0.506	0.619	Not Significant
Dividend per share	-1.516	3.343	-0.07	- 0.453	0.655	Not Significant
Earnings per share	15.449	4.47	0.985	3.456	0.003	Significant
Return on Equity	-80.277	591.112	-0.009	- 0.136	0.893	Not Significant
Price earnings ratio	2.158	1.461	0.062	1.477	0.156	Not Significant
Note: p-value < 0.05- Significant; p-value >= 0.05 Not Significant						

Dividends per share with a p-value of 0.655 indicate that they are not significant. , wherein the return on equity showed no relationship and had no effect on the increase in stock price. It was also investigated in the studies of Wibowo, Utami, & Dewati and Indikahsafitri, Wahono, & Khoirul that ROE has no significant effect on stock prices. It does not give the certain and absolute profitability of the company, as profitability should measure the operating side. Using equity as a denominator, it becomes susceptible to investing decisions. A p-value of 0.156 on the price-to-earnings ratio indicates that there has been no significant change in stock prices. It demonstrates that every point increase in the price-earnings ratio causes the stock price to rise 2.158 times. The study by Cho revealed that earnings volatility had negatively affected the stock price. It indicates that the market's reaction is delayed when earnings are volatile. As a result, investors should consider EPS when investing in PSEi-listed companies because it is a widely used indicator in investment decisions and can help them predict stock price movement.

CONCLUSIONS

The services industry dominated the other industries in terms of book value per share, securing the top spot and achieving the highest growth in BVPS as measured by RRHI. During the 5-year period, the economy was recognized to have a positive and stable outlook, growth decreased, and local currencies generated gains over the US dollar. In terms of the overall average, International Container Terminal Services, Inc. garnered the highest increase, and the lowest was placed on JG Summit Holdings.

Future investors or those with an interest in stock price movement can use this as a reference to learn about the determinants influencing stock price movement. The researchers recommend expanding the knowledge by looking for a macroeconomic indicator that may

correlate its relationship with a stock price. It is also advised to forecast the stock price in the coming years using the variables provided.

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