

Market Commentary

➔ **The View:** The PSEi lost 77.61 points or 1.19% on Friday's trading session to end at 6,405.50. The benchmark index's 3-day winning streak was snapped last Friday. It broke through the 6,500-level within the first hour of trading but eventually succumbed to profit taking measures and the downward pressure from the latest Philippine inflation report. US indices were mixed as investors may have different sentiments regarding the stronger-than-expected US jobs report for July. The US labor market added 528,000 jobs in July, much higher than the projected 258,000. On the one hand, this supported the claim that the US economy is not in a recession, but it could also provide more leeway for the US Federal Reserve to stay aggressive in their monetary policy tightening. European markets closed lower following the US jobs report. Meanwhile, Asia-Pacific indices capped off last week with gains. In the local bourse, sectors posted losses across the board with Property (-1.73%), Services (-1.54%), and Mining&Oil (-1.46%) having the biggest declines. In the main index, MONDE (+1.94%), BPI (+1.86%), and ACEN (+1.72%) led last Friday's thin herd of 6 gainers. On the other end, RLC (-5.03%), AP (-4.32%), and SMC (-3.83%) recorded the biggest declines among the large group of 24 laggards. The market's value turnover more than doubled to PHP12.71 billion from the PHP5.84 billion on Thursday. Total foreign activity also doubled to PHP12.08 billion from Friday's PHP6.03 billion in the previous session. Foreigners went back to being net sellers with net selling amounting to PHP42.44 million. The Philippine Peso closed stronger at PHP55.2 against the US dollar last Friday, compared to the PHP55.6 in the previous day. The local bourse saw profit taking actions last Friday, following the benchmark index's 3-day rally. The Philippine Statistics Authority (PSA) showed that inflation zoomed in July, reaching a new 4-year high of 6.4% spearheaded by elevated food and transport costs, which could have negatively affected market sentiment. The July inflation was on the upper end of the Bangko Sentral ng Pilipinas (BSP)'s estimate of 5.6%-6.4%. This could prompt the central bank to push through with a bigger interest rate hike this August. Yields on government bonds and treasury bills are expected to rise further in the coming weeks. The second quarter gross domestic product (GDP) data which will be released tomorrow could be integral for investors who want to have a better gauge of the market. Profit taking measures could be prevalent to start off the week as selling pressure may have heightened as well due to hot inflation.

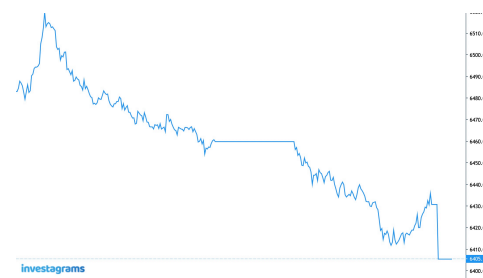
Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,710.00	66.18%	10.56%
CNPF	3/13/20	13.10	25.00	90.84%	10.56%
FGEN	9/23/20	24.80	17.02	-31.37%	8.70%
AP	9/23/20	25.55	31.00	21.33%	8.70%
BDO	11/17/20	92.60	116.90	26.24%	-7.41%
BPI	11/17/20	83.00	95.75	15.36%	-7.41%
MBT	11/17/20	44.35	47.70	7.55%	-7.41%
SECB	11/17/20	103.90	82.00	-21.08%	-7.41%
CNVRG	6/13/22	22.50	20.00	-11.11%	-0.95%
ALI	6/13/22	30.05	25.90	-13.81%	-0.95%
SGP	6/13/22	12.06	12.38	2.65%	-0.95%
Ave. Return				13.89%	0.55%

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PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	6,483.11	6,405.50	-1.20%
All Shares	3,461.76	3,432.06	-0.86%
Financial	1,524.74	1,520.62	-0.27%
Industrial	9,609.50	9,593.71	-0.16%
Holding Firms	6,155.58	6,072.20	-1.35%
Property	2,908.24	2,858.04	-1.73%
Services	1,699.92	1,673.71	-1.54%
Mining & Oil	11,609.09	11,439.10	-1.46%

TOP 10

MONDE	1.94%	RLC	-5.03%
BPI	1.86%	AP	-4.32%
ACEN	1.72%	SMC	-3.83%
JFC	1.13%	MEG	-3.42%
AC	0.65%	AGI	-3.22%
CNVRG	0.30%	WLCON	-3.17%
SECB	-0.12%	TEL	-2.84%
MER	-0.19%	MPI	-2.75%
LTG	-0.23%	MBT	-2.65%
ALI	-0.38%	GLO	-2.43%

BOTTOM 10

MARKET DATA

Market Volume	712,868,039
Market Turnover (Value)	12,712,260,042
Foreign Buying	6,017,804,939
Foreign Selling	6,060,240,031
Net Foreign Buy / (Sell)	(42,435,092)

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Economic Developments

- ➔ **Inflation accelerates to a fresh 4-year high in July at 6.4%.** The Philippine Statistics Authority (PSA) said that PH inflation reached 6.4% in July, still fueled by food and transport prices. The figure was higher than June's 6.1%, and the quickest since October 2018's 6.9%. Food and non-alcoholic beverage were the main drivers of inflation led by seafood, meat, and sugar. This was followed by transport due to higher fares of jeepneys, along with sea and air travel. According to PSA, inflation in the National Capital Region slowed to 5.1% during the period from 5.6% the month prior, while other areas posted a quicker pace at 6.8% compared to the 6.3% in June. Davao led the 14 regions outside of Metro Manila which posted faster inflation at 8.6%, while Bangsamoro Autonomous Region in Muslim Mindanao had the slowest rate at 3.6%. The Bangko Sentral ng Pilipinas (BSP) stated that, "The BSP recognizes the broadening of price pressures amid the emergence of second-round effects, including the approved wage and fare hikes as well as elevated inflation expectations. The risk to the inflation outlook is tilted on the upside for 2022 and 2023 but is broadly balanced for 2024". The BSP Monetary Board is set to meet on August 18 for its policy meeting. *(CNN Philippines)*
- ➔ **GIR declined 2% in July to \$98.83 billion.** According to the Bangko Sentral ng Pilipinas (BSP)'s data, gross international reserves (GIR) was at \$98.83 billion as of July-end, 2% lower than the June-end's \$100.85 billion. It was the first time that the dollar reserves fell below the \$100-billion mark since August 2020. Despite the drop, Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said the country's dollar reserves may still increase in the coming months amid expected rise in inflows from overseas Filipino workers remittances, business process outsourcing revenues, foreign tourism revenues, and foreign investment. However, this could be offset by the Philippines' widening trade deficit and net foreign debt payments. The central bank expects GIR to stand at \$108 billion by the end of the year, and at \$109 billion in 2023. *(BusinessWorld)*

Corporate Developments

- ➔ **Ayala Land Inc. (ALI).** ALI reported net income of PHP8.1 billion for the first half of 2022, 34% higher than the same period last year. Consolidated revenues amounted to PHP53.3 billion, 9% higher year-on-year. ALI's performance in the second quarter was up from the first quarter. Second quarter operations posted a net income of PHP4.9 billion and consolidated revenues of PHP 28.7 billion, higher by 55% and 17%, respectively, than the first quarter figures. ALI disclosed that residential revenues in the first half went down by 9% year-on-year to PHP27.4 billion as payment terms were stretched because of the pandemic. Office-for-sale revenues declined by 28% to PHP1.5 billion due to limited inventory. Revenues from commercial lots more than doubled at 166% to PHP5.3 billion on strong demand at Arca South, Nuvali, and Vermosa. The company's commercial leasing segment generated PHP14.6 billion in revenue, 54% higher year-on-year due to higher mobility. According to ALI, shopping center revenues doubled to PHP6.9 billion due to higher rent and tenant sales, while office leasing revenues increased by 12% to PHP5.4 billion owing to the contribution from newly completed offices. Meanwhile, hotel and resort revenues grew 91% to PHP2.3 billion. Capital expenditures stood at PHP30.2 billion in the first half of 2022. 54% was spent on residential projects, 10% on commercial projects, 15% on land acquisition, 15% on estate development, and 6% on other purposes. *(ALI Disclosure)*

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Corporate Developments

- ➔ **Sun Life Financial Inc. (SLF).** SLF entered into an agreement with Phoenix Group Holdings plc (Phoenix Group) to sell SLF of Canada UK Limited (Sun Life UK) for £248 million (approximately C\$385 million), while retaining its economic interest in UK's payout annuities business. Phoenix Group is the UK's largest long-term savings and retirement business with more than 13 million customers and £310 billion of assets under administration. Sun Life UK manages life and pension policies and annuity blocks for UK Clients. The company is closed to new sales and has been operating as a run-off business in the life and pension policies segment since 2001. As part of the sale, SLF will form a long-term partnership to become a strategic asset management partner to Phoenix Group. SLF's asset management companies, MFS and SLC Management, will continue to manage approximately C\$9 billion of Sun Life UK's general account upon the close of the sale. The transaction is estimated to close during the first half of 2023. *(SLF Disclosure)*

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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
PRMX	Primex Corporation	PHP0.032	Cash	Common	07/19/22	07/22/22	08/10/22
OPM	Oriental Petroleum and Minerals Corporation	Php0.0005	Cash	Common	07/19/22	07/22/22	08/16/22
AC	Ayala Corporation	Php3.46	Cash	Common	07/25/22	07/28/22	08/13/22
CNPF	Century Pacific Food, Inc.	Php0.18	Cash	Common	07/26/22	07/29/22	08/15/22
CNPF	Century Pacific Food, Inc.	Php0.18	Special Cash	Common	07/26/22	07/29/22	08/15/22
SGI	Solid Group, Inc.	Php0.06	Cash	Common	07/26/22	07/29/22	08/24/22
ACPB1	Ayala Corporation	Php6.56250	Cash	Preferred	07/27/22	08/01/22	08/15/22
BRNP	A Brown Company, Inc.	Php1.75	Cash	Common	07/29/22	08/03/22	08/30/22
PSB	Philippine Savings Bank	Php0.75	Cash	Common	08/02/22	08/05/22	08/22/22
MWP2A	Megawide Construction Corporation	Php1.1875	Cash	Preferred	08/03/22	08/08/22	08/30/22
MWP2B	Megawide Construction Corporation	Php1.4375	Cash	Preferred	08/03/22	08/08/22	08/30/22
FRUIT	Fruit Holdings, Inc.	Php0.01	Cash	Common	08/03/22	08/08/22	09/01/22
APB2R	Ayala Corporation	Php6.02675	Cash	Preferred	08/10/22	08/15/22	08/29/22
PERC	PetroEnergy Resources Corporation	Php0.05	Cash	Common	08/10/22	08/15/22	09/08/22
FB	San Miguel Food and Beverage, Inc.	Php0.40	Cash	Common	08/15/22	08/18/22	09/02/22
FB	San Miguel Food and Beverage, Inc.	Php0.26	Special Cash	Common	08/15/22	08/18/22	09/02/22
TEL	PLDT Inc.	Php47.00	Cash	Common	08/15/22	08/18/22	09/05/22
TEL	PLDT Inc.	Php28.00	Special Cash	Common	08/15/22	08/18/22	09/05/22
EAGLE	Eagle Cement Corporation	Php0.40	Cash	Common	08/15/22	08/18/22	09/07/22
GSMI	Ginebra San Miguel, Inc.	Php0.375	Cash	Common	08/16/22	08/19/22	09/02/22
GSMI	Ginebra San Miguel, Inc.	Php1.00	Special Cash	Common	08/16/22	08/19/22	09/02/22
MREIT	MREIT, Inc.	Php0.2468	Cash	Common	08/16/22	08/19/22	09/09/22
CREIT	Citicore Energy REIT Corp.	Php0.44	Cash	Common	08/16/22	08/19/22	09/14/22
FJP	F & J Prince Holdings Corporation	Pho0.10	Cash	Common	08/16/22	08/19/22	09/15/22
MPI	Metro Pacific Investments Corporation	Php0.0345	Cash	Common	08/17/22	08/22/22	09/08/22
MER	Manila Electric Company	Php5.806	Cash	Common	08/18/22	08/23/22	09/14/22
SLF	Sun Life Financial Inc.	CAD 0.69	Cash	Common	08/19/22	08/24/22	09/29/22
MFIN	Makati Finance Corporation	Php 0.005435056706	Cash	Common	08/22/22	08/25/22	09/21/22
PRF3A	Petron Corporation	Php17.17825	Cash	Preferred	08/26/22	08/31/22	09/26/22
PRF3B	Petron Corporation	Php17.84575	Cash	Preferred	08/26/22	08/31/22	09/26/22
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.015	Cash	Preferred	09/01/22	09/06/22	09/19/22
SMC2F	San Miguel Corporation	Php1.27635	Cash	Preferred	09/16/22	09/21/22	10/04/22
SMC2H	San Miguel Corporation	Php1.1854125	Cash	Preferred	09/16/22	09/21/22	10/04/22
SMC2I	San Miguel Corporation	Php1.18790625	Cash	Preferred	09/16/22	09/21/22	10/04/22
SMC2J	San Miguel Corporation	Php0.890625	Cash	Preferred	09/16/22	09/21/22	10/04/22
SMC2K	San Miguel Corporation	Php0.84375	Cash	Preferred	09/16/22	09/21/22	10/04/22
JFCPA	Jollibee Foods Corporation	Php8.20525	Cash	Preferred	09/16/22	09/21/22	10/14/22
JFCPB	Jollibee Foods Corporation	Php10.60125	Cash	Preferred	09/16/22	09/21/22	10/14/22
AUB	Asia United Bank Corporation	Php1.00	Cash	Common	10/11/22	10/14/22	10/31/22
BRNP	A Brown Company, Inc.	Php1.75	Cash	Common	10/28/22	11/03/22	11/29/22
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.015	Cash	Preferred	12/01/22	12/06/22	12/19/22

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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	0.158868919 shares of PNB for every 1 share of PNB	Property	Common	05/13/21	05/18/21	TBA
AC	Ayala Corporation	3 ACEN shares per 1 AC common share	Property	Common	05/24/22	05/27/22	TBA
ABA	AbaCore Capital Holdings, Inc.	0.0009 PRIDE shares per 1 ABA common share	Property	Common	06/23/22	06/28/22	TBA
BDO	BDO Unibank, Inc.	20%	Stock	Common	TBA	TBA	TBA
MFIN	Makati Finance Corporation	0.5435056706%	Stock	Common	08/22/22	08/25/22	TBA

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
SPNEC	Solar Philippines Nueva Ecija Corporation	Php1.50-1.76	1:1.28	1,875,649,995	08/22/22	08/30/22	09/05/22	09/15/22
ANI	AgriNurture, Inc.	Php1.00	1:2.5	288,000,027	TBA	TBA	TBA	TBA

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