

Market Commentary

➔ **The View:** The PSEi gained 28.74 points or 0.45% on Monday to end at 6,434.24. The benchmark index fell to as low as 6,370.83 before climbing back to the 6,400-level. US markets were almost flat with sub-1% movements as investors wait for more earnings reports and the July inflation data set to be released on Thursday. European markets ended in the positive as investors continue to assess corporate earnings and relevant economic data. Asia-Pacific markets' performance were mixed, with Hong Kong's Hang Seng index being pulled down by tech stocks. In the local bourse, sectoral performance was mixed. Financial (+1.11%), and Industrial (+0.95%) recorded the biggest gains, while Mining&Oil (-1.75%), and Property (-0.74%) were the sectoral losers. In the main index, RLC (+4.12%), GLO (+2.99%), and AC (+2.58%) led Monday's batch of 20 gainers. On the other end, ALI (-2.70%), AGI (-2.26%), and AEV (-1.55%) ended at the bottom along with 7 laggards. The market's value turnover decreased by 38% to PHP7.91 billion from the last Friday's PHP12.71 billion. Total foreign activity went down by 32% to PHP8.20 billion from PHP12.08 in the previous session. Foreigners continued to be net sellers with net foreign selling increasing to PHP518.79 million from only PHP42.44 million. The Philippine Peso depreciated against the US dollar and closed at PHP55.55 from PHP55.2 last Friday. The expectations for a sustained economic growth for the second quarter could have outweighed concerns regarding the latest inflation data. Most economists are banking on a gross domestic product (GDP) growth of above 8%, and in the neighborhood of the 8.2% that was recorded in the first quarter. The economy was more open in the second quarter due to looser restrictions as infections and hospitalizations from COVID-19 lessen and slowed down. Meanwhile, the rather positive June labor force report saw unemployment rate steady at 6% while underemployment improved to 12.6% from 14.6% in May. This may also add another boost to investors' confidence in the Philippine economy's ability to withstand any more external pressures from existing issues like the high interest rate, high inflation environment. The corporate earnings reports that were published in the last few weeks have mostly been positive which could be a sign of a stronger performance overall of the economy in the recent quarter. The second quarter GDP data will be released today and investors are likely to take their cues from there. Overall sentiment for the economy is optimistic which may give equities a significant upward momentum despite the looming interest rate hike in the upcoming policy meeting of the central bank.

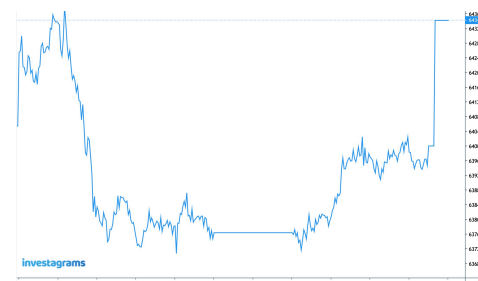
Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,743.00	69.39%	11.05%
CNPF	3/13/20	13.10	25.40	93.89%	11.05%
FGEN	9/23/20	24.80	17.50	-29.44%	9.19%
AP	9/23/20	25.55	31.40	22.90%	9.19%
BDO	11/17/20	92.60	117.90	27.32%	-6.99%
BPI	11/17/20	83.00	96.50	16.27%	-6.99%
MBT	11/17/20	44.35	48.90	10.26%	-6.99%
SECB	11/17/20	103.90	83.40	-19.73%	-6.99%
CNVRG	6/13/22	22.50	20.00	-11.11%	-0.51%
ALI	6/13/22	30.05	25.20	-16.14%	-0.51%
SGP	6/13/22	12.06	12.26	1.66%	-0.51%
Ave. Return				15.02%	1.00%

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PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	6,405.50	6,434.24	0.45%
All Shares	3,432.06	3,448.73	0.49%
Financial	1,520.62	1,537.51	1.11%
Industrial	9,593.71	9,685.04	0.95%
Holding Firms	6,072.20	6,105.86	0.55%
Property	2,858.04	2,836.98	-0.74%
Services	1,673.71	1,688.35	0.87%
Mining & Oil	11,439.10	11,237.42	-1.76%

TOP 10

RLC	4.12%	ALI	-2.70%
GLO	2.99%	AGI	-2.26%
AC	2.58%	AEV	-1.55%
MPI	2.55%	MEG	-1.33%
MBT	2.52%	ICT	-0.33%
JGS	2.33%	SMPH	-0.27%
MONDE	2.03%	SM	-0.26%
TEL	1.93%	JFC	0.00%
SECB	1.71%	CNVRG	0.00%
AP	1.29%	SMC	0.00%

BOTTOM 10

MARKET DATA

Market Volume	591,402,246
Market Turnover (Value)	7,913,701,142
Foreign Buying	3,839,448,028
Foreign Selling	4,358,234,097
Net Foreign Buy / (Sell)	(518,786,069)

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Economic Developments

- ➔ **Unemployment rate remains at 6% in June.** According to the Philippine Statistics Authority (PSA), the unemployment rate in June was unchanged at 6% compared to May, but lower than the 7.7% in June of last year. This was equivalent to 2.99 million unemployed Filipinos out of the 49.58 million that participated in its monthly labor force survey. Domini Velasquez, chief economist of China Banking Corp., stated that non-essential sectors were negatively affected by high inflation which compelled them to cut their workforce. On the other hand, underemployment improved to 12.6% from 14.6% in May, and 14.2% in June 2021. Contractions in the labor market is expected in July as the higher input costs and minimum wages could have pushed businesses to reduce their workforce. *(Philstar)*
- ➔ **Agricultural sector down 0.6% in the second quarter.** Data from the Philippine Statistics Authority (PSA) showed that the agriculture and fisheries' value of production from April to June declined by 0.6% to PHP433.12 billion due to lower production. The second quarter contraction was slightly higher than the first quarter's 0.3%, but lower than the 1.5% in the same period last year. Crops, which make up 54.9% of the total value of production, and fisheries, which comprise 15.8%, both declined in the second quarter by 2.7% and 2.3%, respectively. The higher costs of fertilizers and nutritious feeds were the main factors that hampered production, according to the Bureau of Fisheries and Aquatic Resources. Meanwhile, livestock posted a 2.1% expansion, and poultry grew by 7.8%. However, United Broiler Raisers Association President Elias Jose M. Inciong warned that, "the growth may be temporary as the industry will adjust to the arrival of imports which has seen a recent surge in arrivals and in frozen inventories. As such, any conversation about improving the numbers is futile". *(BusinessWorld, Inquirer)*

Corporate Developments

- ➔ **Bloomberry Resorts Corporation (BLOOM).** BLOOM's total gross gaming revenues from Solaire Resort and Casino (Solaire) reached PHP13.1 billion in the second quarter, 47% higher than the previous quarter due to increased gaming volumes. Solaire Korea's Jeju Sun (Jeju Sun) reported nil gaming revenue in the second quarter as operations at the property have been suspended since March 21, 2020. The company's consolidated non-gaming revenue for the second quarter amounted to PHP1.7 billion, 86% higher than the first quarter. This was primarily driven by the Solaire's higher hotel occupancy of 53.4%, compared to only 24.1% in the previous quarter. BLOOM's second quarter consolidated EBITDA and net income of PHP3.9 billion and PHP1.8 billion, were higher than the first quarter figures by 35% and 164%, respectively. *(BLOOM Disclosure)*
- ➔ **MREIT, Inc. (MREIT).** MREIT's second quarter revenue and net income stood at PHP892.86 million and PHP676.78 million, significantly higher than the first quarter's PHP227.20 million and PHP337.98 million. Occupancy rate for the second quarter reached a high of 96.5% as new contracts were secured. The company declared second quarter dividends of PHP0.2468 per share, 1.6% higher than the previous quarter. This period's performance does not yet include additional income arising from the recently announced property-for-share swap transaction of 4 properties worth PHP5.3 billion. Once completed, it would bring MREIT's gross leasable area up 16% to 325,000 square meters. *(MREIT Disclosure)*

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Corporate Developments

- ➔ **Bank of Commerce (BNCOM).** BNCOM reported a net income of PHP526.32 million in the second quarter, 45.96% more than the first quarter's PHP360.59 million. Net income for the first half of 2022 nearly tripled to PHP886.91 million from PHP304.37 million in the corresponding period last year. The growth was propelled by growths in net interest income, service charges, and fees and commissions. Net interest income was up 18.21% to PHP3.08 billion as the company's loan portfolio expanded by 35.59%. Total other income, which is comprised of service charges, fees and commissions, and foreign exchange gains, rose by 55.95% to PHP583.57 million. BNCOM's NPL ratio stood at 2.63%, lower than the industry average of 3.9%. *(BNCOM Disclosure)*
- ➔ **Axelum Resources Corp. (AXLM).** AXLM's net income for the second quarter amounted to PHP238.91 million, 38% higher than the previous quarter's PHP172.81 million. For the first half of 2022, the company generated gross revenue amounting to PHP3.38 billion, up 9% from the PHP3.10 billion recorded in the same period last year as volumes and average selling prices of core products increased. The global market demand remains robust despite being affected by international shipping constraints. The company made some price adjustments to consider rising input costs and preserve product margins. Net income grew by 32% to PHP420.85 million from PHP318.42, affected by the increased contribution of new products covered by fresh tax incentives granted in 2021. The company said that the "rising global demand for healthy essentials specifically coconut-based products, will keep us strongly positioned in a in a post-pandemic environment". *(AXLM Disclosure)*
- ➔ **Aboitiz Power Corporation (AP).** AP has partnered with Singapore-based Clime Capital Management Pte. Ltd., and US-based Rocky Mountain Institute (RMI) in launching a feasibility study regarding the development of up to 3,000MW of offshore wind projects in the Philippines. The project is supported and partially funded by the States Trade and Development Agency (USTDA). AP "will be the project lead in the pre-feasibility assessment and wind data collection phase to unlock the offshore wind market, marshal resources to prepare the supply chain in case offshore wind proceeds with the development stage and capture necessary data". The project is set to begin on August 11 and expected to be completed by mid-2023. *(BusinessWorld)*
- ➔ **Manila Electric Company (MER).** MER announced another electricity rate cut in August amounting to PHP0.2087 that will bring the current price to PHP9.5458 per kWh. Rate cuts for the past two months have summed up to PHP0.9154. *(Inquirer)*

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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	Fruitas 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
PNX4	Phoenix Petroleum Philippines, Inc.	Php18.92	Cash	Preferred	08/16/22	08/19/22	08/22/22
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
ALCPD	Arthaland Corporation	Php7.50	Cash	Preferred	08/16/22	08/19/22	09/03/22
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
ALCPC	Arthaland Corporation	Php1.7319	Cash	Preferred	08/29/22	09/01/22	09/27/22
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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