

## Market Commentary

➔ **The View:** The PSEi had a marginal decline of 2.08 points or 0.03% and closed at 6,512.39 yesterday. The benchmark index was down to the 6,400-level for most of the session, but eventually climbed back up to the 6,500-level on some strong last minute buying. Investors looked unmoved as the local inflation print cools to 5.4% in June, falling within the Bangko Sentral ng Pilipinas (BSP)'s projected range of 5.3%-6.1%. In the US, the 3 main indices closed in the red with small losses following the Fourth of July holiday. The Dow fell by 0.38%, while the S&P500 and the Nasdaq Composite went down by 0.20% and 0.18%, respectively. Minutes of the US Federal Reserve (Fed)'s previous policy meeting revealed that majority of Fed officials see more interest rate hikes coming, but at a slower rate compared to last year. Meanwhile, European markets continued their losing streaks as investors grow more cautious for the second half of the year and ahead of the 2Q2023 earnings season. The latest eurozone purchasing managers' index (PMI) data signaled a stalled growth in June despite strong performances in April and May. According to S&P Global, June's figures hit multi-month lows mainly driven by waning growth in the service sector, despite cooling inflation. In the Asia-Pacific, markets fell after the Fed's minutes revealed more interest rate hikes. South Korea's Kospi and Japan's Nikkei fell by 0.55% and 0.25%, respectively. In both Japan and China, the services sector continued to expand in the month; however, the rate of growth moderated. In the local bourse, sectors had mixed performances with sub-1% movements. Financial (+0.14%) and Holding Firms (+0.11%) gained. Mining&Oil (-0.65%) and Industrial (-0.50%) had the biggest contractions. In the main index, MPI (+3.97%), AEV (+3.51%), and AGI (+1.52%) were the best performers among 8 gainers. On the other hand, CNVRG (-2.58%), AP (-1.64%), and WLCON (-1.58%) had the biggest declines among Wednesday's 17 laggards. The market's value turnover was higher at PHP3.82 billion, but still relatively low compared to the previous sessions. Total foreign activity also went up to PHP4.17 billion. Foreigners ended with a net foreign selling of PHP22.20 million, slightly more than the PHP16.70 million in the previous session. The Philippine Peso dropped against the US dollar from PHP55.23 to PHP55.385. Market activity, both foreign and domestic, picked up yesterday but were still at the lower end of this year's overall range. June inflation fell within expectations but investors' concerns are likely hinged more on the Fed's monetary policy outlook. With more policy hikes likely coming from the Fed, the Bangko Sentral ng Pilipinas (BSP) may be forced to respond and increase its own policy rates anew.

## PSEI INTRADAY



### INDICES

Index	Prev	Last	% Chg
PSEi	6,514.47	6,512.39	-0.03%
All Shares	3,472.53	3,469.75	-0.08%
Financial	1,836.13	1,838.74	0.14%
Industrial	9,214.82	9,168.30	-0.50%
Holding Firms	6,473.25	6,480.55	0.11%
Property	2,650.21	2,643.66	-0.25%
Services	1,571.97	1,571.83	-0.01%
Mining & Oil	9,966.39	9,901.25	-0.65%

### TOP 10

MPI	3.97%	CNVRG	-2.58%
AEV	3.51%	AP	-1.64%
AGI	1.52%	WLCON	-1.58%
BPI	1.12%	URC	-1.43%
ICT	1.10%	MONDE	-1.39%
GLO	0.74%	GTCAP	-1.36%
MER	0.54%	AC	-1.25%
JGS	0.22%	TEL	-0.97%
JFC	0.00%	UBP	-0.72%
SMC	0.00%	MBT	-0.72%

### BOTTOM 10

## Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,330.00	29.25%	12.40%
CNPF	3/13/20	13.10	25.50	94.66%	12.40%
FGEN	9/23/20	24.80	19.50	-21.37%	10.52%
AP	9/23/20	25.55	36.05	41.10%	10.52%
BDO	11/17/20	92.60	137.60	48.60%	-5.86%
BPI	11/17/20	83.00	108.00	30.12%	-5.86%
MBT	11/17/20	44.35	55.00	24.01%	-5.86%
SECB	11/17/20	103.90	82.55	-20.55%	-5.86%
CNVRG	6/13/22	22.50	10.56	-53.07%	0.70%
ALI	6/13/22	30.05	24.70	-17.80%	0.70%
SGP	6/13/22	12.06	8.80	-27.03%	0.70%
<b>Ave. Return</b>				<b>11.63%</b>	<b>2.23%</b>

### MARKET DATA

Market Volume	522,373,056
Market Turnover ( Value)	3,820,851,403
Foreign Buying	2,074,487,558
Foreign Selling	2,096,691,355
Net Foreign Buy / (Sell)	(22,203,797)

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## Economic Developments

- ➔ **Inflation decelerates further to 5.4% in June.** Headline inflation continued to ease for the 5th consecutive month in June, primarily driven by slower increases in food prices, according to the Philippine Statistics Authority (PSA). Headline inflation stood at 5.4%, the lowest rate since April 2021 and within the forecast range of the Bangko Sentral ng Pilipinas (BSP). Lower inflation in the food and non-alcoholic beverages category, particularly in meat, fruits and nuts, and sugar, contributed to the overall slowdown in inflation. Transport costs also declined at a faster pace in June. Core inflation, which excludes volatile food and fuel items, eased to 7.4% in June, indicating a moderation in price pressures. However, the average inflation for the 1st half of the year remained above the central bank's target range of 2-4%. National Economic and Development Authority (NEDA) Secretary Arsenio Balisacan expressed confidence that inflation would decline to within the target range by the end of the year. Nevertheless, there are still risks to inflation, with the price of rice gradually increasing in recent months. Rice inflation rose to 3.6% in June, and prices across different rice categories saw increases. *(Philstar)*
- ➔ **PH households with internet access reached 56.1% of the total population.** According to the Philippine Statistics Authority (PSA), 56.1% of households in the country have access to the internet at home. The PSA's 2020 Census of Population and Housing (CPH) revealed that mobile broadband networks were the primary means of internet connectivity for 42.1% of households, while satellite broadband had a penetration rate of 2.4%. The National Capital Region (NCR) had the highest penetration rate at 74.6%, followed by the Calabarzon region at 70.2%. The lowest share of households with internet access was found in the Zamboanga Peninsula at 28.5%. In terms of internet usage, the census found that 56.3% of households used the internet at home, while 23.1% accessed it via mobile devices outside the home, and 19.7% used it at their workplace. The census also reported a literacy rate of 97% among individuals aged five years and older, indicating an improvement compared to the 2015 census. Metro Manila had the highest literacy rate at 98.9%, while the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) had the lowest rate at 86.4%. The female literacy rate was 97.1%, slightly higher than the male literacy rate of 96.8%. The census also provided data on educational attainment, including a secondary school completion rate of 38.6% and an elementary-only completion rate of 29.5%. *(BusinessWorld)*
- ➔ **PH among top 5 international RE markets in developing Asia.** According to the United Nations Conference on Trade and Development (UNCTAD), the Philippines ranks among the top five markets in developing Asia and Oceania for international renewable energy (RE) projects. UNCTAD's World Investment Report 2023 highlights that the Philippines is the fourth-leading host of international RE projects, following India, Vietnam, and Taiwan. Indonesia holds the fifth-largest market position. The report emphasizes the need for urgent support to developing countries in attracting more RE investment to achieve global sustainability goals. Developing countries require an annual investment of \$1.7 trillion in renewable energy, but they only attracted \$544 billion in foreign direct investment in clean energy last year. *(BusinessWorld)*

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## Economic Developments

- ➔ **Green Energy Auction round hampered by transmission, pricing.** The Department of Energy (DoE) of the Philippines attributed the weak results of its second Green Energy Auction (GEA) to concerns about available transmission lines for the projects and lukewarm response from developers towards the reserve prices. The GEA-2 received bids for 3,580.76 megawatts (MW) of renewable energy capacity, significantly below the target of 11,600 MW. Energy Secretary Raphael P.M. Lotilla acknowledged that the bids were one-third of the available volume based on the maximum price approved by the Energy Regulatory Commission (ERC). Developers and industry experts have called for a revisit of the tariff rates set for the GEA program, stating that the rates do not reflect the current electricity demand and supply realities. In addition to the GEA program, the Philippine government is also exploring the adoption of nuclear power to stabilize the energy supply. The Energy department is collaborating with other government agencies and private sector stakeholders to include the private sector in nuclear power development, as the government is prohibited from entering the power generation space. However, the final decision on nuclear power will be determined by Congress. Energy Secretary Lotilla expressed that nuclear power could be added to the country's energy mix within the decade. Regarding the Malampaya gas field, which is the Philippines' only indigenous commercial source of natural gas, the Malampaya Consortium is on track with its drilling program within the Service Contract 38. The consortium expects to conduct exploratory drilling for nearby fields by the end of 2024 and anticipates new or additional supply from the same service contract by 2026. *(BusinessWorld)*
- ➔ **PH trade chief sees energy as backbone of industry.** Trade Secretary Alfredo Pascual highlighted the importance of the energy sector in driving industry developments in the Philippines during a meeting with Dutch firm BlueCap Hydro. Pascual expressed the government's support for setting up a manufacturing facility for micro grid power generators in the country. He emphasized the role of the energy sector as a backbone for establishing and sustaining industry value chains and driving industry development. Pascual also recognized Europe's significant investments in renewable energy research, development, and education and called for collaboration with European institutions to enhance capabilities in renewable energy research and development in the Philippines. Pascual further emphasized the economic opportunities presented by the shift to green energy in the Philippines. He noted the country's vast potential in the green energy sector, including abundant renewable resources such as solar, wind, hydro, and geothermal power. Pascual highlighted the need to align standards with European requirements to improve access to Philippine green energy products and services, facilitate partnerships, and expand export potential in global clean energy value chains. Additionally, Pascual met with Business Connect, a Dutch consulting company focused on setting up startup ecosystems, and praised their role in fostering startup communities. He looked forward to their upcoming trade mission to the Philippines and emphasized the government's efforts to create an enabling environment for startups through the Innovative Startup Act. *(PhilStar)*

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## Corporate Developments

- ➔ **Megawide Construction Corporation (MWIDE).** MWIDE has announced its acquisition of PH1 World Developers Inc. from Citicore Holdings Investments Inc. for a total of PHP5.2 billion. The purchase has been carefully deliberated and valued according to international standards. The deal is subject to approval during MWIDE's upcoming annual stockholders' meeting. The acquisition of PH1 is seen as part of the company's forward integration strategy, aiming to reduce production costs, improve efficiency, and create more value within the MWIDE group. PH1 is involved in real estate development, with projects such as The Hive in Taytay, Rizal, and My Enzo Lofts in Quezon City. PH1's income in 2022 grew significantly to PHP66.77 million, with revenues primarily coming from real estate sales totaling PHP599.77 million. MWIDE views property development as a natural progression for construction companies and believes that the partnership with PH1 will create better value and enhance the living experience for more Filipino households. The acquisition will be conducted through the sale of Citicore Holdings Investment Inc.'s shares in PH1 to Megawide, and it is expected to be completed through a cash transaction. *(MWIDE Disclosure, BusinessMirror)*
- ➔ **Chemical Industries of the Philippines Inc. (CIP).** CIP has announced its acquisition of Tierra Ariana Eco Land Inc. for PHP100 million. The acquisition will grant CIP indirect control over the BPI Paseo de Roxas Condominium Corp., the entity responsible for managing the Filinvest Financial Center condominium project. CIP's ultimate objective is to obtain indirect ownership of the land covered by the condominium project's title and redevelop it through the condominium corporation. Tierra Ariana is the registered owner of 19 out of 20 condominium certificates of title in the project. As part of the transaction, CIP signed a share purchase agreement with various sellers, including Wessex Holdings Corp., Pacific Unity SDN. BHD, Tierra Ariana, and Vital Time International Ltd. The agreement also involves a deed of assignment over Tierra Ariana's accounts payable by its creditor, Vital Time, worth PHP835.35 million. CIP will advance PHP65 million to Tierra Ariana to settle its outstanding liabilities. The transaction price, including the loans, amounts to PHP1.72 billion. The acquisition is not related to the change of control that occurred in CIP in 2019, and there will be no changes in the company's board and officers. *(CIP Disclosure, BusinessMirror)*

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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
AUB	Asia United Bank Corporation	Php1.00	Cash	Common	06/06/23	06/09/23	07/06/23
DDMPR	DDMP REIT, Inc.	Php0.0253889	Cash	Common	06/14/23	06/19/23	07/13/23
DNL	D&L Industries, Inc.	Php0.24	Cash	Common	06/15/23	06/20/23	07/14/23
DNL	D&L Industries, Inc.	Php0.06	Special Cash	Common	06/15/23	06/20/23	07/14/23
RFM	RFM Corporation	Php0.089033	Cash	Common	06/26/23	06/29/23	07/25/23
CEU	Centro Escolar University	Php0.60	Cash	Common	06/27/23	06/30/23	07/25/23
CDC	Cityland Development Corporation	Php0.0295	Cash	Common	06/27/23	06/30/23	07/26/23
SMC	San Miguel Corporation	Php0.35	Cash	Common	06/27/23	06/30/23	07/26/23
DDPR	DoubleDragon Corporation	Php2.42125	Cash	Preferred	06/27/23	07/03/23	07/14/23
CPGP	Century Properties Group, Inc.	Php1.6794250	Cash	Preferred	06/30/23	07/05/23	07/15/23
ACR	Alsons Consolidated Resources, Inc.	Php0.02	Cash	Common	06/30/23	07/05/23	07/24/23
GTPPA	GT Capital Holdings, Inc.	Php11.57475	Cash	Preferred	06/30/23	07/05/23	07/27/23
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	06/30/23	07/05/23	07/27/23
SGP	Synergy Grid & Development Phils., Inc.	Php0.1737	Cash	Common	07/03/23	07/06/23	07/21/23
PREIT	Premiere Island Power REIT Corporation	Php0.0299	Cash	Common	07/04/23	07/07/23	07/17/23
KPH	Keppel Philippines Holdings, Inc.	Php0.10	Cash	Common	07/04/23	07/07/23	08/02/23
FJP	F & J Prince Holdings Corporation	Php0.10	Cash	Common	07/05/23	07/09/23	07/27/23
DELM	Del Monte Pacific Limited	US\$0.0013	Cash	Common	07/06/23	07/11/23	07/25/23
ALCO	Arthaland Corporation	Php0.012	Cash	Common	07/12/23	07/17/23	08/10/23
MEDIC	Medilines Distributors Incorporated	Php0.010484247	Cash	Common	07/13/23	07/18/23	08/11/23
8990B	8990 Holdings, Inc.	Php1.375	Cash	Preferred	07/24/23	07/27/23	08/10/23
OPM	Oriental Petroleum and Minerals Corporation	Php0.0005	Cash	Common	07/24/23	07/27/23	08/18/23
CPG	Century Properties Group, Inc.	Php0.006055	Cash	Common	07/25/23	07/28/23	08/11/23
GERI	Global-Estate Resorts, Inc.	Php0.01129481	Cash	Common	07/25/23	07/28/23	08/23/23
BRNP Series A	A Brown Company, Inc.	Php1.75	Cash	Preferred	07/27/23	08/01/23	08/29/23
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	08/16/23	08/24/23	09/08/23
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	08/24/23	08/30/23	09/14/23
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	08/24/23	08/30/23	09/14/23
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.015	Cash	Preferred	08/29/23	09/01/23	09/18/23
CROWN	Crown Asia Chemicals Corporation	Php0.04	Cash	Common	08/25/23	08/31/23	09/25/23
FJP	F & J Prince Holdings Corporation	Php0.07	Cash	Common	09/06/23	09/09/23	09/27/23
AUB	Asia United Bank Corporation	Php1.00	Cash	Common	09/07/23	09/12/23	09/28/23
CPG	Century Properties Group, Inc.	Php0.006055	Cash	Common	09/26/23	09/29/23	10/13/23

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## CASH DIVIDEND SCHEDULE

\*Arranged by ex-date

Ticker	Company	Amount/ Rate	Dividend Type	Share	Ex-date	Record Date	Payment Date
GTPPA	GT Capital Holdings, Inc.	Php11.57475	Cash	Preferred	10/02/23	10/05/23	10/27/23
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	10/02/23	10/05/23	10/27/23
8990B	8990 Holdings, Inc.	Php1.375	Cash	Preferred	10/20/23	10/25/23	11/10/23
BRNP Series A	A Brown Company, Inc.	Php1.75	Cash	Preferred	10/26/23	10/31/23	11/29/23
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	11/21/23	11/24/23	12/11/23
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	11/23/23	11/29/23	12/14/23
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	11/23/23	11/29/23	12/14/23
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.015	Cash	Preferred	11/28/23	12/01/23	12/18/23
8990B	8990 Holdings, Inc.	Php1.375	Cash	Preferred	01/24/24	01/29/24	02/10/24

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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	0.156886919 shares of PHC 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	01/09/23
ABA	AbaCore Capital Holdings, Inc.	0.0009 PRIDE shares per 1 ABA common share	Property	Common	06/23/22	06/28/22	TBA
GREEN	Greenergy Holdings Incorporated	0.0561786222 share of ANI for every 1 share of the company	Property	Common	06/27/22	06/30/22	TBA
MFIN	Makati Finance Corporation	0.5435056706%	Stock	Common	08/22/22	08/25/22	TBA
LPC	LFM Properties Corporation	60%	Stock	Common	TBA	TBA	TBA
VMC	Victorias Milling Company, Inc.	100%	Stock	Common	TBA	TBA	TBA
UBP	Union Bank of the Philippines	27%	Stock	Common	TBA	TBA	TBA
CEI	Crown Equities, Inc.	10%	Stock	Common	TBA	TBA	TBA
SBS	SBS Philippines Corporation	22%	Stock	Common	TBA	TBA	TBA
CDC	Cityland Development Corporation	2.5%	Stock	Common	07/03/23	TBA	TBA
LAND	City & Land Developers, Incorporated	5%	Stock	Common	07/10/23	TBA	TBA
AUB	Asia United Bank Corporation	50%	Stock	Common	TBA	TBA	TBA

Note: AC  
Scripless shareholders will have a moving payment date for their property dividends

## 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
ANI	AgriNurture, Inc.	Php1.00	1:2.5	288,000,027	TBA	TBA	TBA	TBA
LC	Lepanto Consolidated Mining Company	Php0.12	1:3.95	16,803,989,391	TBA	TBA	TBA	TBA
PBB	Philippine Business Bank	Php10.00	1:4.6428	50,000,000	03/07/2023	03/10/2023	03/17/2023	TBA

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