

## Market Commentary

➔ **The View:** The PSEi gained 13.11 points or 0.20%, ending at 6,541.91 yesterday. The benchmark index inched up as investors picked up bargains from the recent 2-day decline while also remaining cautious amidst a lack of fresh leads. In the US, the 3 main indices posted modest gains yesterday amidst a mixed bag of earnings results. The Dow and the S&P500 rose by 0.31% and 0.24%, respectively. The Nasdaq Composite squeaked a 0.03% gain. Stock prices of Netflix, IBM, and Tesla declined following 2Q2023 results which failed to meet expectations. Parrying these were United Airlines, and Zions Bancorp which beat estimates. The US market rally continues to gain more traction due to the strong results of earnings so far. On the economic front, weekly jobless claims and existing home sales data will be the ones to watch. Meanwhile, European markets climbed after a cooler-than-expected UK inflation print in June. UK's inflation slowed to 7.9% from 8.7% in May, and below the consensus estimate of 8.2%. Core inflation also went down to 6.9%, against the expectation that it will be unchanged at 7.1%. In the Asia-Pacific, most markets ended in the green. Japan's Nikkei led the gains with 1.24% even after a survey revealed that business sentiment among manufacturers in Japan declined for the first time in six months in July. Australia's S&P/ASX200 went up by 0.55% ahead of the release of its employment data today. Hong Kong's Hang Seng fell by 0.33% bucking the trend. In the local bourse, Financial (-0.31%) was the lone sector to decline. Mining&Oil (+1.13%) had the biggest gain while the rest had sub-1% additions. In the main index, MONDE (+4.43%), AP (+2.35%), JFC (+2.00%) were the best performers among 14 gainers. On the other end, BPI (-2.33%), and PGOLD (-1.01%) had the biggest losses while the other 10 laggards had sub-1% contractions. The market's value turnover rose by 14% to PHP3.66 billion, while total foreign activity went up by 43% to PHP3.92 billion. Foreigners ended with a net foreign buying of PHP43.99 million, contrary to the PHP71.29 million net foreign selling in the previous session. The Philippine Peso depreciated by 10.5 cents and closed at PHP54.515 against the US dollar. The local currency appears to be experiencing a correction after its steep rise last week. Market activity has increased in the past 2 sessions but continues to be lower than the year-to-date average. Many investors are still likely on the sidelines as they look for more catalysts ahead of a big week which includes the US Federal Reserve (Fed)'s policy review and outlook. The PSEi looks resilient so far this week, maintaining its position on the 6,500-level following a test of the 6,600-level last Friday. China's woes are still expected to weigh down on sentiment at least in the short-term.

## PSEI INTRADAY



## INDICES

Index	Prev	Last	% Chg
PSEi	6,528.80	6,541.91	0.20%
All Shares	3,482.75	3,490.91	0.23%
Financial	1,897.85	1,892.04	-0.31%
Industrial	9,225.30	9,276.82	0.56%
Holding Firms	6,365.60	6,369.45	0.06%
Property	2,645.27	2,653.74	0.32%
Services	1,579.08	1,586.05	0.44%
Mining & Oil	9,850.97	9,962.35	1.13%

## TOP 10

MONDE	4.43%	BPI	-2.33%
AP	2.35%	PGOLD	-1.01%
JFC	2.00%	URC	-0.98%
GLO	1.71%	MBT	-0.88%
DMC	1.62%	SM	-0.86%
JGS	1.59%	WLCON	-0.81%
BDO	1.58%	AGI	-0.63%
ALI	1.36%	ACEN	-0.56%
TEL	1.32%	EMI	-0.48%
LTG	1.06%	CNVRG	-0.38%

## BOTTOM 10

## Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,306.00	26.92%	12.91%
CNPF	3/13/20	13.10	26.15	99.62%	12.91%
FGEN	9/23/20	24.80	19.60	-20.97%	11.02%
AP	9/23/20	25.55	34.80	36.20%	11.02%
BDO	11/17/20	92.60	141.70	53.02%	-5.44%
BPI	11/17/20	83.00	113.40	36.63%	-5.44%
MBT	11/17/20	44.35	56.00	26.27%	-5.44%
SECB	11/17/20	103.90	84.20	-18.96%	-5.44%
CNVRG	6/13/22	22.50	10.54	-53.16%	1.16%
ALI	6/13/22	30.05	26.05	-13.31%	1.16%
SGP	6/13/22	12.06	8.42	-30.18%	1.16%
<b>Ave. Return</b>				<b>12.92%</b>	<b>2.69%</b>

## MARKET DATA

Market Volume	489,045,833
Market Turnover ( Value)	3,663,073,805
Foreign Buying	1,980,394,694
Foreign Selling	1,936,409,493
Net Foreign Buy / (Sell)	43,985,200

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## Economic Developments

- ➔ **ADB maintains Philippines growth outlook for 2023 and 2024.** The Asian Development Bank (ADB) maintained its growth forecast for the Philippines, projecting a growth rate of 6.0% for 2023 and 6.2% for 2024 in its Asian Development Outlook report. The ADB noted that the country's prospects were boosted by resilient consumer spending and robust investment in the first quarter. If realized, the ADB's projection would make the Philippines the fastest-growing economy in Southeast Asia, outpacing Singapore and Vietnam. However, the projection falls at the lower end of the government's GDP growth target for 2023. The ADB also highlighted the importance of the tourism and business process outsourcing sectors as reliable drivers of growth for the Philippine economy, while also acknowledging the impact of global demand for manufactured exports in Southeast Asia. The ADB's growth projections for Southeast Asia as a whole were revised downward due to the slowdown in global demand for exports. The region is expected to expand at a slower rate of 4.6% in 2023 and 4.9% in 2024. While China's reopening has provided a positive boost to the region's growth prospects, uncertainties remain as the outlook for global growth and demand in the coming months has worsened. The ADB Chief Economist, Albert Park, highlighted that domestic demand and services activity are driving growth in Southeast Asia, but industrial activity and exports remain weak. (*Philstar*)
- ➔ **DoE may set 2,400 MW goal for nuclear power by 2035.** The Department of Energy (DoE) in the Philippines is considering a target of 2,400 megawatts (MW) in nuclear power capacity by 2035 as part of its energy plan. The government aims to have around eight 150-MW small modular reactors operational by 2032 and establish a 1,200-MW nuclear facility in Luzon by 2035. However, the plan is contingent on the establishment of an independent atomic energy regulatory commission, which is pending in Congress. The DoE is also exploring the feasibility of rehabilitating the Bataan Nuclear Power Plant (BNPP) and will conduct a feasibility study to determine if the rehabilitation can be done at a reasonable cost. Additionally, the DoE is planning to increase its target for the share of renewable energy (RE) in the power mix, aiming for more than 50%, due to the entry of offshore wind and other RE technologies. The government's current targets are to achieve 35% RE share by 2030 and 50% by 2040. The DoE has awarded a total of 73 offshore wind service contracts with a combined capacity of about 58,531 MW as of July. The next Philippine Energy Plan, which will include the nuclear and RE targets, is expected to be completed by September. (*BusinessWorld*)
- ➔ **Lower demand pulls down electricity spot market prices.** The spot market prices of electricity in the Luzon and Visayas grids declined from PHP6.67 per kilowatt-hour (kWh) to PHP6.07 per kWh in June until the first half of July, according to the Independent Electricity Market Operator of the Philippines (Iemop). This drop in prices was attributed to a decrease in average electricity demand of 155 megawatts (MW) for the two island groups during the same period. Despite the threat of El Niño, which can cause drier conditions, Iemop remains optimistic that hydro power plants will continue to operate well due to heavy rainfall in the past week that increased dam elevation. Additionally, the completion of National Grid Corp. of the Philippines' new transmission line projects in the fourth quarter of the year is expected to ease spot market prices further. (*Inquirer*)

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## Economic Developments

- ➔ **Marcos Jr. admin dismisses tycoons' NAIA rehab proposal.** The Marcos Jr. administration has declined the unsolicited proposal for the rehabilitation of the Ninoy Aquino International Airport (NAIA) submitted by the Manila International Airport Consortium (MIAC), a group of Philippine conglomerates. Instead, the National Economic and Development Authority (NEDA) Board has approved the Department of Transportation's (DOTr) solicited proposal, developed with the assistance of the Asian Development Bank, which is estimated to cost PHP170.6 billion over a 15-year concession period. The project aims to enhance NAIA's annual passenger capacity, nearly doubling it to 62 million passengers per year. The MIAC's proposal, which involved a 25-year concession period and a PHP267 billion cost, including a PHP57 billion upfront concession payment to the government, was not accepted. The DOTr's proposal was chosen due to its shorter concession period, potentially costing the government less. According to NEDA Secretary Arsenio Balisacan, the solicited approach is faster and in line with the Build-Operate-Transfer Law. The government's decision was driven by the need to revitalize NAIA to boost tourism and drive economic growth. This approval marks the culmination of years of reviewing rehabilitation proposals for NAIA. Previously, in February 2018, the MIAC consortium had presented a PHP350 billion proposal for a 35-year concession, which was later revised to PHP102 billion for a 15-year concession. However, the previous Duterte administration had rejected the proposal at that time. With the DOTr's solicited proposal now accepted, the government is moving forward with its plans to upgrade and improve NAIA to meet the growing demands of air travel in the Philippines. *(Philstar)*
- ➔ **United Airlines launches direct Manila-San Francisco flights.** United Airlines, one of the world's largest carriers, is set to launch nonstop flights between Manila and San Francisco, pending government approval. Starting on October 30, United Airlines plans to operate daily nonstop services between the two cities, becoming the only American carrier to fly directly between the Philippines and the US. The route will be serviced by a Boeing 777-300ER aircraft, offering a total of 350 seats, with 60 in business class, 24 in premium plus, and 266 in economy class. The new nonstop service aims to capture the long-haul demand in the Philippines and meet strong requests from customers on both sides of the Pacific. Travelers from Manila will gain convenient access to multiple destinations in the Americas via San Francisco, as United Airlines operates flights to around 70 locations in the US, Canada, and Latin America from the city. The airline is expanding its connections in Asia and the Pacific, offering nonstop flights to various locations in Australia, China, Hong Kong, Japan, New Zealand, Singapore, South Korea, Taiwan, as well as to Guam and Palau from Manila. *(Philstar)*

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## Corporate Developments

- ➔ **Emperador, Inc. (EMI).** EMI is expanding its Scotland distillery through its subsidiary Whyte and Mackay, the world's fifth-largest Scotch Whisky producer. The expansion involves doubling the footprint of the Invergordon Distillery's whisky maturation complex from 45.4 hectares to 92 hectares. This move will create space for additional warehouses to be built over the coming decades, allowing Whyte and Mackay to house up to an additional 1.5 million casks of maturing whisky, in response to the growing demand for whisky worldwide. The expansion aims to address the scarcity of aged liquids globally and support the company's long-term growth ambition, particularly in the single malt whisky market. Currently, Whyte and Mackay owns four leading Single Malt Whisky Brands in its collection, including Tamnavulin, Jura, Fettercairn, and The Dalmore, in addition to its multi-award-winning Blended Scotch Whisky. The company's chief executive officer, Bryan Donaghey, emphasizes that Scotch Whisky is a business that requires long-term planning, and this acquisition of the expansion site reflects their ambitious outlook for the decades to come, solidifying their position as a leading player in the whisky industry. *(EMI Disclosure)*
  
- ➔ **PH Resorts Group Holdings, Inc. (PHR).** PHR has revealed plans to sell certain assets as it faces challenges in launching its casino projects. The company seeks shareholders' approval to allow the board to determine the terms and conditions for the disposition of assets held by its subsidiaries, although it has not specified the assets to be sold. The attempt to include the plan in the agenda for an upcoming shareholders' meeting on July 26 was rejected by the Securities and Exchange Commission, requiring the matter to be taken up in another meeting. PHR encountered a setback when Bloomberry Resorts Corp. (BLOOM), owned by billionaire Enrique Razon Jr., terminated a proposed deal to invest in PH Resorts' Cebu and Clark casino projects in March. As a result, PH Resorts resumed discussions with other parties that were previously on hold due to Bloomberry's intended investment. The projects include the Emerald Bay Resort Hotel and Casino in Cebu, set to offer hotel rooms, villas, and gaming facilities, and The Base Resort Hotel and Casino in Clark, which is described as an "adventure-themed integrated resort." *(PHR Disclosure, Inquirer)*
  
- ➔ **Aboitiz Power Corporation (AP).** AP and its subsidiaries, Adventenergy, Inc. and AP Renewables, Inc. (APRI), have entered into a power supply agreement with Nexif Ratch Energy Investments Pte. Ltd. The agreement aims to supply solar energy to AP's retail electricity and renewable energy arms. The solar power will be sourced from Nexif Ratch's 74-megawatt-peak solar project in Calabanga, Camarines Sur, which is expected to be completed in the second quarter of next year. This partnership aligns with AboitizPower's mission to expand its renewable energy supply and promote the use of sustainable practices among its customers in response to the growing demand for renewable energy and the desire for a more sustainable source of power. Nexif Ratch, a Singapore-based energy company, intends to sell about 85% of the solar project's generated energy output to AboitizPower's subsidiaries. *(BusinessWorld)*

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### Corporate Developments

- ➔ **PLDT, Inc. (TEL).** TEL has received provisional authority from the National Telecommunications Commission (NTC) to construct two new cable stations in Baler, Aurora, and Digos, Davao del Sur. These cable stations will host the Apricot cable system, an intra-Asia submarine cable that faces the Pacific side of the Philippines, providing telecommunication companies with alternate routes that avoid the usual West Philippine Sea waters. The new cable landing facilities and the Apricot cable system, expected to be completed by 2025, will connect the Philippines to Japan, Singapore, Indonesia, Taiwan, and Guam, increasing TEL's international capacity to more than 140 terabytes per second and enhancing internet speeds and latency in and out of the Philippines. Additionally, it will add resiliency to the company's existing landing stations in Batangas, La Union, and Camarines Norte. These investments in network infrastructure aim to deliver superior digital services to consumers and enterprises, enhance 4G and 5G capabilities, and attract hyperscalers and investors to expand their cloud services in the country. (*BusinessWorld*)

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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
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
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
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
MWP4	Megawide Construction Corporation	Php1.325	Cash	Preferred	07/21/23	07/26/23	07/31/23
UPSON	Upson International Corp.	Php0.04416	Cash	Common	07/21/23	07/26/23	08/22/23
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
ACPB1	Ayala Corporation	Php6.56250	Cash	Preferred	07/27/23	08/01/23	08/15/23
AC	Ayala Corporation	Php3.806	Cash	Common	07/27/23	08/01/23	08/17/23
BRNP Series A	A Brown Company, Inc.	Php1.75	Cash	Preferred	07/27/23	08/01/23	08/29/23
PBB	Philippine Business Bank	Php0.35	Cash	Common	07/28/23	08/02/23	08/15/23
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
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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