

## Market Commentary

➔ **The View:** The PSEi declined by 43.75 points or 0.68% and concluded at 6,405.91 last Friday. Negative sentiment stemming from the lower-than-expected gross domestic product (GDP) growth in 2Q2023 continued to weigh down the market. Another big strong corporate earnings batch failed to buoy the market, which almost dropped to the 6,300-support level. In the US, the Dow went up by 0.30%, while the S&P500 and the Nasdaq Composite fell by 0.11% and 0.68%. US' July headline inflation print came in at 3.2%, higher than June's 3% but still slightly below the consensus estimate of 3.3%. In the previous week, the S&P500 dropped by 0.31%, while the Nasdaq Composite experienced a decline of 1.90%, marking its first consecutive 2-week loss this year. Conversely, the Dow recorded a 0.62% gain, marking its 4th positive week in last 5. Investors are set to digest more corporate earnings and economic data this week with Home Depot, Walmart, and Target set to report while July retail sales data are due on Tuesday (US time). On the European front, markets finished in negative territory amidst more earnings results and the latest US inflation data. The surprising 0.2% GDP growth of the UK economy in 2Q2023, against expectations of stagnation, will likely improve sentiment moving forward. The expansion was attributed to higher household consumption and manufacturing output. In the Asia-Pacific, markets declined as investors digested the US inflation data. Hong Kong's Hang Seng contracted by 0.79%, while South Korea's Kospi and Australia's ASX200 fell by 0.4% and 0.24%, respectively. Japan's stock market was closed for a public holiday. In the local bourse, all but the Mining&Oil (+0.60%) sector had sub-1% contractions. Services (-0.96%) and Property (-0.89%) had the biggest losses. In the main index, AGI (+3.19%) led Friday's 12 gainers. The other 11 had sub-1% additions. On the other end, AEV (-2.34%), AC (-2.03%), and ICT (-1.83%) were the worst performers among 15 laggards. The market's value turnover went up by 5% to PHP3.83 billion, while total foreign activity fell by 6% to PHP3.42 billion. Net foreign sell increased to PHP297.87 million from PHP268.50 million in the previous session. The Philippine Peso weakened anew and ended at PHP56.315 from PHP56.22. Investors are likely to remain cautious ahead of the Bangko Sentral ng Pilipinas (BSP)' policy meeting next week. A poll of economists conducted by BusinessWorld showed that majority expects the BSP to keep rates at their current level. Inflation continued to cool for the 6th straight month last July, but it remains above the BSP's target of 2%-4%. The BSP also has to consider its policy rate differential with the US Federal Reserve (Fed) who raised by 25-bps last month.

## PSEI INTRADAY



### INDICES

Index	Prev	Last	% Chg
PSEi	6,449.66	6,405.91	-0.68%
All Shares	3,445.38	3,430.19	-0.44%
Financial	1,912.91	1,908.54	-0.23%
Industrial	9,010.62	8,993.73	-0.19%
Holding Firms	6,117.84	6,065.90	-0.85%
Property	2,699.68	2,675.78	-0.89%
Services	1,567.95	1,552.96	-0.96%
Mining & Oil	9,790.58	9,849.30	0.60%

### TOP 10

AGI	3.19%	AEV	-2.34%
WLCON	0.90%	AC	-2.03%
BDO	0.70%	ICT	-1.83%
MBT	0.62%	JGS	-1.76%
GLO	0.54%	BPI	-1.73%
MER	0.47%	TEL	-1.50%
UBP	0.34%	PGOLD	-1.43%
SCC	0.33%	SMPH	-1.25%
CNVRG	0.33%	ALI	-0.85%
MONDE	0.26%	SM	-0.51%

### BOTTOM 10

## Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,315.00	27.79%	10.56%
CNPF	3/13/20	13.10	26.40	101.53%	10.56%
FGEN	9/23/20	24.80	19.90	-19.76%	8.71%
AP	9/23/20	25.55	36.00	40.90%	8.71%
BDO	11/17/20	92.60	143.50	54.97%	-7.40%
BPI	11/17/20	83.00	113.80	37.11%	-7.40%
MBT	11/17/20	44.35	57.20	28.97%	-7.40%
SECB	11/17/20	103.90	81.85	-21.22%	-7.40%
CNVRG	6/13/22	22.50	9.25	-58.89%	-0.94%
ALI	6/13/22	30.05	29.05	-3.33%	-0.94%
SGP	6/13/22	12.06	8.21	-31.92%	-0.94%
<b>Ave. Return</b>				<b>14.20%</b>	<b>0.55%</b>

### MARKET DATA

Market Volume	445,658,276
Market Turnover ( Value)	3,827,448,373
Foreign Buying	1,560,864,131
Foreign Selling	1,858,732,288
Net Foreign Buy / (Sell)	(297,868,157)

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## Economic Developments

- ➔ **Fisherfolk call for EO to firm up reclamation freeze order.** Pambansang Lakas ng Kilusang Mamamalakaya ng Pilipinas (Pamalakaya), an organization representing small fisherfolk, is urging the Philippine government to issue an executive order (EO) that would strengthen the suspension of reclamation projects in Manila Bay. The group is requesting an immediate declaration of Manila Bay as a reclamation-free zone through an EO, rather than relying solely on the suspension of ongoing projects. The suspension of 22 reclamation projects in Manila Bay was recently ordered by President Ferdinand R. Marcos, Jr., pending a review of their environmental compliance and social impact. However, Pamalakaya believes that an executive order would have more substantial and lasting impact. Pamalakaya National Chairman Fernando L. Hicap expressed dissatisfaction with the suspension alone and emphasized the need for a stronger stance against ongoing reclamation projects. Additionally, the organization is urging the certification of House Bill No. 2026, which was filed by the Makabayan bloc. This bill aims to declare Manila Bay a reclamation-free zone and aligns with a Supreme Court ruling that mandates the cleanup, rehabilitation, and preservation of Manila Bay to make it suitable for recreational activities. Fishermen in the area have been significantly impacted by the reclamation projects, with reported income losses of around 80%. Meanwhile, additional funding of P1.4 billion has been allocated to the Department of Environment and Natural Resources (DENR) for the clean-up and rehabilitation of Manila Bay, including the relocation of informal settler families along the coastline. (*BusinessWorld*)
- ➔ **Foreign think tanks cut growth forecasts for Philippines.** Foreign think tanks have revised down their growth forecasts for the Philippines, as the country's economic performance fell short of expectations in the second quarter. BMI Country Risk & Industry Research reduced its growth forecast for the year to 5.3%, down from the previous estimate of 5.9%. This is significantly below the 6%-7% target set by the Development Budget Coordination Committee. The economy grew by 4.3% year-on-year in 2Q2023, down from 6.4% in 1Q2023, leading BMI to revise its full-year GDP forecast downward. BMI attributed the lower growth expectations to factors such as high interest rates, a weaker external sector, and adverse weather conditions brought about by El Niño. The think tank also highlighted the challenges facing the agricultural sector due to typhoons and the impending El Niño, both of which could negatively impact agricultural output. Pantheon Macroeconomics, another foreign think tank, also adjusted its growth projections for the Philippines. It lowered the growth forecast to 4.5% from 5.5% for 2023 and to four percent from five percent for 2024. This downward revision is attributed to an abysmal economic growth performance in the second quarter and the challenges facing private consumption and capital expenditures. (*Philstar*)

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## Corporate Developments

- ➔ **JG Summit Holdings, Inc. (JGS).** JGS reported robust financial performance for the first half of 2023, marked by core net income after tax amounting to PHP9.5 billion – nearly seven times higher than the PHP1.4 billion achieved in the same period last year. The company's success was underpinned by consistent margin expansion across its listed subsidiaries and a double-digit growth in consolidated revenue. Despite the absence of substantial contributions from its real estate arm's China residential project, JGS achieved a 12% YoY increase in total revenues to PHP163.4 billion for the first half of 2023, and a significant 23% YoY growth when excluding these contributions. This remarkable growth was driven by the strong performance of the group's airline, food, and domestic property businesses. JGS's individual subsidiaries also exhibited strong results. Universal Robina Corporation (URC) experienced an 11% YoY increase in revenues for the first half of 2023, with all its businesses demonstrating growth. URC's efficient cost management and strategic pricing measures led to a notable 18% YoY rise in EBIT and a 19% YoY increase in net income for the second quarter, resulting in a net income of PHP6.7 billion and operating income of PHP 8.6 billion. Cebu Air, Inc. (CEB), benefiting from the reopening of international markets, more than doubled its YoY topline to PHP43.6 billion in the first half of 2023. This surge, although reaching 97% of pre-pandemic levels, was impacted by increased fuel and fleet-related costs. CEB's proactive customer recovery options, network adjustments, and aircraft additions contribute to its recovery efforts. Meanwhile, Robinsons Land Corporation (RLC) witnessed a 23% YoY increase in net income, reaching PHP5.8 billion for the first half of 2023, primarily due to improved margins across its divisions. These subsidiaries' successes collectively contribute to JGS's robust financial performance and its ongoing pursuit of growth opportunities across various sectors. *(JGS Disclosure)*
- ➔ **PAL Holdings, Inc. (PAL).** PAL is set to increase its investments in fleet expansion and service improvements after reporting a record net income of \$250 million (PHP13.6 billion) and an operating income of \$314 million (PHP17.4 billion) for the first half of 2023. PAL's fleet expansion plans involve acquiring nine Airbus A350-1000 long-range jetliners valued at over \$3.2 billion (PHP176.6 billion) in total. The airline also plans to enhance customer service by adding customer care and contact center agents, as well as introducing a new customer relations management system to offer personalized self-service options for passengers. PAL's second-quarter revenues for 2023 surged by 27% to \$820 million (PHP45.6 billion), primarily attributed to higher passenger numbers. Operating income for 2Q2023 also increased by 95% to \$179 million (PHP10 billion), a significant improvement from the \$92 million (PHP4.8 billion) reported in the same quarter of 2022. Consequently, PAL achieved a net income of \$141 million (PHP 8.1 billion) for 2Q2023, almost tripling the \$47.9 million (PHP3.0 billion) earned in Q2 of the previous year. Over the entire first half of 2023, PAL's notable accomplishments included carrying 7 million passengers, operating over 50,400 flights, and achieving an average passenger load factor of 81.6%. The airline also saw increased passenger revenues and an improved operating income and EBITDA, all contributing to its overall growth strategy. *(PAL Disclosure)*

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## Corporate Developments

- ➔ **Ayala Corporation (AC).** In the first half of 2023, AC demonstrated strong financial performance with a 55% growth in core net income to PHP20.5 billion, largely driven by significant contributions from Bank of the Philippine Islands (BPI), Ayala Land, Inc. (ALI), and ACEN Corporation (ACEN). This exceptional performance led to a 38% increase in core earnings compared to pre-COVID levels. BPI reported a 23% rise in net earnings to PHP25.1 billion, supported by asset base expansion, margin growth, and lower provisions. ALI's net income surged by 41% to PHP11.4 billion, attributed to improved revenues in property development and commercial leasing, while ACEN's net income soared by 94% to PHP4.2 billion due to increased net generation and capacity. AC Energy & Infrastructure, ACEN's parent company, witnessed a remarkable growth of 2.6 times, reaching PHP6.9 billion, driven by improved contributions from ACEN and GN Power Dinginin, along with gains from the full divestment of GN Power Kauswagan. However, Globe Telecom, Inc. (GLO)'s net income declined by 27% to PHP14.4 billion, mainly due to one-time gains registered in the previous year. Excluding one-off items, AC's net income increased by 13% to PHP18.4 billion. The company remains committed to capitalizing on its strong first-half results, recycling capital where suitable, and further enhancing its business ecosystem. ALI exhibited strong performance in various segments, with commercial leasing revenues rising by 39%, shopping center leasing revenues surging by 49%, and office leasing income increasing by 8%. Meanwhile, BPI's total revenues grew by 14% to PHP65.6 billion, driven by a 27% increase in net interest income and an 11% rise in fee income. ACEN experienced significant revenue growth, and AC Energy & Infrastructure's profit growth was driven by favorable contributions from ACEN and GN Power Dinginin. Despite GLO's net income decline, the company's total service revenues increased by 2%, primarily from improved mobile data, corporate data, and digital service revenues. ACEN's strong performance was attributed to increased renewable output and a net selling merchant position due to higher electricity prices. The conglomerate is committed to its growth trajectory, focusing on strong results from key subsidiaries while continuing to explore new opportunities for capital utilization. *(AC Disclosure)*
- ➔ AC has partnered with global electric vehicle brand BYD to become the official distributor of BYD vehicles in the country. Through a distribution agreement, Ayala Corp. will oversee the sale of BYD's passenger electric vehicles (EVs) and appoint dealers for this purpose. The company aims to expand the brand's presence in the Philippines, provide aftersales support, and contribute to the growing adoption of EVs in the country. The partnership aligns with AC's vision of leading the shift to electric mobility in the Philippines, driven by the global surge in EV adoption. AC's diverse portfolio, including real estate assets for charging infrastructure, automotive distribution network, digital connectivity, and financing capabilities, positions them to provide long-term value to customers in the emerging EV ecosystem. They anticipate that EVs will make up 10%-20% of vehicle sales in the Philippine market over the next 5-6 years. BYD offers an extensive range of passenger and commercial vehicles with competitive price points, backed by integrated capabilities in design, assembly, battery technology, electric powertrain development, and semiconductors. Ayala plans to introduce six BYD models, including luxury sedans and family SUVs, and by the end of the year, the BYD ATTO 3, a well-regarded EV model recognized globally for its design, comfort, quality, and performance. *(AC Disclosure, BusinessWorld)*

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## Corporate Developments

- ➔ **Security Bank Corporation (SECB).** In the second quarter of 2023, SECB reported improved financial results compared to the previous quarter. The net profit for 2Q2023 reached PHP2.6 billion, reflecting an 8% increase quarter-on-quarter. Pre-provision operating profit stood at PHP4.5 billion, up 23% from the previous quarter, driven by a 10% growth in revenue, outpacing the 3% increase in operating expenses. Net interest income for 2Q2023 grew by 11% over the previous quarter to PHP8.3 billion, contributing to a net interest margin of 4.58%, which increased by 53 basis points compared to the previous quarter and 22 basis points year-on-year. The total non-interest income also saw an 8% increase, reaching PHP2.5 billion. Notably, service charges, fees, and commissions grew by 13% to PHP1.5 billion. During the quarter, the bank allocated PHP983 million as provisions for credit losses. In the first half of 2023, SECB achieved a net profit of PHP4.9 billion, driven by growth in core businesses, improved net interest margin, and normalized credit provisions. The net interest income for 1H2023 rose by 9% year-on-year to PHP15.7 billion, while total non-interest income reached PHP4.9 billion, reflecting a 2% increase. 1H2023 operating expenses rose by 16%, attributed to investments in manpower and technology, resulting in a cost-to-income ratio of 60.4%. Pre-provision operating profit for 1H2023 was PHP8.2 billion, and provisions for credit losses increased to PHP1.6 billion compared to PHP408 million in the previous year. The bank's balance sheet remained strong, with total deposits at PHP525 billion and net loans at PHP485 billion. The Liquidity Coverage Ratio (LCR) increased to 183%, and the Common Equity Tier 1 Ratio reached 16.8%, highlighting Security Bank's robust financial position. *(SECB Disclosure)*
- ➔ **Emperador Inc. (EMI).** EMI achieved an 11% year-on-year increase in revenues, reaching PHP31 billion during the first half of 2023. Notably, the global whisky segment exhibited exceptional performance, while the brandy segment managed growth despite inflationary challenges. Despite the revenue growth, the recurring profit to the parent company remained relatively stable at PHP4.7 billion, compared to PHP4.8 billion in the same period last year. EMI's robust growth in the whisky segment was fueled by its compelling whisky portfolio, which continued to experience double-digit growth rates in key markets such as Asia and the USA. The company is further expanding its whisky maturation complex at the Invergordon Distillery in Scotland, aiming to double its footprint to 92 hectares from the existing 45.4 hectares. This expansion will accommodate additional warehouses to store maturing whiskies, supporting the long-term growth strategy of EMI's global whisky business. Winston Co, President of EMI, emphasized the company's consistent stellar performance in its international business, driven by the success of its single malt whisky portfolio. Despite challenges faced by the brandy segment, Co highlighted the company's efforts to rejuvenate growth. With remarkable performances in recent years and a positive outlook for 2023, EMI remains committed to its position as a global spirits leader, boasting iconic brands such as Emperador Brandy and Whyte and Mackay, along with the fastest-growing single malt, Tamnavulin Speyside Highland Single Malt. *(EMI Disclosure)*

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## Corporate Developments

- ➔ **8990 Holdings, Inc. (HOUSE).** In the first half of 2023, HOUSE achieved significant success despite the challenging economic environment. Gross revenues for the period reached PHP10.07 billion, showcasing the company's resilience and dedication. The company's President & CEO, Anthony Vincent Sotto, emphasized the period's growth, achievement, and learning experiences, expressing confidence in overcoming obstacles and achieving greater heights moving forward. The company's unrealized sales stood at PHP4.6 billion by the end of June, with PHP2.6 billion set to be recognized within the year, aligning with their target year-end revenue of PHP24 billion. While the company's gross margins slightly narrowed from 50% to 48%, Sotto noted that they are evaluating cost structures and supply chain management to optimize margins. However, the net income margin demonstrated improvement, standing at an impressive 38% for the first half of 2023, compared to 37% the previous year, showcasing the company's focus on efficiency and prudent financial decision-making. HOUSE has shifted towards Pag-ibig financing for most of its projects to cater to the growing demand for affordable housing. Despite the transition, the demand for affordable housing remains high, and the company expects accelerated revenue recognition as buyers become more acquainted with the Pag-ibig financing option. *(HOUSE Disclosure)*
- ➔ **MacroAsia Corporation (MAC).** During the first half of 2023, MAC achieved a remarkable 667% growth in consolidated net income after tax, totaling PHP382.2 million, compared to the PHP49.8 million reported in the same period of 2022. This growth was fueled by robust revenues, with the 2nd quarter marking a historic high at PHP1.92 billion, contributing to a total first-half revenue of PHPP3.71 billion. Food services represented 51% of the 2Q2023 revenues, while ground-handling contributed 40%. Notably, PHP413 million or 22% of the 2Q2023 revenues were generated from non-aviation activities, reflecting the company's diversified revenue approach adopted during the pandemic. MAC's net income for 2Q2023 increased by PHP84.3 million compared to the same period in 2022, driven by volume growth in most operating subsidiaries. Inflight and other catering revenues surged by an impressive 143% for the first half of 2023, reaching PHP1,881.14 million, propelled by a substantial 98% increase in meal sales volume. Ground-handling and aviation services revenues also saw significant growth, rising by PHP708.52 million (91%) due to increased flight volumes and new client acquisitions. The company's water segment experienced a 25% increase in revenue, reaching PHP286.42 million, with growth attributed to higher commercial water sales in areas such as Boracay Island, Cavite, and Nueva Vizcaya. Despite challenges faced by associated companies, MAC anticipates continued strong performance, driven by sustained topline growth. *(MAC Disclosure)*

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## Corporate Developments

- ➔ **Philippine National Bank (PNB).** PNB achieved a net profit of PHP9.7 billion during the first half of 2023, fueled by sustained growth in net interest margin and fee-based businesses. The bank's net interest income saw a 25% year-on-year increase to PHP21.6 billion, driven by higher yield rates on earning assets in the rising interest rate environment, resulting in an improved net interest margin of 4.24% compared to the previous year's 3.35%. Additionally, fee-based revenues surged by 31% to PHP3.1 billion due to increased credit and deposit-related transactions and intensified cross-selling efforts. Despite its impressive performance, PNB's net income for the first semester was slightly lower than the previous year's PHP11.1 billion, attributed to substantial reversals of credit provisions in 2022 as nonperforming Covid-impacted accounts showed improvement with economic recovery. The bank prudently allocated additional provisions of PHP1.6 billion in light of uncertainties stemming from rising interest rates in 2023. The bank's treasury-related income grew by 53%, capitalizing on market rate movements, and it continued its strategy to monetize foreclosed properties, albeit with lower gains compared to the previous year. Operating expenses remained steady at PHP14.9 billion due to cautious spending despite business growth. As of June 2023, PNB's total consolidated assets stood at PHP1.16 trillion, remaining relatively consistent year-on-year. Gross loans increased by 0.7% to PHP615.0 billion, driven by a 9% year-on-year acceleration in commercial lending. Loan growth was supported by deposits, which slightly rose by 0.8% to PHP892.9 billion, following the maturity of Long-Term Negotiable Certificates of Deposit worth PHP10.1 billion. The bank's robust capital position was reflected in its consolidated Common Equity Tier 1 Ratio and Capital Adequacy Ratio, both surpassing regulatory requirements at 16.0% and 16.8%, respectively. *(PNB Disclosure)*
- ➔ **Nickel Asia Corporation (NIKL).** Emerging Power Inc. (EPI), the power arm of mining company NIKL is entering the geothermal energy sector with a planned pilot project set to commence operations in the next quarter. The initial two-megawatt geothermal project will be launched in Biliran through a subsidiary called Biliran Geothermal Inc. (BGI), in which EPI owns a 45% stake. Unlike some government-sponsored programs, EPI is not participating in the Green Energy Auction Program for this project's pilot phase. The project's success could lead to an expansion of capacity from 10-20 MW by 2025-2027 and potentially up to 50 MW out of a total 200 MW capacity. EPI's Chief Operating Officer, Noel Gonzales, stated that if the pilot project demonstrates consistent energy generation, BGI could scale up its capacity. Beyond Biliran, EPI is also working on a proof-of-concept two-MW pilot geothermal project in Mindoro under its wholly owned subsidiary Mindoro Geothermal Power Corp. (MGPC). This project aims to supply electricity to the Mindoro Island grid. EPI is allocating around \$2 million per MW for the geothermal projects. Presently, EPI operates a 100-MW solar farm in Mt. Sta. Rita in Zambales through its subsidiary Jobin-SQM Inc. *(NIKL Disclosure)*

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## Corporate Developments

➔ **LTG Group, Inc. (LTG).** During the first half of 2023, LTG reported an attributable net income of PHP13.00 billion, showing a 16% decrease compared to the PHP15.40 billion achieved in the same period of 2022. The various business segments contributed to the income as follows: tobacco accounted for 45%, PNB contributed 42%, Tanduay added 5%, Asia Brewery provided 3%, Eton and Victorias Milling Company each contributed 2%, and other income accounted for 1%. A special cash dividend of PHP0.30 per share was declared in May and paid in June, totaling PHP3.25 billion. When combined with the dividends declared in March, the dividends year-to-date amounted to PHP0.60 per share or PHP6.49 billion, reflecting a 25.8% pay-out rate. The parent company held cash of PHP1.39 billion. The tobacco business saw a net income of PHP5.85 billion during the first half of 2023, marking a 25% decline from the PHP7.77 billion reported in the same period of 2022. This drop was attributed to a 20% decrease in industry volume year-on-year (y-o-y) in 1H2023, reaching 21.3 billion sticks. This decline was largely due to an industry-wide price increase in 1Q2023, which led to increased illicit activity and trade inventory movements. Government efforts against illicit trade intensified, with 359 enforcements in the first half of 2023 compared to only 123 in 1H2023. PNB's net profit under the pooling method for 1H2023 amounted to PHP9.76 billion, showing a 12% decrease from the PHP11.15 billion reported in 1H2022. The 1H2023 profit included a PHP2.93 billion gain from the sale of repossessed assets, compared to PHP5.25 billion in 1H2022. Despite relatively flat loans and receivables, the net interest margin improved, and service fee and Commission Income also increased. Provisions for credit losses were recorded at PHP1.57 billion in 1H2023, compared to a net reversal of PHP3.16 billion in 1H2022. Tanduay Distillers, Inc. (TDI) achieved a net income of PHP626 million in 1H2023, marking an 11% increase compared to the PHP564 million reported in 1H2022. Although liquor and bioethanol volumes were lower y-o-y by 14% and 35% respectively (due to the closure of Asian Alcohol Corporation in October 2022), liquor revenues were only 4% lower y-o-y at PHP10.96 billion, as TDI implemented a price increase in November 2022. As of June 2023, TDI's nationwide market share for distilled spirits was at 28.9%, compared to 28.5% in June 2022. Asia Brewery, Inc. (ABI) reported a net income of PHP340 million in the first six months of 2023, indicating a 16% increase from 1H2022's PHP294 million. Revenues grew by 3% to PHP8.41 billion due to higher volumes for Cobra energy drink and bottled water. Eton Properties Philippines, Inc. (Eton) achieved a net income of PHP206 million during the first half of 2023, showing a 20% decrease from the same period in 2022. Leasing revenues increased by 8% to PHP960 million, and Eton's leasing portfolio currently encompasses around 287,600 square meters, with approximately 192,000 square meters dedicated to office space. *(LTG Disclosure)*

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## Corporate Developments

➔ **Metro Retail Stores Group, Inc. (MRSGL)**. MRSGL reported a net income of PHP76.8 million in the second quarter of 2023, contributing to a first-half net income of PHP136.8 million, marking a 37.5% drop compared to the previous year's PHP218.9 million. Second-quarter net sales reached PHP8.7 billion, while total net sales for the first six months of 2023 stood at PHP17.0 billion, a slight 2.3% decline from the PHP17.4 billion net sales in the same period in the prior year. Excluding bulk wholesale transactions, net sales for the first half of 2023 increased by 5.8% compared to 2022. The general merchandise business experienced growth of 7.0% in the first semester, while the food retail business decreased by 5.6%. The company's gross margin improved by 170 basis points to 21.9% in the first half of 2023, offset by a 12.8% rise in operating expenses due to higher rent, utilities, and manpower costs. Despite these challenges, MRSGL maintained a strong cash position of PHP3.4 billion and focused on its expansion plans in the Visayas region, including launching the ShopMetro app to enhance its omnichannel presence. *(MRSGL Disclosure)*

## Foreign Developments

➔ **China's economic woes deepen with housing market slump**. China's economy continues to show signs of sluggishness, with challenges in the property market and deflation threatening its growth prospects. Despite the release of official data indicating modest gains in industrial output, retail sales, and fixed-assets investment in July compared to the previous year, growth rates remain below pre-pandemic levels. Real estate investment is expected to have contracted further due to concerns about a possible default by a major developer and declining housing sales. Recent heavy rains and floods in various parts of the country have also hindered construction and infrastructure projects, affecting economic activity. In addition to these challenges, China experienced deflation in July as manufacturers and retailers cut prices to stimulate demand. Exports and imports also declined more than anticipated, and borrowing by both consumers and businesses decreased. The Chinese government has taken measures to support growth, but it has refrained from implementing significant monetary and fiscal stimulus, given concerns about a weaker yuan and high debt levels. China's State Council recently released a plan aimed at attracting more foreign investment and improving the business environment through measures such as tax and visa reforms. Despite these efforts, the government has set a relatively conservative growth target of around 5% for the year, and the People's Bank of China is expected to maintain its key policy interest rate unchanged in the near term. *(Bloomberg)*

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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
UPSON	Upson International Corp.	Php0.04416	Cash	Common	07/21/23	07/26/23	08/22/23
OPM	Oriental Petroleum and Minerals Corporation	Php0.0005	Cash	Common	07/24/23	07/27/23	08/18/23
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
HI	House of Investments, Inc.	Php0.05	Cash	Common	08/01/23	08/04/23	09/01/23
SPC	SPC Power Corporation	Php0.20	Cash	Common	08/04/23	08/09/23	08/23/23
MWP2B	Megawide Construction Corporation	Php1.4375	Cash	Preferred	08/11/23	08/16/23	08/29/23
GSMI	Ginebra San Miguel, Inc.	Php0.75	Cash	Common	08/11/23	08/16/23	09/01/23
GSMI	Ginebra San Miguel, Inc.	Php1.75	Special Cash	Common	08/11/23	08/16/23	09/01/23
FB	San Miguel Food and Beverage, Inc.	Php0.40	Cash	Common	08/11/23	08/16/23	09/01/23
FB	San Miguel Food and Beverage, Inc.	Php0.55	Special Cash	Common	08/11/23	08/16/23	09/01/23
ALCPD	Arthaland Corporation	Php7.50	Cash	Preferred	08/11/23	08/16/23	09/04/23
TEL	PLDT Inc.	Php49.00	Cash	Common	08/14/23	08/17/23	09/01/23
SGI	Solid Group, Inc.	Php0.06	Cash	Common	08/15/23	08/18/23	09/15/23
ACEN	ACEN CORPORATION	Php0.04	Cash	Common	08/16/23	08/22/23	09/18/23
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	08/16/23	08/24/23	09/08/23
MREIT	MREIT, Inc.	Php0.2476	Cash	Common	08/17/23	08/23/23	09/14/23
ROCK	Rockwell Land Corporation	Php0.0752	Cash	Common	08/17/23	08/23/23	09/18/23
MFC	Manulife Financial Corporation	CAD 0.365	Cash	Common	08/17/23	08/23/23	09/19/23
RCR	RL Commercial REIT, Inc.	Php0.0978	Cash	Common	08/18/23	08/24/23	08/31/23
MFIN	Makati Finance Corporation	Php0.009944770554	Cash	Common	08/18/23	08/24/23	09/20/23
MER	Manila Electric Company	Php8.52	Cash	Common	08/24/23	08/30/23	09/14/23
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
SLF	Sun Life Financial Inc.	CAD 0.75	Cash	Common	08/24/23	08/30/23	09/29/23
FILRT	Filinvest REIT Corp.	Php0.071	Cash	Common	08/25/23	08/31/23	09/20/23
PRF3A	Petron Corporation	Php17.17825	Cash	Preferred	08/25/23	08/31/23	09/25/23
PRF3B	Petron Corporation	Php17.84575	Cash	Preferred	08/25/23	08/31/23	09/25/23
CROWN	Crown Asia Chemicals Corporation	Php0.04	Cash	Common	08/25/23	08/31/23	09/25/23
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.015	Cash	Preferred	08/29/23	09/01/23	09/18/23
URC	Universal Robina Corporation	Php2.12	Special Cash	Common	08/29/23	09/01/23	09/27/23
ALCO	Arthaland Corporation	Php1.7319	Cash	Common	08/30/23	09/04/23	09/28/23
CREIT	Citicore Energy REIT Corp.	Php0.049	Cash	Common	09/06/23	09/09/23	10/04/23

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## CASH DIVIDEND SCHEDULE

\*Arranged by ex-date

Ticker	Company	Amount/ Rate	Dividend Type	Share	Ex-date	Record Date	Payment Date
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
PRF4A	Petron Corporation	Php16.76975	Cash	Preferred	09/11/23	09/14/23	10/09/23
PRF4B	Petron Corporation	Php16.99300	Cash	Preferred	09/11/23	09/14/23	10/09/23
PRF4C	Petron Corporation	Php17.71525	Cash	Preferred	09/11/23	09/14/23	10/09/23
SMC2K	San Miguel Corporation	Php0.84375	Cash	Preferred	09/18/23	09/21/23	10/05/23
SMC2J	San Miguel Corporation	Php0.890625	Cash	Preferred	09/18/23	09/21/23	10/05/23
SMC2F	San Miguel Corporation	Php1.27635	Cash	Preferred	09/18/23	09/21/23	10/05/23
SMC2I	San Miguel Corporation	Php1.18790625	Cash	Preferred	09/18/23	09/21/23	10/05/23
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
MFIN	Makati Finance Corporation	0.9944770554%	Stock	Common	08/18/23	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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