

Market Commentary

➔ **The View.** The PSEi rebounded strongly, gaining 101.93 points or 1.58% to close at 6,535.17. This recovery followed a 3-day decline, as investors hunted for bargains and reacted positively to news that the country's forex reserves had risen in June. The continued strengthening of the local currency further encourage anticipations surrounding the upcoming release of the local gross domestic product (GDP) data. In the US, major indices failed to sustain an early rally. The Dow Jones fell by 0.60%, the S&P 500 declined by 0.77%, the Nasdaq Composite dropped by 1.05%, and the Russell 2000 decreased by 1.41%. This inability to hold gains has heightened concerns that the factors contributing to Monday's sell-off—economic uncertainties, geopolitical tensions, and the looming November elections—remain unresolved. Investors are keenly awaiting the latest jobless claims data, due Thursday, for further insights into the US labor market and overall economic health. European markets fared better, with the Stoxx600 and FTSE100 posting gains of 1.54% and 1.75%, respectively. These represent the best performance for European stocks in over 9 months, reflecting a continued rebound from the recent global market rout. In the Asia-Pacific region, markets continued to rebound. South Korea's Kospi jumped 1.83%, Hong Kong's Hang Seng index climbed 1.3%, and Japan's Nikkei 225 increased by 1.19%, continuing its recovery from earlier losses. Australia's S&P/ASX 200 saw a modest rise of 0.25%, while China's CSI300 ended the day flat. The local market's sectors showed positive momentum across the board. The Property by 3.25%, Services by 1.91%, and Mining & Oil by 1.62% led the gains. Among the top gainers in the PSEi were ALI (+5.08%), NIKL (+4.76%), and MBT (+4.23%). Conversely, AGI (-3.19%), JGS (-1.57%), and AEV (-1.49%) were among the top laggards. Market turnover was slightly lower, decreasing by 4% to ₱4.91 billion. Foreign investors continued to pull out funds, with a net outflow of ₱511.99 million, though this was an improvement from Tuesday's net outflow of ₱635.78 million. The Philippine peso strengthened, closing at ₱57.515 against the US dollar—its strongest position since May 16—thanks to the rise in the country's forex buffer. Looking ahead, investors are keenly anticipating the release of the second-quarter GDP data, which could influence market sentiment. The continued appreciation of the local currency may provide additional support. However, concerns about the US economy and global economic conditions could still likely weigh on emerging markets. The PSEi may be expected to hover around the 6,500 level as investors digest the GDP data and recent corporate earnings reports, including those from key index constituents like SM.

Stock Picks

Stock	Date	Initial Price	Current Price	Return since Recommendation	
				Stock	PSEi
TEL	3/13/20	1,029.00	1,550.00	50.63%	12.79%
CNPF	3/13/20	13.10	33.75	157.63%	12.79%
FGEN	9/23/20	24.80	16.32	-34.19%	10.90%
AP	9/23/20	25.55	33.85	32.49%	10.90%
BDO	11/17/20	92.60	138.10	49.14%	-5.53%
BPI	11/17/20	83.00	119.80	44.34%	-5.53%
MBT	11/17/20	44.35	67.75	52.76%	-5.53%
SECB	11/17/20	103.90	64.00	-38.40%	-5.53%
CNVRG	6/13/22	22.50	11.60	-48.44%	1.05%
ALI	6/13/22	30.05	30.00	-0.17%	1.05%
SGP	6/13/22	12.06	9.00	-25.37%	1.05%
Ave. Return				21.86%	2.58%

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PSEI INTRADAY



INDICES

Index	Prev	Last	% Chg
PSEi	6,433.24	6,535.17	1.58%
All Shares	3,520.94	3,563.94	1.22%
Financial	1,963.28	1,980.70	0.89%
Industrial	8,801.81	8,911.29	1.24%
Holding Firms	5,627.89	5,657.72	0.53%
Property	2,508.59	2,590.11	3.25%
Services	1,983.42	2,021.24	1.91%
Mining & Oil	8,024.09	8,153.81	1.62%

TOP 10

ALI
NIKL
MBT
MER
TEL
SMPH
PGOLD
WLCON
GLO
CNVRG

5.08%
4.76%
4.23%
3.89%
3.89%
3.77%
3.35%
3.03%
2.39%
2.11%

BOTTOM 10

AGI
JGS
AEV
BDO
DMC
LTG
BLOOM
GTCAP
SCC
JFC

-3.19%
-1.57%
-1.49%
-1.36%
-1.25%
-0.60%
-0.25%
-0.25%
-0.16%
0.35%

MARKET DATA

Market Volume	543,362,535
Market Turnover (Value)	4,913,409,191
Foreign Buying	2,113,953,055
Foreign Selling	2,625,947,941
Net Foreign Buy / (Sell)	(511,994,886)

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Economic Developments

- ➔ **Q1 GDP growth revised upward to 5.8%.** The Philippine economy experienced a slight upward revision in its first-quarter 2024 GDP growth to 5.8%, from the preliminary estimate of 5.7%, as reported by the Philippine Statistics Authority (PSA). Despite this improvement, the growth rate remained below the government's target of 6-7%. Key contributors to this revision included the financial and insurance sector, which saw growth adjusted to 10.3%, and wholesale and retail trade, with a revised growth of 6.6%. Additionally, the electricity, steam, water, and waste management sector's growth was upgraded to 6.9% from 6.3%. The adjustments were made in line with international standards for national account revisions. Economists view this as a positive indicator of economic resilience, with the country's performance surpassing that of other Asian emerging economies such as Vietnam, China, Indonesia, and Malaysia. NEDA Secretary Arsenio Balisacan emphasized the economy's robustness amid various challenges, including heatwaves and geopolitical tensions. The PSA is expected to release the second-quarter economic performance report shortly. *(Philstar)*
- ➔ **GIR rose slightly to \$105.65 billion in July.** In July 2024, the Philippines' foreign exchange buffer, known as gross international reserves (GIR), rose slightly to \$105.65 billion, up from \$105.19 billion in June. This increase marks the 10th consecutive month the reserves have stayed above \$100 billion. The boost was largely due to higher valuations of the central bank's gold holdings, which increased by 4% to \$10.3 billion, driven by rising gold prices. Additionally, the rise in reserves was supported by the central bank's net income from foreign investments and net foreign currency deposits by the national government. The current GIR level represents a robust buffer, equivalent to 7.8 months of import coverage and about 6.1 times the country's short-term external debt. This ample reserve provides more than adequate coverage for the country's external liabilities and safeguards against potential economic shocks. BSP Governor Eli Remolona Jr. anticipates further growth in inflows, projecting reserves to reach \$104 billion by the end of this year and \$105 billion in 2025. The GIR peaked at \$110.12 billion in 2020 and has since fluctuated, reflecting the country's resilient financial position. *(Philstar)*
- ➔ **South Korea puts up \$3 billion funding facility for Philippines.** The South Korean government has committed \$3 billion to support Philippine infrastructure through the establishment of the Economic Development Promotion Facility (EDPF) and a ₱13-billion loan agreement for the Dumaguete Airport project. Finance Secretary Ralph Recto announced these agreements during the Kapihan sa Manila Bay forum, emphasizing that the EDPF will serve as a financial bridge to support the government's Build Better More infrastructure program. This facility will be managed by the Export-Import Bank of Korea (KEXIM) and will fund significant projects, including the Panay-Guimaras-Negros Island Bridges and the Pampanga Integrated Disaster Risk Reduction and Climate Change Adaptation Project Phase II, with loans at a 1.2% interest rate over 25 years. Additionally, the ₱13-billion Dumaguete Airport Development Project aims to significantly increase the airport's capacity from 800,000 to 2.5 million passengers annually. The project, covering 197.55 hectares, will be partly financed by KEXIM with a concessional loan carrying a 0.05% annual interest rate for non-consulting services and zero percent for consulting services, to be repaid over 40 years with a 10-year grace period. This investment is expected to boost tourism and enhance mobility in the region, aligning with the Philippines' efforts to improve infrastructure and economic growth. *(Philstar)*

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Economic Developments

- ➔ **June jobless rate fell to 3.1%, the lowest in two decades.** The Philippine unemployment rate dropped to 3.1% in June, the lowest in two decades, as hiring surged in the construction sector, according to the Philippine Statistics Authority (PSA). This marks a decrease from 4.1% in May and 4.5% in June 2023. The PSA noted that 1.62 million Filipinos were unemployed in June, a reduction of 486,000 from May and 707,000 from June 2023. The average unemployment rate in the first half of 2024 was 3.9%, lower than the 4.6% average from the same period last year. The construction sector added 938,000 jobs year-on-year, while month-on-month gains were also seen in agriculture and forestry, and wholesale and retail trade. However, underemployment increased to 12.1% in June from 9.9% in May, indicating that many workers still sought longer hours or additional jobs. Despite the decline in unemployment, underemployment remains a challenge. The labor force participation rate rose to 66% in June, up from 64.8% in May but slightly lower than 66.1% a year ago. The service sector remains the largest employer, followed by agriculture and industry. National Economic and Development Authority Secretary Arsenio M. Balisacan attributed employment gains to the government's infrastructure projects and improvements in manufacturing conditions. However, job losses were reported in public administration and defense, education, and transportation and storage. The average working hours per week increased to 40.9 in June, up from 40.6 in May and 40 hours in June 2023. Concerns were raised by labor groups about the high rate of worker underutilization, with combined underemployment and unemployment rising to 15.2% in June from 14% in May. (*BusinessWorld*)
- ➔ **Q2 agricultural output falls by 3.3%.** In the second quarter of 2024, the Philippines' agricultural output declined significantly due to the El Niño weather phenomenon, with the Philippine Statistics Authority (PSA) reporting a 3.3% drop in the value of production in agriculture and fisheries to ₱413.91 billion. This marks the first decline since the third quarter of 2023 and the largest since the first quarter of 2021. The agriculture sector, contributing about 10% to GDP and providing 25% of jobs, saw substantial decreases in crops and livestock production. Crops production, accounting for half of the sector's total output, plummeted by 8.6% year-on-year, reversing a 1.2% growth from the previous year, with major crops like palay (paddy rice) and corn falling by 9.5% and 20.3%, respectively. Livestock production also shrank by 0.3%, reversing a 0.7% growth from the previous year, primarily due to the ongoing African Swine Fever (ASF) impact on hog production. However, there were positive developments in poultry and fisheries. Poultry output surged by 8.7%, up from 1.5% growth a year ago, driven by better management practices to curb bird flu and sustained investments from large poultry companies. Fishery production increased by 2.2%, rebounding from a significant decline the previous year, supported by favorable weather conditions and the open fishing season. Despite these gains, the overall agricultural sector faced challenges from extensive crop damage and hindered livestock production due to El Niño. The Department of Agriculture has provided financial aid and support to affected farmers, aiming for a 1-2% growth in agricultural output for 2024, considering the ongoing and potential challenges posed by El Niño and La Niña. (*BusinessWorld*)

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Corporate Developments

- ➔ **SM Investments Corporation (SM).** SM reported a 10% increase in consolidated net income for the first half of 2024, reaching ₱40.2 billion, up from ₱36.5 billion in the same period last year. Consolidated revenues rose by 5% to ₱301.4 billion, with a 13% net income growth in the second quarter to ₱21.8 billion. President and CEO Frederic C. DyBuncio highlighted improved discretionary spending and strong performance across banking, property, and portfolio investments. Of the total net earnings, banking contributed 50%, property 27%, retail 14%, and portfolio investments 9%. SM Prime Holdings, Inc. (SMPH) saw a 13% rise in net income to ₱22.1 billion, driven by 8% growth in consolidated revenues to ₱64.7 billion, with its mall business growing 8% to ₱37.5 billion. SM Retail experienced a slight dip in net income to ₱7.6 billion due to a high base effect but saw a 4% rise in revenues to ₱196.9 billion, expanding its store network to 4,208 stores. In banking, BDO Unibank, Inc. (BDO) achieved a 12% increase in net earnings to ₱39.4 billion, supported by 11% growth in net interest income. China Banking Corporation (CBC)'s net income rose 6% to ₱11.4 billion, bolstered by strong core lending. SM Investments' portfolio investments, including Atlas Consolidated Mining and Development Corporation (AT) and Philippine Geothermal Production Company, showed positive performance, contributing to the company's overall growth. Total assets increased by 1% to ₱1.6 trillion, maintaining a conservative gearing ratio of 33% net debt to 67% equity. *(SM Disclosure)*
- ➔ **Century Pacific Food, Inc. (CNPF).** CNPF reported a 13% year-on-year increase in consolidated revenues for the first half of 2024, amounting to ₱37.7 billion. This growth was driven by the recovery of the OEM Exports Segment and sustained performance in the Branded Segment. Earnings improved by 14% from the same period last year as commodity costs eased. The Branded business, which includes Marine, Meat, and Milk & Other Segments catering predominantly to the domestic market, contributed the majority of revenues. Meanwhile, the OEM Exports segment, comprising Tuna and Coconut exports, accounted for roughly 20% of the Group's business. In the second quarter of 2024, consolidated sales increased by 10% year-on-year and 8% sequentially from the first quarter. The OEM Export segment saw a significant 36% year-on-year jump in sales, contributing to a 42% year-on-year growth for the first half, aided by improving commodity costs and favorable foreign exchange rates. The Branded Segment, despite a high base and a challenging consumer environment, achieved a 5% growth rate for the quarter, resulting in a 7% year-on-year increase for the first half. Gross margins expanded by 210 basis points to 26.1%, with gains reinvested into operating expenses to support demand-generating activities. Consequently, EBITDA margins remained stable at 14.3%, and profit margins held steady at 9.6%. *(CNPF Disclosure)*

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Corporate Developments

- ➔ **Ayala Land, Inc. (ALI).** ALI reported strong financial performance for the first half of 2024, with net income rising by 15% to ₱13.1 billion and consolidated revenues increasing to ₱84.3 billion. The significant growth was primarily driven by a 34% surge in property development revenues, reaching ₱51.9 billion. This includes a 40% increase in residential revenues to ₱43.7 billion and a 19% rise in commercial and industrial lot revenues to ₱6.3 billion. Notably, residential reservation sales grew by 17% year-on-year to ₱68.4 billion, with a monthly average of ₱11.4 billion, boosted by key projects such as AyalaLand Premier's Park Villas and Alveo's Park East Place. Additionally, Ayala Land launched ₱33.7 billion worth of projects, with 92% from premium brands and 52% being horizontal developments. Leasing and hospitality revenues also saw a 10% increase to ₱22.1 billion, driven by higher occupancy rates in key properties and the contribution of new developments. Shopping center revenues grew by 8% to ₱11.1 billion, while office leasing improved by 6% to ₱6.1 billion, and hotel and resort revenues accelerated by 19% to ₱5.0 billion. Service businesses, including construction, property management, and airlines, experienced a 51% growth to ₱8.4 billion. Makati Development Corporation's net construction revenues doubled to ₱5.5 billion, supported by additional external contracts. Overall, Ayala Land successfully met its growth targets across all business lines and market segments, reflecting a robust strategy and strong market demand. *(ALI Disclosure)*
- ➔ **Megaworld Corporation (MEG).** MEG posted a robust financial performance for the first half of 2024, with a net income of ₱9.81 billion, marking an 11% increase from the previous year. The net income attributable to shareholders rose by 9% to ₱8.55 billion, while consolidated revenues surged by 22% year-on-year to ₱39.10 billion. This growth underscores the strong performance and resilience across the company's diverse business segments. The real estate sector spearheaded this performance, with sales reaching ₱24.82 billion, a 30% increase driven by strong bookings and high demand for residential properties in township developments in areas such as Taguig City, Cavite, Bulacan, Palawan, and Cebu. In the second quarter, MEG launched ₱18.0 billion worth of residential projects, including notable developments in Bulacan, Pasay City, Cebu, Batangas, and Palawan. Megaworld Hotels & Resorts experienced a 38% increase in revenues, reaching ₱2.36 billion, driven by the resurgence of MICE activities and local tourism. Highlighting this growth, President Ferdinand R. Marcos Jr. inaugurated the Grand Westside Hotel, the largest hotel in the Philippines, and laid the capsule for the Mactan Expo Center, set to be completed by 2025. Leasing revenues rose by 6% year-on-year to ₱9.33 billion, with Megaworld Lifestyle Malls seeing a 19% increase in revenues to ₱3.02 billion, supported by higher tenant sales and increased foot traffic. Occupancy rates remained high at 93% as of end-June 2024. The Premier Offices sector maintained stable revenues at ₱6.31 billion, despite industry challenges, with new leases totaling 55,000 square meters and an occupancy rate of 87%, above the industry average. Additionally, MEG launched its 32nd township, Lialto Beach and Golf Estates, and announced its 33rd township, San Benito Private Estate, in partnership with The Farm at San Benito. *(MEG Disclosure)*

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Corporate Developments

- ➔ **Monde Nissin Corporation (MONDE).** MONDE reported a 3.1% increase in consolidated revenue for the first half of 2024, reaching ₱40.1 billion, with a second-quarter growth of 4.2%. Gross profit for the first half surged by 19.0% to ₱13.9 billion, driven by lower commodity costs and pricing improvements in the APAC Branded Food and Beverage (BFB) segment. Consequently, the gross margin for the first half increased by 464 basis points to 34.7%. Core net income attributable to shareholders grew by 45.5% to ₱5.1 billion, while the reported net income for the first half rose by 17.4% to ₱4.1 billion. However, second-quarter reported net income fell by 60.7% to ₱610 million due to a non-cash accounting loss of ₱1.5 billion on the fair value of the Meat Alternative guaranty asset. The APAC BFB segment saw a 3.9% increase in net sales for the first half to ₱33.3 billion, with a 5.7% rise in the second quarter, primarily driven by volume growth in noodles and other categories. Gross profit for this segment increased by 22.8% to ₱12.5 billion, and gross margin improved by 576 basis points to 37.4% in the first half. Meanwhile, the Meat Alternative segment, Quorn Foods, experienced a 5.2% decline in revenue on a comparable and constant currency basis for the first half, although second-quarter gross profit improved by 3.9%. The gross margin for Meat Alternative declined by 115 basis points to 21.5% in the first half but improved sequentially by 313 basis points in the second quarter due to lower raw materials and utilities costs. Core EBITDA for the APAC BFB segment increased by 26.0% to ₱8.3 billion in the first half, while the Meat Alternative segment recorded a core EBITDA loss of ₱144 million due to lower gross profit and higher marketing expenses. *(MONDE Disclosure)*
- ➔ **Nickel Asia Corporation (NIKL).** NIKL reported an attributable net income of ₱1.12 billion for the first half of 2024, a decline from ₱1.75 billion in the same period last year. The company's EBITDA decreased to ₱2.96 billion from ₱4.79 billion due to a 16% year-on-year drop in revenues from ore sales, which fell to ₱7.79 billion. This decline was attributed to lower nickel ore prices resulting from oversupply, despite a higher sales volume of 8.16 million wet metric tons (WMT), up 8.5% from last year. The weighted average sales price of nickel ore dropped by 26% to \$16.60 per WMT from \$22.32 per WMT. NIKL exported 4.23 million WMT of saprolite and limonite ore at an average price of \$21.95 per WMT, while delivering 3.93 million WMT of limonite ore to HPAL plants at an average price of \$10.84 per WMT. The company also recognized increased losses of ₱388.20 million from its equity share in HPAL plant investments, compared to ₱77.07 million last year. In the renewable energy sector, Emerging Power, Inc. (EPI) saw a 54% increase in generation to 117,935 megawatt hours, driven by expanded capacity. This resulted in a 58% rise in EBITDA to ₱524.3 million, maintaining an EBITDA margin of 85%. EPI's subsidiary, Jobin SQM, Inc. (JSI), expanded its capacity to 172-MWp with the opening of an additional 72-MWp in Sta. Rita, Subic. The construction of the 145-MWp Subic-Cawag solar project is slated to begin in the fourth quarter of 2024, with operations expected by the fourth quarter of 2025. Greenlight Renewables Holdings, Inc., a joint venture with Shell Overseas Investments B.V., is developing a 120-MWp solar project in Leyte, set for completion in early 2025, alongside ongoing pre-development of a 45-MWp solar project in Botolan, Zambales. NAC President and CEO Martin Antonio G. Zamora highlighted the company's strategic focus on expanding nickel ore production to meet the growing demand from the stainless steel and electric vehicle markets, while also advancing towards a 1-GW renewable energy goal by 2028. *(NIKL Disclosure)*

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Corporate Developments

- ➔ **Cebu Air, Inc. (CEB).** CEB reported a revenue of ₱26.1 billion for the second quarter of 2024, marking a 15% increase from the previous year. The airline achieved a record passenger count of six million in a single quarter, driven by high summer traffic from April to May, the school break in June, and increased frequencies to popular destinations like Cebu, Davao, and General Santos. Additionally, strong demand for regional destinations such as Hong Kong, Japan, Vietnam, and Australia contributed to this growth. The passenger business generated nearly ₱18 billion in revenues, up 13% year-on-year, while the ancillary business saw a 16% increase, generating close to ₱7 billion. The cargo business also improved significantly, flying close to 36 million kilos of cargo, a 39% increase from the same period last year, resulting in over ₱1.4 billion in revenue, up 59% year-on-year. Operating income for CEB rose to ₱2.8 billion, a 12% increase from the previous year, and net income for the second quarter stood at ₱1.3 billion after accounting for financing costs and other non-core gains and losses. On August 2, 2024, the Securities and Exchange Commission (SEC) approved CEB's quasi-reorganization through deficit reclassification, removing the retained deficit as of the end of 2023 through a counterpart application of its capital surplus. This restructuring, combined with increased profitability and improving capital efficiency, is expected to accelerate the potential for future shareholder returns and distributions. CEB's Chief Executive Officer, Michael Szucs, highlighted the quarter's significance, noting the new passenger highs, the quasi-reorganization, and the historic order of up to 152 aircraft from Airbus as key milestones for the airline. *(CEB Disclosure)*
- ➔ **San Miguel Food and Beverage, Inc. (FB).** FB reported robust results for the first half of 2024, with consolidated sales increasing by 4% to ₱192.9 billion and income from operations rising 16% to ₱26.6 billion. Net income grew by 6% to ₱20 billion, while EBITDA climbed 5% to ₱33.9 billion. FB Chairman Ramon S. Ang emphasized the company's commitment to leveraging its strengths for growth and efficiency, highlighting its dedication to supporting national food security and economic growth by expanding access to essential products. Ang expressed optimism about future opportunities and confidence in delivering continued value to stakeholders. In terms of business segments, San Miguel Foods saw a 3% sales increase to ₱87.8 billion, driven by double-digit revenue growth in Prepared and Packaged Foods and resilient Poultry sales. Key products like Tender Juicy Hotdogs, Purefoods Luncheon Meat, Magnolia dairy, and San Mig Coffee maintained strong sales. Higher volumes, improved pricing, and lower raw material costs contributed to a 41% increase in EBITDA to ₱10 billion, while operating income doubled to ₱6.4 billion. San Miguel Brewery Inc. reported a 1% revenue increase to ₱75.1 billion, with EBITDA reaching ₱19.2 billion and operating income at ₱15.9 billion. Ginebra San Miguel Inc. (GSMI) saw an 18% sales increase to ₱30 billion, driven by 10% volume growth, effective marketing campaigns, new products, and expanded distribution, leading to a 31% rise in operating income to ₱4.4 billion despite rising costs. *(FB Disclosure)*

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Corporate Developments

- ➔ **Phinma Corporation (PHN).** PHN announced a stock rights offering (SRO) set to raise ₱1 billion through the issuance of primary common shares, scheduled for listing in the fourth quarter of 2024. This offering is designed to bolster the company's capital base and provide funding flexibility for future investments. According to PHN CFO EJ Qua Hiansen, the SRO underscores investor confidence in PHINMA's growth potential and will enhance its ability to invest in sectors such as education, construction materials, property development, and hospitality. The funds from the SRO will support PHN's ongoing and upcoming ventures, including its recent initiatives such as the launch of the 21-hectare Saludad township in Bacolod City and the expansion of its construction materials group. This group is involved in various growth projects, including the installation of new solar energy projects and the acquisition of Petra Cement Inc. Furthermore, Union Insulated Panel Corp., PHN's newest unit, has commenced the construction of a facility in Pampanga to address the country's food and climate challenges. The SRO aims to strengthen PHN's capacity to serve more Filipino families and communities effectively. AB Capital & Investment Corp. will manage the SRO as issue manager, book runner, and lead underwriter. *(PHN Disclosure)*
- ➔ **Chelsea Logistics and Infrastructure Holdings Corp. (C).** C significantly reduced its net loss for 2023 to ₱1.14 billion, a notable improvement from the ₱2.53 billion loss recorded in the previous year. The company's gross revenue increased by 9.6% to ₱7.05 billion, up from ₱6.43 billion in 2022. This growth was driven by a 50% revenue increase in the passage segment and a 3% rise in the freight segment. Cost of sales and services slightly decreased by 0.71% to ₱5.6 billion, reflecting improved financial performance despite rising fuel costs early in the year. C's progress is attributed to the lifting of COVID-19 restrictions, which boosted passenger volumes and allowed the company to expand its operations. The firm remains focused on sustainable growth and innovation, with plans to enhance its fleet through new acquisitions and vessel modernization. President and CEO Chryst Alfonsus V. Damuy highlighted the company's commitment to delivering value through strategic investments and operational excellence, expressing optimism about future growth opportunities as they continue to strengthen their financial position and explore new routes. *(C Disclosure)*

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Other Developments

- ➔ **US 30-year mortgage rate drops on weak jobs data, Fed rate-cut signals.** The interest rate on the most popular U.S. home loan dropped to its lowest level in 15 months last week, following signals from the Federal Reserve about potential policy rate cuts in September and a slowdown in the job market. The average contract rate on a 30-year fixed-rate mortgage fell by 27 basis points to 6.55%, the steepest decline in two years and the lowest rate since May 2023, according to the Mortgage Bankers Association. This decrease offers some relief to potential homebuyers facing an increasingly unaffordable housing market, though July's housing sentiment index from Fannie Mae indicated only 17% of respondents felt it was a good time to buy a home. Additionally, 35% of respondents expressed a preference for renting their next residence, the highest rate since 2011. The reduction in mortgage rates has also sparked a wave of refinancing, with applications reaching their highest level in two years and the refinance share of overall loan application volumes rising to 41.7%. However, purchase activity saw only a marginal increase due to a limited inventory of homes for sale, which has driven up prices. The Federal Reserve's aggressive rate-hike campaign in 2022 and 2023 had previously raised borrowing costs to decades-high levels, but cooling price pressures and a slowing labor market have now opened the possibility of policy rate cuts, with futures markets betting on a full percentage point reduction by the end of the year. This has led to a rally in U.S. Treasuries, lowering yields and pulling down mortgage rates, providing a silver lining for millions of households looking for new or cheaper housing. *(Reuters)*
- ➔ **Oil settles 2% higher on falling US crude stockpiles, rebounds from multi-month lows.** Oil prices surged more than 2% on Wednesday, recovering from multi-month lows, after data indicated a larger-than-expected decrease in U.S. crude stockpiles. Brent crude futures rose by \$1.85, or 2.42%, to \$78.33 a barrel, while U.S. West Texas Intermediate crude gained \$2.03, or 2.77%, to \$75.23. U.S. crude inventories fell for the sixth consecutive week, dropping by 3.7 million barrels to 429.3 million barrels, significantly more than the anticipated 700,000-barrel draw. Despite concerns over weak oil demand in China, this price rebound broke a three-session decline spurred by recession fears in the U.S. after weak job data. The ongoing supply issues, including reduced production at Libya's Sharara oilfield and heightened tensions in the Middle East, contributed to the supply concerns. In addition, ANZ analyst Daniel Hynes noted that any escalation in Middle East conflicts could further disrupt oil supplies. Meanwhile, China's daily crude oil imports in July dropped to the lowest level since September 2022, underscoring bearish demand sentiments. *(Reuters)*

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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
BKR	Bright Kindle Resources & Investments Inc.	Php0.0037	Cash	Common	10/13/23	10/16/23	TBA
SGI	Solid Group, Inc.	Php0.10	Cash	Common	07/12/24	07/15/24	08/08/24
ALCO	Arthaland Corporation	Php0.012	Cash	Common	07/18/24	07/19/24	08/09/24
AREIT	AREIT, Inc.	Php0.56	Cash	Common	07/25/24	07/26/24	08/11/24
CPG	Century Properties Group, Inc.	Php0.023983	Cash	Common	07/26/24	07/29/24	08/12/24
CPGPB	Century Properties Group, Inc.	Php1.8858000	Cash	Preferred	07/26/24	07/29/24	08/22/24
CNPF	Century Pacific Food, Inc.	Php0.48	Special Cash	Common	07/30/24	07/31/24	08/16/24
BRN	A Brown Company, Inc.	Php0.025	Cash	Common	07/31/24	08/01/24	08/15/24
BRNPB Series B	A Brown Company, Inc.	Php2.0625	Cash	Preferred	07/31/24	08/01/24	08/23/24
BRNPC Series C	A Brown Company, Inc.	Php2.1875	Cash	Preferred	07/31/24	08/01/24	08/23/24
BRNP Series A	A Brown Company, Inc.	Php1.75	Cash	Preferred	07/31/24	08/01/24	08/29/24
MWP2B	Megawide Construction Corporation	Php1.4375	Cash	Preferred	08/07/24	08/08/24	08/27/24
PERC	PetroEnergy Resources Corporation	Php0.05	Cash	Common	08/07/24	08/08/24	08/30/24
PSB	Philippine Savings Bank	Php0.75	Cash	Common	08/08/24	08/09/24	08/27/24
ACPAR	Ayala Corporation	Php39.741875	Cash	Preferred	08/12/24	08/13/24	08/29/24
APB2R	Ayala Corporation	Php6.02675	Cash	Preferred	08/12/24	08/13/24	08/29/24
OGP	OceanaGold (Philippines), Inc.	\$0.0066	Cash	Common	08/13/24	08/14/24	09/11/24
MREIT	MREIT, Inc.	Php0.2474	Cash	Common	08/15/24	08/16/24	08/30/24
ROCK	Rockwell Land Corporation	Php0.1018	Cash	Common	08/15/24	08/16/24	09/11/24
RFM	RFM Corporation	Php0.089033	Cash	Common	08/15/24	08/16/24	09/13/24
ACENA	ACEN CORPORATION	Php17.83250	Cash	Preferred	08/16/24	08/19/24	09/02/24
ACENB	ACEN CORPORATION	Php20.00	Cash	Preferred	08/16/24	08/19/24	09/02/24
GLO	Globe Telecom, Inc.	Php25.00	Cash	Common	08/19/24	08/20/24	09/05/24
GSMI	Ginebra San Miguel, Inc.	Php1.50	Cash	Common	08/20/24	08/22/24	09/06/24
GSMI	Ginebra San Miguel, Inc.	Php1.50	Special Cash	Common	08/20/24	08/22/24	09/06/24
MFIN	Makati Finance Corporation	Php0.00712796268355	Cash	Common	08/20/24	08/22/24	09/18/24
ALCPD	Arthaland Corporation	Php7.50	Cash	Preferred	08/22/24	08/23/24	09/03/24
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	08/22/24	08/23/24	09/09/24
MER	Manila Electric Company	Php10.295	Cash	Common	08/27/24	08/28/24	09/23/24
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	08/29/24	08/30/24	09/16/24
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	08/29/24	08/30/24	09/16/24
URC	Universal Robina Corporation	Php1.90	Cash	Common	08/29/24	08/30/24	09/25/24
EEIPA	EEl Corporation	Php1.441025	Cash	Preferred	08/30/24	09/02/24	09/23/24
EEIPB	EEl Corporation	Php1.73485	Cash	Preferred	08/30/24	09/02/24	09/23/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	09/02/24	09/03/24	09/18/24
PRF3A	Petron Corporation	Php17.17825	Cash	Preferred	09/02/24	09/03/24	09/25/24
PRF3B	Petron Corporation	Php17.84575	Cash	Preferred	09/02/24	09/03/24	09/25/24
AUB	Asia United Bank Corporation	Php1.00	Cash	Common	09/05/24	09/06/24	09/30/24
PRF4A	Petron Corporation	Php16.76975	Cash	Preferred	09/12/24	09/13/24	10/07/24
PRF4B	Petron Corporation	Php16.99300	Cash	Preferred	09/12/24	09/13/24	10/07/24
PRF4C	Petron Corporation	Php17.71525	Cash	Preferred	09/12/24	09/13/24	10/07/24

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CASH DIVIDEND SCHEDULE

*Arranged by ex-date

Ticker	Company	Amount/ Rate	Dividend Type	Share	Ex-date	Record Date	Payment Date
CPG	Century Properties Group, Inc.	Php0.015989	Special Cash	Common	09/27/24	09/30/24	10/14/24
CLIA1	Cebu Landmasters, Inc.	Php18.9625	Cash	Preferred	10/01/24	10/02/24	10/12/24
CLIA2	Cebu Landmasters, Inc.	Php20.625	Cash	Preferred	10/01/24	10/02/24	10/12/24
GTPPB	GT Capital Holdings, Inc.	Php12.73725	Cash	Preferred	10/04/24	10/07/24	10/28/24
CPGPB	Century Properties Group, Inc.	Php1.8858000	Cash	Preferred	10/25/24	10/28/24	11/22/24
BRNPB Series B	A Brown Company, Inc.	Php2.0625	Cash	Preferred	11/04/24	11/05/24	11/25/24
BRNPC Series C	A Brown Company, Inc.	Php2.1875	Cash	Preferred	11/04/24	11/05/24	11/25/24
BRNP Series A	A Brown Company, Inc.	Php1.75	Cash	Preferred	11/04/24	11/05/24	11/29/24
TCB2A	Cirtek Holdings Philippines Corporation	US\$0.0228125	Cash	Preferred	11/21/24	11/22/24	12/09/24
TCB2C	Cirtek Holdings Philippines Corporation	Php0.8233	Cash	Preferred	11/28/24	11/29/24	12/16/24
TCB2D	Cirtek Holdings Philippines Corporation	Php0.968825	Cash	Preferred	11/28/24	11/29/24	12/16/24
EEIPA	EEl Corporation	Php1.441025	Cash	Preferred	11/29/24	12/02/24	12/23/24
EEIPB	EEl Corporation	Php1.73485	Cash	Preferred	11/29/24	12/02/24	12/23/24
TCB2B	Cirtek Holdings Philippines Corporation	US\$0.025	Cash	Preferred	12/02/24	12/03/24	12/18/24
BRNPB Series B	A Brown Company, Inc.	Php2.0625	Cash	Preferred	02/07/25	02/10/25	02/24/25
BRNPC Series C	A Brown Company, Inc.	Php2.1875	Cash	Preferred	02/07/25	02/10/25	02/24/25

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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	Greenery Holdings Incorporated	0.0561786222 share of ANI for every 1 share of the company	Property	Common	06/27/22	06/30/22	TBA
BKR	Bright Kindle Resources & Investments Inc.	(1) BHD share for every three (3) common BKR shares	Property	Common	10/13/23	10/16/23	TBA
MACAY	Macay Holdings, Inc.	0.936 common share of ARC for every 1 common share of MACAY	Property	Common	10/20/23	10/23/23	TBA
LFM	Liberty Flour Mills, Inc.	97 common shares of LPC for every 1 common share of LFM	Property	Common	06/18/24	06/19/24	TBA
BDO	BDO Unibank, Inc.	TBA	Property	Treasury	TBA	TBA	TBA
CEI	Crown Equities, Inc.	0.10 common share for every one (1) CEI common share	Property	Common	TBA	TBA	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
CEI	Crown Equities, Inc.	10%	Stock	Common	TBA	TBA	TBA
SBS	SBS Philippines Corporation	22%	Stock	Common	TBA	TBA	TBA
MFIN	Makati Finance Corporation	0.7127962684%	Stock	Common	08/20/24	08/22/24	09/18/24

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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