

## Philippine Stock Exchange index (PSEi)

6,850.64 ▲ 112.80 PTS. ▲ 1.67%

TUESDAY, AUGUST 16, 2022

BusinessWorld

## PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P770.00 +P20.00 +2.67%	<b>ACEN</b> AC Energy Corp. P8.72 +P0.02 +0.23%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P60.20 +P0.50 +0.84%	<b>AGI</b> Alliance Global Group, Inc. P10.44 +P0.47 +4.71%	<b>ALI</b> Ayala Land, Inc. P30.20 +P1.10 +3.78%	<b>AP</b> Aboitiz Power Corp. P31.55 -P0.15 -0.47%	<b>BDO</b> BDO Unibank, Inc. P125.40 +P5.40 +4.50%	<b>BPI</b> Bank of the Philippine Islands P95.60 +P0.30 +0.31%	<b>CNVRG</b> Converge ICT Solutions, Inc. P19.40 +P0.90 +4.86%	<b>EMI</b> Emperador, Inc. P19.56 +P0.60 +3.16%
<b>GLO</b> Globe Telecom, Inc. P2,294.00 -P26.00 -1.12%	<b>GTCAP</b> GT Capital Holdings, Inc. P529.50 +P16.50 +3.22%	<b>ICT</b> International Container Terminal Services, Inc. P188.00 +P3.40 +1.84%	<b>JFC</b> Jollibee Foods Corp. P237.40 +P4.20 +1.80%	<b>JGS</b> JG Summit Holdings, Inc. P55.60 +P0.55 +1.00%	<b>LTG</b> LT Group, Inc. P9.10 -P0.05 -0.55%	<b>MBT</b> Metropolitan Bank & Trust Co. P53.50 +P2.00 +3.88%	<b>MEG</b> Megaworld Corp. P2.55 -P0.02 -0.78%	<b>MER</b> Manila Electric Co. P324.00 +P0.40 +0.12%	<b>MONDE</b> Monde Nissin Corp. P16.48 +P0.20 +1.23%
<b>MPI</b> Metro Pacific Investments Corp. P3.85 +P0.05 +1.32%	<b>PGOLD</b> Puregold Price Club, Inc. P36.00 +P0.55 +1.55%	<b>RLC</b> Robinsons Land Corp. P19.30 +P0.24 +1.26%	<b>SECB</b> Security Bank Corp. P44.00 +P1.45 +3.41%	<b>SM</b> SM Investments Corp. P880.00 +P20.00 +2.33%	<b>SMC</b> San Miguel Corp. P103.50 +P0.50 +0.49%	<b>SMPH</b> SM Prime Holdings, Inc. P38.15 +P0.05 +0.13%	<b>TEL</b> PLDT, Inc. P1,755.00 -P14.00 -0.79%	<b>URC</b> Universal Robina Corp. P125.00 +P0.10 +0.08%	<b>WLCON</b> Wilcon Depot, Inc. P30.95 +P0.95 +3.17%

## Ty-led GT Capital's profit up 51%; bank unit leads

By Justine Irish D. Tabile

TY-LED GT Capital Holdings, Inc. posted a 51.3% increase in its attributable net income to P3.94 billion in the second quarter from P2.60 billion last year, with its banking segment driving the growth.

The latest profit figure is also 0.5% better than its recorded pre-pandemic second-quarter income of P3.92 billion.

"Given the gradual return to normalcy, greater mobility, resurgent consumption, and the new administration's pronouncements in support of sustained economic growth policies, we are

confident that our Group will fare very well for the rest of the year," GT Capital President Carmelo Maria Luza Bautista said in a media release on Tuesday.

GT Capital's topline rose by 42.6% to P57.5 billion in the second quarter from P40.31 billion in the previous year.

In the first half, the holding firm's attributable net income rose to P8.30 billion, 24.4% higher than the P6.67 billion registered last year. Total revenues grew to P112.79 billion, a 31.7% increase from last year's P85.66 billion.

Banking arm Metropolitan Bank & Trust Co. (Metrobank) posted a 33% higher income at

P15.6 billion in the first half. Its gross loans rose by 9% year on year to P1.3 trillion, driven by a 12% growth in corporate and commercial lending and a 16% increase in gross credit card receivables.

"The continued improvement in the bank's performance cements our strategy as we enable various customers and businesses as economic activities accelerate. This also validates the recent recognitions we received from prestigious publications, naming us the country's best bank," Metrobank President Fabian S. Dee said in the press release.

Metrobank's asset quality was said to have improved, which al-

lowed trimming of its provisions by 46% while its non-performing loan (NPL) cover was at 196%.

AP Securities, Inc. Equity Research Analyst Carlos Angelo O. Temporal said in a Viber message that GT Capital's second-quarter earnings had outperformed expectations on the back of Metrobank's stronger-than-expected performance after its robust loan growth and lower provisions.

"Significant drop in NPL ratio has allowed the company to reduce provisions to nearly half of [last year's first semester] figure," Mr. Temporal said.

Separately, Unicapital Securities, Inc. Equity Research Analyst

Ralph Jonathan B. Fausto said in a Viber message that GT Capital "delivered very robust results in the first half of 2022 with its cyclical core segments benefitting from the general economic reopening in the second quarter due to the eased Alert Level 1 restrictions."

"[Metrobank] registered a 9% [year-on-year] increase in its gross loans and NPL ratio improvement, both reflecting improving business and consumer confidence," Mr. Fausto said.

Mr. Temporal said the bank was able to make up for the "muted performance of its auto segment, which endured a sharp decline in margins quarter on quarter due to

a weaker peso and additional costs incurred during recent launches of new car models.

Automobile segment Toyota Motor Philippines Corp. (TMP) posted a 2.9% decrease in its consolidated net income in the first half to P3.4 billion from P3.5 billion last year.

Its topline showed a 33.4% growth in the first semester to P85 billion from the P63.7 billion recorded in the previous year.

**FULL STORY**  
Read the full story by scanning the QR code or by typing the link < [bit.ly/Ty081722](https://bit.ly/Ty081722) >

## ABS-CBN second-quarter losses down to P39 million

ABS-CBN Corp. significantly reduced its attributable net loss for the second quarter to P39.11 million from P1.42 billion previously.

Total revenues for the quarter reached P4.83 billion, up 13.9% from P4.24 billion in the same period a year ago, ABS-CBN's second-quarter financial performance results showed.

Expenses declined 1% to P5.68 billion from P5.73 billion in the previous year, while non-operating income surged 152.2% to P1.04 billion from P413.6 million previously.

For the first six months, ABS-CBN saw its attributable net loss narrow to P1.42 billion from P3.37 billion.

The company generated revenues of P9.48 billion for the first half, up 16.2% from P8.16 billion previously.

Expenses declined 0.5% to P11.44 billion from P11.50 billion, while non-operating income surged to P1.1 billion from P608.08 million in the same period in 2021.

The company saw advertising revenues increase by P1.1 billion, or 47.3% higher, attributable to "both political placements and growth in regular advertising" as it continues to expand its coverage through partnerships.

ABS-CBN President and Chief Executive Officer Carlo L. Katigbak said during the company's annual stockholders' meeting in July that the "improvements and the continuing upward trajectory in

our financial performance are indicators that a return to profitability is possible."

"We... continue to find ways to reduce debt. We started 2020 with P26 billion in interest-bearing loans, and we have reduced that to P21.5 billion in 2021," he said.

"For this year, we are currently already (down to) P18.4 billion, and we hope to reduce debt further to P14 billion or less," he added.

## GMA NETWORK

Meanwhile, broadcast company GMA Network, Inc. saw its attributable net income for the second quarter rise 14.6% to P1.88 billion from P1.64 billion in the period in 2021.

Total revenues for the period rose 19% to P6.08 billion from P5.11 billion previously.

Attributable net income for the first half reached P4 billion, up 10.2% from P3.63 billion in the same period a year earlier, as revenues increased 13% to P11.94 billion from P10.57 billion previously.

"The influx of political advocacies and advertisements for this year's national and local elections during most part of the first semester propelled GMA's topline to reach yet another milestone," the company said.

ABS-CBN shares closed 5.41% lower at P12.60 apiece on Tuesday, while GMA Network shares closed 0.91% higher at P11.12 apiece. — **Arjay L. Balinbin**

## DITO CME net loss balloons to P4.6 billion

DITO CME Holdings Corp. saw its attributable net loss for the second quarter of the year balloon to P4.63 billion from a loss of P1.18 billion previously, mainly due to higher expenses.

Total revenues for the period surged to P1.70 billion from P278.58 million in the same period a year ago, the company's second-quarter financial performance results showed.

Total expenses for the second quarter climbed 98.4% to P5.10 billion from P2.57 billion in the same period in 2021.

Attributable net loss for the first half widened to P8.30 billion, from a loss of P2.05 billion previously.

"This was mainly due to higher operating expenses and other charges offset by gross revenue generated from the start of DITO Telecommunity Corp.'s commercial operations on March 8, 2021," the company said.

The company's total revenues for the first six months increased to P3.03 billion from P286.39 million in the same period a year earlier.

This was "mainly due to revenues generated by DITO Telecommunity," DITO CME said.

Expenses for the period surged 135.5% to P9.82 billion from P4.17 billion in the previous year.

"The group derives its revenue mainly from the transfer of goods and services over time and at a point in time by providing mobile services to subscribers such as data and internet, voice and SMS," the company said.

"As of June 30, 2022, DITO Telecommunity has 9.64 million gross mobile subscribers, a 614% year-on-year increase. Average revenue per unit for the first six months of the year was at P81," DITO CME noted.

DITO CME shares closed 0.53% lower at P3.76 apiece on Tuesday. — **Arjay L. Balinbin**

## Philex expects 'another good year' on positive metal price outlook

PHILEX Mining Corp. is optimistic about its performance for the rest of the year amid the start of the development of its Silangan copper-gold project, according to its top officials.

"The net income year 2022 will be another good year for Philex as we start the development of the Silangan project," Chief Finance Officer Romeo B. Bachoco said during a virtual press conference on Tuesday.

"We are optimistic that 2022 will be another good year for Philex and the mining industry in general. The global outlook for metal prices continues to be positive," he added.

The Silangan copper-gold project in Surigao del Norte is expected to commence commercial operations by 2025. It will require an initial \$244 million to develop.

"The company's main focus right now is Silangan. Philex has started the execution plan of the project to be funded by proceeds from the stock rights offering, debt syndication and additional cash infusion from internal funds," President and Chief Executive Eulalio B. Austin, Jr. said.

The project comprises the Boyongan and Bayugo ore deposits. Phase 1 or the Boyongan deposit has a 28-year projected mine life.

"We are currently completing front-end engineering work. As of today, we have started the earth-moving works necessary for the commencement of underground tunneling work," Mr. Bachoco said.

Meanwhile, Phase 2 or the Bayugo deposit has undergone a definitive feasibility study. It will launch in a later

year after the commercial operations of the first phase.

"At the right economic conditions, the potential to increase the reserve of Bayugo is there. Our Padcal mine was able to grow from a starter mine to one of the biggest mines," Mr. Bachoco said.

Mr. Austin said that the Philippines is one of the most endowed countries when it comes to mineral resources.

"We are the fifth most mineral-rich country in the world when it comes to gold, copper, nickel, and chromite. We have an estimated \$840 billion in untapped mineral wealth," he said.

"The new government also regarded the mining industry as one of the major contributors to accelerate economic recovery. With government policies supported by the mining industry, we are confident investor interest for the Silangan project will be given a boost," Mr. Bachoco added.

In the second quarter, Philex's net income increased by 18.2% to P708.85 million from P599.53 million in 2021. Revenues climbed by 4.6% to P2.49 billion from P2.38 billion the year before.

Philex is one of three Philippine units of Hong Kong-based First Pacific Co. Ltd., the others being Metro Pacific Investments Corp. and PLDT, Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls.

Philex shares on Tuesday rose by 0.63% or P0.02 to close at P3.20 per share. — **Luisa Maria Jacinta C. Jocson**

## Max's Group profit rises more than four times to P239.5M

MAX'S Group, Inc. (MGI) reported a net income of P239.5 million in the second quarter, more than four times last year's P55.4 million, proving the company's "pandemic-proof" business model.

Revenues grew by 58% to P2.82 billion in the second quarter, from P1.78 billion a year ago, its financial report showed.

MGI recorded P1.05 billion in gross profit for the quarter, double last year's P555 million and at par with its pre-pandemic figure of P1.05 billion. Its gross profit margin was at 37.2%, higher than the pre-pandemic 28.4%

"We committed to our stakeholders throughout the ongoing global health crisis that we would deliver a business model tuned to be as pandemic-proof as possible," MGI Chief Executive Officer Robert Ramon F. Trota said in a press release on Tuesday.

"Our second quarter results prove yet again that our architecture works, even in sub-optimal operating conditions," Mr. Trota added.

In the first half, MGI's net income rose to P281.1 million, or 18 times higher com-

pared with the level in the same period last year.

Its consolidated revenues amounted to P4.98 billion in the first semester, a 38% growth from P3.62 billion in the same period last year, as local market sales rose by 45%.

"Margins for the first half and second quarter reflect historic highs as compared to pre-pandemic 2019," the company said in a report.

MGI President Ariel P. Fermin said the group is "cautiously pleased" with the results so far this year.

"It is clear to us that even as we continue to make headway in fully recovering our former sales and revenue levels, our optimized profit flow through makes us an attractive, reliable choice for our shareholders, our business partners, and our employees," he said.

As of end-June, the company's store network totaled 660 — 597 in the Philippines and 63 across North America, the Middle East, and Asia.

On the stock market on Tuesday, MGI shares climbed by 2.15% or 12 centavos to P5.70 apiece. — **Justine Irish D. Tabile**

## Global Ferronickel earnings slip by 16% on lower shipments

GLOBAL Ferronickel Holdings, Inc. reported that its second-quarter net income declined by 16.2% to P615.58 million from P734.56 million in the previous year.

"The group encountered more rainy days this period totaling 128 rainy days compared to 105 rainy days during the same period in 2021. The group only managed to complete 19 shipments of nickel ore totaling 1.035 million wet metric tons (WMT) during the first half of the year, compared to 32 shipments totaling 1.740 WMT during the same period last year," the firm said in a disclosure on Tuesday.

Revenues from contracts with customers likewise slipped by 12.5% to P2.17 billion from P2.48 billion in 2021.

"The results are driven by the April to June mining operations of Platinum Group Metals Corp. (PGMC) in Surigao del Norte, with incremental contributions from PGMC International Limited (PIL), a wholly-owned subsidiary established to facilitate relations with Chinese customers for the trading of mineral products," it added.

Global Ferronickel President Dante R. Bravo said that the company is looking forward to better weather in the third quarter, which is typically the peak of PGMC's mining season. It is expected to bring in more than 60% of the firm's total revenues for the year.

"Despite the fewer volume sold for the period ended on June, the group benefited from the higher average realized foreign exchange rate this year at P52.60 compared to the prior period's P48.24," he added. — **Luisa Maria Jacinta C. Jocson**

## FULL STORY



Read the full story by scanning the QR code or by typing the link < [bit.ly/GFH081722](https://bit.ly/GFH081722) >