



ACCORD CAPITAL
EQUITIES CORPORATION
Member: Philippine Stock Exchange

Market Daily

INDICES:

	Latest	% chng
PSEi	6,850.60	0.35
All Shares	4,104.49	0.20
Financial	1,646.09	0.74
Holdings	6,237.67	0.42
Industrial	10,352.78	0.16
Mining/Oil	16,514.89	0.16
Property	2,589.35	(0.49)
Services	2,051.69	0.35

WORLD MARKETS:

	Latest	% chng
Dow Jones	16,976.24	0.12
S&P 500	1,974.62	0.07
FTSE 100	6,816.37	0.20
DAX	9,911.27	0.09
CAC 40	4,444.72	(0.37)
Nikkei 225	15,369.97	0.29
Hang Seng	23,549.62	1.55
CSI 300	2,170.87	0.29
STI	3,263.91	0.66

COMMODITIES (IN US\$):

	Latest	% chng
Crude Oil	104.61	(0.69)
Gold Spot	1,327.90	0.11
Copper	323.90	1.09

CURRENCIES (IN PHP):

US\$	43.585
Euro	59.521
Japan Yen	0.429

Market Summary and Outlook:

The PSEi rose 23.99 points, or 0.3% higher to 6,850.60 as investors cautiously bought banking and holding shares. AC (+1.5%) and AGI (+0.5%) grew as did BPI (+1.8%) and MBT (+0.9%). While the higher market provided relief, movement may be limited and trading volume to be light ahead of the release of higher June inflation numbers.

Industry News:

The Cavite-Laguna Expressway project may face fresh delays after the Department of Public Works and Highways (DPWH) suspended the awarding pending the resolution of an appeal filed by San Miguel Corp (SMC), a disqualified bidder. The food conglomerate was disqualified due to "bidding violations" but was able to file an appeal to reconsider its higher bid for the project. SMC claims its bid of PhP20bn was substantially higher compared with AC-AEV's PhP11.7bn and MPI's PhP11.3bn.

Corporate News:

Philippine Long Distance Telephone (TEL) said it will invest US \$2m (PhP87m) to partly upgrade the Asia-America Gateway (AAG), a super-fast underwater cable using 100G technology that links Southeast Asia to the US. The upgrade will increase the existing fiber cable's bandwidth capacity in order to meet the growing demand for high-speed data transfer between Asia and the US. AAG is TEL's fourth international cable link up due for upgrade. Together with TEL, other telcos from Malaysia, Singapore, Thailand, Brunei, Vietnam, HK, Guam, Hawaii and the US West Coast are part of the AAG consortium. By 2015, TEL will 15,000 km of new fiber optic cable pushing the total close to 100,000 km. **Buy on weakness.**

Ayala Corp's (AC) infrastructure unit, AC Infrastructure Holdings Corp,

revealed that it will be spending up to US \$300m (PhP13bn) in the next five years to fund for its public private partnership projects (PPP). Among the infra projects it will be funding are: Daang Hari-SLEX Link project (PhP1.96bn), the LRT Line 1 Extension project, where AC its consortium partner MPI were the sole bidders for the PhP64.9bn project; and the Cavite-Laguna Expressway Project, where it submitted the highest bid together with Aboitiz Land, a unit of Aboitiz Equity Ventures (AEV). **Buy on weakness.**

RFM Corp (RFM) is targeting a net income of between PhP950 million to 1,000m for 2014, up from PhP786m last year, on higher sales from its branded consumer business. Full-year sales are expected to grow 18% to PhP12bn from PhP10.2bn last year on the back of strong sales of Selecta ice cream in 2Q14 and Royal pasta brand whose pasta production capacity is projected to double after RFM acquired the brand from Unilever. At its current price of PhP5.99, RFM is trading at 20.9x PER, a 34% discount to the food and consumer sector's multiple of 32x. **Buy on weakness.**

Sta. Lucia Land, Inc. (SLI) approved plans to acquire pieces of property in Batangas and Pangasinan provinces and also in Taytay, Rizal to boost its landbank for future projects. The project in Dagupan City, Pangasinan will cover 77,000 square meters through a joint venture. The property in Batangas has a total area of 12,400 sqm while the one in Rizal has an area of 6,300 sqm. SLI is likely to develop these areas into mid-rise residential buildings after topping off the Neopolitan Tower 1 in Quezon City. **Neutral.**

Century Properties Group (CPG) will increase its capital stock from PhP5.3bn to PhP9.5bn, or from 10bn common shares to PhP18bn through stock dividends. **Neutral.**

Market Daily

RFM Corp (RFM) Price and relative strength



ECONOMIC INDICATORS:

GDP (4Q13)	5.7%
Inflation (May 2014)	4.5%
T-bill rate (91-day)	1.440%

Sta. Lucia Land (SLI) Price and relative strength



Source: PSE

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**ACCORD CAPITAL
EQUITIES CORP.**
G/F East Tower, PSE Center,
Exchange Road, Ortigas Center,
Pasig City 1605

Contacts:

Telephone: 02 588 1919

Fax: 02 687 3738

Internet: www.philstocks.ph

Email: ldeleon@accordcapital.ph,

mail@accordcapital.ph

Weekly Valuation Table

ISSUE	Latest (PhP) (6/27/14)	Previous (PhP) (6/20/14)	change (% weekly)	Market Cap. (in PhP million)	2014F PER (x)	Price to Book value (x)
BANKING						
Banco de Oro (BDO)	92.20	89.30	3.25	330,159	17.46	2.18
Bank of Phil. Islands (BPI)	91.10	89.25	2.07	357,692	17.94	3.05
Metrobank (MBT)	89.00	86.00	3.49	244,216	15.14	2.15
Security Bank Corp. (SECB)	123.40	120.50	2.41	74,386	11.84	2.02
Phil. National Bank (PNB)	89.30	89.50	(0.22)	96,998	14.03	1.52
Total/Sector Average				1,103,450	16.42	2.39
Industrials (Power & Utilities)						
Aboitiz Power (AP)	37.00	36.20	2.21	272,268	10.17	3.27
Energy Development (EDC)	6.42	6.50	(1.23)	120,375	20.06	3.47
First Gen Corp. (FGEN)	22.55	21.90	2.97	75,845	15.12	1.31
Manila Electric (MER)	255.00	252.00	1.19	287,385	14.51	4.10
Manila Water (MWC)	25.60	26.20	(2.29)	51,520	9.68	1.82
Petron Corp. (PCOR)	12.82	12.00	6.83	120,189	22.83	1.33
Total/Sector Average				927,582	14.82	3.06
Industrials (Food & Consumers)						
Jollibee Foods (JFC)	176.00	176.00	0.00	185,222	35.01	8.45
RFM Corp (RFM)	6.20	6.20	0.00	19,594	21.47	3.33
Universal Robina Corp. (URC)	153.60	151.40	1.45	335,078	31.19	6.79
Total/Sector Average				539,895	32.14	7.23
Industrials (Construction)						
EEl Corp. (EEI)	11.08	10.36	6.95	11,482	10.75	2.03
Holcim Phils (HLCM)	13.30	13.62	(2.35)	85,813	16.78	4.14
Lafarge Republic, Inc. (LRI)	9.79	9.75	0.41	57,015	11.28	2.77
Total/Sector Average				154,310	14.30	3.48
HOLDING FIRMS						
Aboitiz Equity Ventures (AEV)	56.05	56.40	(0.62)	309,502	14.98	3.33
Alliance Global (AGI)	29.20	28.50	2.46	299,878	16.79	2.88
Ayala Corp. (AC)	648.00	640.00	1.25	388,411	23.85	2.92
DMCI Holdings (DMC)	75.00	74.00	1.35	199,163	17.82	3.90
JG Summit Holdings (JGS)	51.00	50.75	0.49	357,877	19.35	2.04
Metro Pacific Investments (MPI)	5.04	5.03	0.20	131,171	15.07	1.43
San Miguel Corp. (SMC)	82.00	80.20	2.24	194,914	16.99	0.80
SM Investments Corp. (SM)	811.50	781.00	3.91	646,197	20.00	2.94
Total/Sector Average				2,527,114	18.84	2.68
PROPERTY						
Ayala Land, Inc. (ALI)	30.85	30.15	2.32	437,246	30.02	4.61
Belle Corp. (BEL)	5.17	4.59	12.64	54,592	25.55	2.97
Filinvest Land, Inc. (FLI)	1.69	1.62	4.32	40,982	9.33	0.87
Megaworld Corp. (MEG)	4.48	4.52	(0.88)	143,201	15.56	1.68
Robinsons Land Corp. (RLC)	23.50	22.60	3.98	96,204	16.96	1.99
SM Prime Holdings (SMPH)	15.92	16.16	(1.49)	442,856	27.72	3.69
Vista Land & Lifescapes (VLL)	6.18	6.13	0.82	52,769	8.82	1.13
Total/Sector Average				1,267,851	24.85	3.42
SERVICES						
Media						
ABS-CBN Corp (ABS)	36.85	35.20	4.69	31,595	17.64	1.34
GMA Network (GMA7)	7.88	7.51	4.93	26,485	15.14	3.79
Total/Sector Average				58,080	16.50	2.46
Telecommunications						
Globe (GLO)	1,624.00	1,641.00	(1.04)	215,018	17.00	5.45
PLDT (TEL)	2,960.00	2,860.00	3.50	639,656	16.05	4.61
Total/Sector Average				854,674	16.29	4.82
Transportation						
Cebu Air (CEB)	56.55	54.70	3.38	34,269	14.06	1.57
International Container Svc. (ICT)	110.00	109.50	0.46	223,729	26.71	4.21
Total/Sector Average				257,998	25.03	3.86
Gaming						
Bloomberry Resorts (BLOOM)	10.80	10.82	(0.18)	114,370	21.45	6.92
Travellers Int'l Hotel (RWM)	8.95	9.20	(2.72)	142,915	20.15	0.04
Total/Sector Average				257,285	20.73	3.10
MINING						
Atlas Consolidated (AT)	14.00	13.70	2.19	29,065	9.11	0.80
Philex Mining (PX)	11.98	12.04	(0.50)	59,145	118.29	2.66
Semirara Mining (SCC)	358.00	375.00	(4.53)	127,555	17.36	7.09
Total/Sector Average				215,766	43.92	5.03
Accord Capital Basket				7,906,721	21.08	3.56