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Fundamental and Technical Indicator Analysis of San Miguel Corporation: Financial Performance, Market Behavior, and Investment Evaluation

Faye Del Mundo[1]; Ramon George O. Atento, PhD[1]
[1]First Asia Institute of Technology and the Humanities
Corresponding Author: roatento@firstasia.edu.ph

Abstract

This study presents an applied business analytics case analysis of San Miguel Corporation (SMC), a Philippine conglomerate listed on the Philippine Stock Exchange (PSE), by integrating indicator-based fundamental and technical perspectives within a single, audit-traceable workflow. Using publicly available secondary information spanning 2020 to October 31, 2025, the analysis draws on issuer/PSE disclosures and platform-generated market analytics (notably Simply Wall St and Investagrams). Platform outputs are treated as secondary representations of market data and interpreted descriptively within the stated window, with extraction dates identified in figure notes to support auditability. The fundamental component summarizes revenue performance, profitability, leverage, liquidity, market valuation, dividend stability, and segment-level resilience. Results indicate that SMC sustains strong revenue capacity and broadly stable operational performance across core units; however, profitability remains uneven and sensitive to volatility in fuel, energy, and infrastructure-linked activities. Balance-sheet structure reflects material financing risk: a current ratio of 1.35 suggests moderate short-term coverage, while a debt-to-equity ratio of 2.55 indicates elevated leverage that can constrain flexibility during periods of earnings weakness. Valuation indicators point to conservative market pricing. A low earnings multiple (P/E = 3.68) and sub-book valuation (P/B = 0.76) suggest discounted expectations despite continued shareholder payouts, with dividend data reflecting recurring distributions of approximately ₱0.35 per share. The technical component applies classical indicators (RSI, MACD, Bollinger Bands, moving averages, volatility metrics, volume trends, and support–resistance thresholds) to infer market sentiment and trading momentum. Findings show strong short-term bullish momentum accompanied by cautionary overextension: an RSI reading above 74 indicates intense buying pressure but also implies overbought conditions where near-term consolidation is plausible. Trend snapshots reveal divergence across horizons—short-term uptrend (+12.17%), medium-term sideways movement (–1.37%), and a long-term downtrend (–17.67%)—suggesting that the rally has not yet overturned the broader bearish structure. Support–resistance mapping places the reference price (₱65.00) near resistance (₱65.48 and ₱68.80) with supports at ₱62.75 and ₱56.55; the price remains below the 200-day moving average and is accompanied by declining volume, reinforcing the need for confirmation of durability. Integrating these signals, the study concludes that SMC exhibits moderate upside potential but material structural risks, supporting an overall Hold investment recommendation. The paper underscores the value of a dual-analysis, figure-anchored approach for evaluating diversified conglomerates in emerging markets where macroeconomic pressures, regulatory constraints, and portfolio complexity jointly shape corporate performance and equity valuation.

Keywords: *key financial indicators; technical analysis; fundamental analysis; San Miguel Corporation; Valuation Metrics; Market Sentiment; Financial Performance; Investment Decision; Philippine Stock Exchange; Conglomerates; Emerging Markets*

1. Introduction

1.1 Industry Context

The Philippine manufacturing and commercial-industrial landscape remains a central pillar of national development, anchoring employment, investment, and innovation capacity. As one of the largest contributors to domestic output, the manufacturing sector accounted for 17.9% of GDP in 2023, reflecting its sustained importance as a driver of economic resilience and structural transformation (Statista, 2024). The sector encompasses a wide range of high-value industries—automotive, electronics, pharmaceuticals, textiles, and food and beverages—which collectively form the country's industrial backbone (Industry.gov.ph, 2024). These industries not only generate substantial domestic activity but also attract foreign direct investment (FDI), facilitating the transfer of advanced technologies, modern production practices, and workforce upskilling.

Parallel developments in the retail sector reinforce this industrial dynamism. According to Mordor Intelligence (2025), the Philippine retail industry is projected to expand from USD 71.74 billion in 2025 to USD 103.28 billion by 2030, representing a compound annual growth rate of

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7.56%. The competitive environment is increasingly shaped by globalization and digitalization: local and foreign retailers now operate within a marketplace characterized by shifting consumer preferences, heightened buyer power, and the rapid growth of e-commerce platforms. These structural forces amplify both rivalry and opportunity—intense brand capital, distribution efficiency, and technology-enabled market reach now determine competitive advantage.

The broader Philippine economy is also undergoing rapid digital evolution. Rising digital literacy, changing consumption patterns, and the demand for convenience and accessibility are accelerating the adoption of online transactions, mobile payments, and automated supply-chain processes. Concurrently, government initiatives supporting technological innovation, artificial intelligence, and digital infrastructure continue to reshape industrial operations and strategic planning. Within this multifaceted environment, large conglomerates play an outsized role by integrating diverse business units across the value chain and deploying scale-driven strategies that influence national economic outcomes.

It is within this complex and evolving landscape that San Miguel Corporation (SMC) occupies a unique and influential position. As one of the most diversified conglomerates in Southeast Asia, SMC's reach spans multiple strategic sectors—food and beverages, packaging, fuel and oil, power generation, and infrastructure—creating a multidimensional economic footprint. Analyzing SMC's financial and market performance therefore offers insights not only into the firm's investment attractiveness but also into the structural dynamics of Philippine industry itself.

1.2 Company Background

Founded in 1890 as La Fabrica de Cerveza de San Miguel, SMC began as Southeast Asia's first brewery and has since evolved into a multi-business conglomerate that accounted for roughly 4% of Philippine GDP in 2020. Today, the corporation manages an expansive portfolio spanning food and beverages, packaging, fuel and oil, power generation, and infrastructure development. Its brand philosophy emphasizes reliability, heritage, and quality—principles reflected in flagship products such as San Miguel Pale Pilsen, Magnolia, and Purefoods.

SMC maintains dominant market positions in various segments. For instance, Red Horse Beer held a 65.1% market share in 2021, one of the strongest indicators of brand power in the Philippine beverage industry (Statista, 2021). Parallel expansion into energy, fuel distribution, and infrastructure has allowed the conglomerate to integrate upstream and downstream value chains, reinforcing resilience across economic cycles.

The company also continues to expand its digital footprint, utilizing e-commerce partnerships (Lazada, Shopee), social media engagement, and digitalized internal systems. These initiatives support operational efficiency, enhance customer access, and modernize processes across business units.

1.3 Recent Financial Performance

San Miguel Corporation's most recent nine-month disclosure indicates strong operational momentum despite external pressures, underscoring the conglomerate's capacity to maintain resilience across its diversified portfolio. Core net income rose by 54 percent to ₱60.3 billion, excluding foreign exchange movements and non-recurring items—an increase largely driven by improved operational efficiency and disciplined cost management across major business units. Operating income expanded by 13 percent to ₱137.4 billion, while consolidated EBITDA climbed 16 percent to ₱194.3 billion, reflecting enhanced profitability at the operational level. Although total consolidated revenues reached ₱1.1 trillion, the figure represents a slight year-on-year decline attributable primarily to softening crude prices and the de-consolidation of selected power assets.

According to Chairman and CEO Ramon S. Ang, the group's results illustrate its ability to deliver strong performance even under adverse market conditions, particularly within the fuel and oil segment where global price movements exert substantial influence. Ang noted that the company's major strategic projects remain on track and that SMC is preparing for heightened consumer activity during the final quarter of the year as holiday demand historically elevates sales volumes across multiple business lines.

The food and beverage cluster continued to serve as one of the corporation's most consistent growth engines. San Miguel Food and Beverage, Inc. (SMFB) posted consolidated revenues of ₱302.9 billion, marking a 4 percent increase from the previous year. Robust contributions from Ginebra San Miguel and San Miguel Foods supported this upward trajectory. Operating income

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for the unit rose 12 percent to ₱44.7 billion, while EBITDA expanded 13 percent to ₱58.4 billion, signaling stronger profitability and effective cost containment.

Within the food segment, San Miguel Foods recorded a 7-percent increase in revenues, reaching ₱143.5 billion, driven by sustained consumer demand across dairy and coffee products, poultry, and prepared and packaged food lines. Operating income surged by 32 percent to ₱12.9 billion, with EBITDA up 27 percent to ₱20.0 billion, underscoring the positive impact of cost discipline, operational efficiencies, and margin improvement initiatives.

Meanwhile, San Miguel Brewery delivered steady performance as revenues reached ₱110.7 billion, supported by stable domestic consumption and continued growth in international markets. Operating income increased 2 percent to ₱23.9 billion, while EBITDA rose 4 percent to ₱30.0 billion, demonstrating incremental improvements in profitability despite a competitive and inflation-sensitive operating environment.

Overall, SMC's nine-month financial results highlight the advantages of diversification and integrated operations. Strength in the food, spirits, power, and infrastructure businesses, combined with strategic cost management, effectively counterbalanced the challenges faced in the fuel and oil segment. Collectively, these patterns reinforce SMC's operational adaptability and financial resilience—critical attributes for navigating fluctuating commodity markets, inflationary pressures, and regulatory uncertainties in the broader economic environment.

1.4 Purpose of the Study

The purpose of this study is to undertake a comprehensive and integrated evaluation of San Miguel Corporation's financial condition, market behavior, and investment potential within the broader context of the Philippine industrial and consumer landscape. Given the scale, diversification, and systemic importance of SMC, assessing its performance requires an analytical approach that bridges both internal financial fundamentals and external market sentiment. Accordingly, the study employs a combined fundamental–technical analytical framework, examining revenue growth dynamics, profitability indicators, capital structure, liquidity position, valuation multiples, and dividend performance alongside trend formations, momentum oscillators, volatility measures, and price–volume relationships observed in the equity market.

By situating these financial and market indicators within relevant industry and macroeconomic developments, the research seeks to construct a multidimensional portrait of SMC's corporate health and investor attractiveness. The ultimate objective is to determine whether prevailing conditions support a buy, hold, or sell interpretation and to present an evidence-based assessment grounded in both financial diagnostics and market behavior. Through this integrative approach, the study aims to contribute to a deeper understanding of conglomerate valuation and investment decision-making in emerging-market contexts.

This paper is positioned as an applied business analytics case analysis of a single listed conglomerate, emphasizing indicator-based description and synthesis rather than causal inference or model-based forecasting.

2. Review of Related Literature

2.1 Conglomerates and Diversification Strategies

Diversified conglomerates in both global and Southeast Asian contexts commonly pursue multi-business expansion as a means of strengthening corporate resilience and enhancing long-term competitive advantage. Classical and contemporary strategy literature consistently notes that diversification enables firms to leverage economies of scope, exploit portfolio synergies, and redeploy resources across business units in ways that generate performance benefits unattainable under single-business configurations. Markides and Williamson (2007) argue that related diversification, in particular, enables firms to build upon shared strategic assets, such as brand equity, distribution networks, and proprietary capabilities, thereby sustaining competitive advantage through deeper integration and cross-unit reinforcement. This perspective aligns with Teece's (1980) foundational articulation of economies of scope, which emphasizes that value is created not only through simultaneous resource sharing but also through efficient expansion into adjacent domains where accumulated expertise can be transferred with minimal incremental cost.

Research in dynamic capability theory further underscores the importance of inter-temporal resource redeployment in explaining diversification outcomes. Helfat and Eisenhardt (2004) highlight that organizational modularity enables companies to shift capabilities and assets across units flexibly, reducing coordination burdens and responding more effectively to market shifts. Sakhartov (2017) extends this argument by showing that diversification value depends on resource relatedness and the firm's ability to reallocate these resources across changing strategic contexts, suggesting that the benefits from diversification are

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neither fixed nor automatic but instead evolve with the firm's capability to manage complexity.

Empirical work also affirms that diversification can enhance financial stability by spreading exposure across heterogeneous revenue sources. Srivastava and Prabhu (2014) demonstrate that the extent to which synergies are successfully accomplished determines whether diversification leads to profitability gains. Related constrained and related linked diversification models, where business units share underlying market or technological foundations, tend to generate stronger performance because synergy realization is more straightforward compared to unrelated diversification, where resource incompatibilities may weaken integration efforts.

Nevertheless, diversification is not without risk. Wiersema and Beck (2017) caution that expanding into unrelated businesses can increase managerial complexity, dilute strategic focus, and weaken overall firm performance if coordination costs outweigh potential synergies. Nagarajan, Mohanty, and Khatua (2022) similarly find that while diversification can improve financing capacity by providing internal capital markets, it may simultaneously introduce inefficiencies arising from bureaucratic layers and information asymmetries. These findings highlight the need for conglomerates to balance strategic scope with operational discipline.

The relevance of this literature becomes particularly evident in the context of San Miguel Corporation, whose portfolio spans food and beverages, packaging, fuel and oil, power, and large-scale infrastructure. The conglomerate's structure reflects a form of related linked diversification, where legacy competencies in operations, logistics, and brand management support extensions into adjacent and synergistic sectors. The ability to redeploy resources across units—for example, transferring logistics expertise from beverages to food distribution, or applying infrastructure capabilities to energy projects—illustrates the mechanisms described by Teece (1980) and Helfat and Eisenhardt (2004). Moreover, SMC's resilience during periods of economic volatility mirrors the stabilizing effects of diversification outlined in empirical work on corporate portfolios.

Recent Philippine studies reinforce these insights. Atento and Nona (2025) and Atento and Dela Costa (2025) emphasize that diversified firms operating in regulated and capital-intensive industries must rely on both strategic relatedness and operational integration to maintain financial viability, particularly when market conditions exert downward pressure on margins. Their findings illustrate how sectoral shocks in one domain—such as commodity price volatility or regulatory constraints—can be absorbed or offset by stronger performance in other units, a dynamic consistent with broader theories of internal capital markets and synergy buffering.

Overall, the literature converges on the view that diversification can be a powerful strategic path when executed with coherence, capability alignment, and synergy realization. In the case of SMC, its long-standing history of integrating capabilities across interconnected sectors positions the firm to benefit from both operational breadth and strategic continuity, while also facing the managerial challenges inherent in coordinating large, complex business portfolios.

2.2 Manufacturing, Consumer Markets, and Supply Chain Dynamics

Manufacturing has long been recognized as a central driver of economic development in emerging economies, particularly in regions such as Asia and sub-Saharan Africa where industrialization continues to reshape labor markets and sectoral productivity. Kruse et al. (2022) observe that manufacturing employment in developing economies is expanding not only through large formal enterprises but also through the proliferation of smaller informal firms, creating a broad-based industrial foundation that supports growth, skills formation, and structural transformation. This trajectory mirrors patterns seen in other rapidly developing markets, where manufacturing activity acts as a stabilizing force in the broader economic cycle and contributes materially to output and income generation.

The fast-moving consumer goods (FMCG) sector exemplifies the strong link between manufacturing capacity, consumer demand, and market expansion. In India, for example, the FMCG industry was valued at approximately USD 56.8 billion in 2022 and is projected to grow at a robust compound annual rate of 27.9 percent through 2027 (Nafde, 2024). This growth is driven by rising household incomes, urbanization, and shifts in demographic profiles, but is increasingly fueled by digital consumption patterns that integrate e-commerce, mobile payments, and online retail channels. Trivedi (2018) further notes that both

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urban and rural markets are experiencing increases in purchasing power, enabling deeper market penetration for FMCG firms and supporting the expansion of product categories such as packaged foods, beverages, and household consumer goods.

The efficiency of supply chains has become a critical differentiator in sustaining this momentum. Comparative analyses of FMCG supply chains across regions reveal that the ability to customize logistics, distribution, and inventory systems to local conditions significantly affects competitiveness. Adama and Okeke (2024), in their comparative evaluation of FMCG systems in Africa and the United States, emphasize that tailored supply-chain models are essential for managing regional disparities in infrastructure, consumer behavior, and market access. Their findings underscore that supply-chain integration—including procurement efficiency, transportation coordination, and inventory management—directly shapes both operational resilience and market reach.

Manufacturing's cyclical influence on the broader economy is evident in more mature regions as well. Behún et al. (2018) demonstrate that production, sales, and industrial confidence indicators in European Union economies closely track GDP cycles, with declines in manufacturing activity often preceding broader economic contractions. These findings highlight the strategic importance of monitoring industrial trends to mitigate recession risks and support timely policy responses. In emerging economies, the impact of manufacturing on macroeconomic stability is even more pronounced, as industrial output often serves as a primary anchor for employment and export performance.

A growing body of research also highlights sustainability and climate change mitigation as emerging priorities shaping manufacturing and supply-chain strategies. Dwivedi et al. (2023) identify economic transitions, political reforms, technological innovation, and responsible consumption trends as key drivers of sustainability initiatives in developing-country manufacturing sectors. These pressures influence firm-level decisions on energy use, waste management, process redesign, and long-term investment planning, reinforcing the need for integrated supply-chain and environmental strategies.

Within the Philippine context, these international patterns have clear parallels in the food, beverage, packaging, fuel, and logistics industries—sectors that directly intersect with the operations of San Miguel Corporation. The conglomerate's extensive presence in food production, brewing, dairy, meat processing, and packaging reflects the dynamics identified by Kruse et al. (2022) and Nafde (2024), where demand growth, rising incomes, and evolving consumption patterns support the expansion of FMCG-related manufacturing. The importance of supply-chain integration, highlighted by Adama and Okeke (2024), is evident in SMC's vertically and horizontally integrated operations, which span raw material procurement, processing, packaging, logistics, and distribution. These structural advantages enable the corporation to achieve economies of scale, maintain cost efficiencies, and respond to market fluctuations more effectively than more narrowly focused competitors.

At the same time, the evaluation of manufacturing and consumer market dynamics must be interpreted alongside capital-market behavior, particularly for publicly listed conglomerates such as SMC. Atento (2025) notes that valuation metrics and investor sentiment in Philippine Stock Exchange–listed firms are strongly influenced by sectoral fundamentals and macroeconomic conditions, suggesting that shifts in manufacturing performance, consumer demand, and supply-chain efficiency have direct implications for stock price movements, market expectations, and investor behavior. This linkage reinforces the need to analyze sectoral dynamics not only as operational drivers but also as variables that shape financial valuation and market performance.

Collectively, the literature converges on the view that manufacturing strength, consumer market expansion, and supply-chain efficiency play mutually reinforcing roles in driving economic growth in emerging economies. For diversified conglomerates such as San Miguel Corporation, which operate at the intersection of these sectors, these dynamics shape both operational outcomes and market valuations. Understanding this interplay is therefore critical for evaluating SMC's current performance and long-term strategic positioning within the Philippine industrial landscape.

2.3 Power, Energy, and Infrastructure Sectors in Emerging Markets

The power, energy, and infrastructure sectors in emerging markets operate within environments characterized by regulatory uncertainty, capital intensity, and exposure to global commodity fluctuations. These sectors are often shaped by liberalization efforts and policy transitions that aim to attract private sector participation while balancing public welfare and energy security. Infrastructure investments, particularly in toll roads, transportation systems, and power generation assets, are inherently long-term and require stable regulatory frameworks to ensure predictable returns. Mawejje (2024) emphasizes that private sector engagement in infrastructure within emerging economies remains

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constrained by structural risks, including regulatory inconsistency, limited access to long-term financing, and inadequate risk mitigation mechanisms. These constraints underscore the need for improved policy design and institutional capacity to unlock private capital and support sustainable infrastructure expansion.

In the energy sector, volatility in global fuel prices exerts substantial influence on corporate investment decisions and market stability. Chen et al. (2024) demonstrate that oil price uncertainty and economic policy unpredictability have disproportionately adverse effects on investment behavior in oil-dependent economies, amplifying risk premiums and dampening capital expenditure commitments. These dynamics are particularly relevant for diversified conglomerates operating in fuel and oil sectors, where profitability is sensitive to external commodity shocks and macroeconomic volatility. Moreover, the transition toward cleaner energy sources adds another layer of complexity, requiring firms to balance legacy fossil fuel operations with emerging opportunities in renewable and energy-efficient systems.

Energy security remains a persistent concern for emerging markets as they navigate the dual challenge of sustaining economic growth and mitigating supply vulnerability. Sotnyk et al. (2021) highlight that energy security in developing economies depends on achieving a stable equilibrium among renewable energy development, efficiency improvements, and the management of fluctuations in electricity generation capacity. Complementary research by Gitelman, Magaril, and Kozhevnikov (2023) argues that modern threats to energy security—ranging from geopolitical shocks to climate-induced disruptions—necessitate integrated solutions that combine technological innovation, diversified energy portfolios, and robust institutional governance.

Infrastructure sectors have also begun exploring strategies to hedge against energy market volatility. Hasan et al. (2025) provide evidence that smart transportation assets—such as intelligent transport systems and digitally enabled mobility infrastructure—can function as hedges against fossil fuel market instability, particularly during periods of crisis such as the COVID-19 pandemic and geopolitical conflicts. This finding reinforces the importance of technological modernization and digital integration in achieving resilience across infrastructure value chains.

While the global trend moves toward renewable energy development, emerging economies face varying constraints in financing and regulatory alignment. Alsagr and Van Hemmen (2021) observe that renewable energy consumption in emerging markets is influenced not only by financial development but also by geopolitical risk, which can either accelerate or hinder the adoption of clean energy technologies. Their findings highlight the complex interplay of external shocks, domestic governance, and international political dynamics in determining the trajectory of energy transitions.

The dynamics identified in the literature—commodity price volatility, regulatory uncertainty, capital intensity, and the need for integrated technological solutions—provide a critical backdrop for understanding firms operating across power, energy, and infrastructure sectors in emerging markets. These themes are particularly relevant for diversified conglomerates engaged in fuel, power generation, and infrastructure development, where exposure to external shocks and policy transitions affects financial performance and strategic decision-making. Establishing this sectoral context is therefore essential to interpreting the financial and market indicators examined in this study.

2.4 Financial Performance, Valuation, and Corporate Health Indicators

Financial performance in emerging markets is shaped by a complex set of interrelated indicators that together determine a firm's operational health, valuation standing, and long-term sustainability. Core profitability measures—such as revenue growth, net profit margins, and return-based metrics like Return on Assets (ROA) and Return on Equity (ROE)—remain foundational in assessing corporate efficiency. However, empirical studies suggest that market-based indicators often exert a stronger influence on stock price behavior. Fernandez et al. (2025), for instance, show that Earnings Per Share (EPS) and Price-to-Earnings (P/E) ratios emerge as the most significant predictors of valuation trajectories in emerging-market firms, while the direct effects of ROA, ROE, and leverage display more mixed or context-dependent outcomes. These findings underscore the importance of interpreting fundamental indicators not in isolation but through their relationship to investor expectations and market sentiment.

Capital structure decisions play a central role in shaping valuation and corporate stability, particularly for firms operating in capital-intensive

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environments. Research widely acknowledges that financial leverage can enhance firm value when employed prudently, as it may amplify returns through the efficient use of debt financing. Yet the same studies caution that excessive leverage exposes firms to heightened financial distress risk, especially during periods of macroeconomic volatility or tightening credit conditions. Reviews by Abubakar and Anyonje (2025), Adib et al. (2024), and Arhinful and Radmehr (2023) collectively emphasize that optimal leverage depends on industry dynamics, debt maturities, and the stability of cash flows—factors that are especially salient for diversified conglomerates with substantial infrastructure or energy assets.

Dividend policy also figures prominently in the literature on corporate valuation and investor behavior in emerging markets. While traditional finance theories argue that dividend payments reduce agency costs and enhance shareholder value, recent evidence indicates that the influence of dividends varies considerably across markets. Sugiono and Priatsaleh (2025) find that leverage shapes dividend decisions, with highly leveraged firms often constrained in their ability to sustain payouts. Kanakriyah (2020) likewise notes that although dividends can reinforce financial performance, investors in some emerging economies increasingly favor capital gains over dividend income—suggesting an evolving preference structure shaped by liquidity needs and speculative opportunities. These findings point to dividend sustainability as both a financial and behavioral variable that directly affects firm valuation.

Conglomerate valuation in emerging markets adds another layer of complexity. Firms with broad business portfolios often exhibit valuation patterns influenced not only by profitability and liquidity metrics but also by governance quality, risk diversification, and internal capital allocation efficiencies. Ali et al. (2020) emphasize that firm characteristics such as size, governance structure, and financial flexibility significantly shape financial performance and market value. Saeed et al. (2025) extend this perspective by highlighting that corporate governance mechanisms—particularly transparency, board effectiveness, and monitoring functions—enhance both financial outcomes and sustainability alignment, thereby improving investor confidence and market valuation.

A growing body of research also foregrounds the role of sustainability and environmental, social, and governance (ESG) performance in determining financial and market outcomes. Zhou, Liu, and Luo (2022) demonstrate that ESG initiatives not only strengthen operational efficiency but also mediate the relationship between financial performance and market value, suggesting that investors increasingly reward firms with credible long-term sustainability commitments. Complementary findings by Saeed, Kumar et al. (2025) indicate that firms integrating sustainability initiatives into their operational strategies tend to exhibit stronger financial resilience and improved stakeholder trust—an insight particularly relevant to diversified corporations with exposure to environmentally sensitive sectors such as energy and infrastructure.

In sum, the literature on financial performance and valuation in emerging markets highlights the multidimensional nature of corporate health: profitability indicators provide essential information about operational efficiency, but valuation is shaped to a significant degree by market-based metrics, capital structure decisions, dividend policies, governance quality, and sustainability performance. These interconnected dimensions offer a comprehensive framework for assessing the financial and market dynamics of diversified corporations, and they form an essential foundation for analyzing the financial position of San Miguel Corporation in subsequent sections of this study.

2.5 Stock Market Behavior and Technical Analysis Frameworks

Technical analysis (TA) continues to play an influential role in understanding stock market behavior, particularly in emerging markets where inefficiencies, behavioral biases, and information asymmetries can amplify the relevance of price-based indicators. TA frameworks generally assume that market prices reflect collective investor sentiment and that historical price patterns offer predictive insights into future movements. Indicators such as the Relative Strength Index (RSI), Moving Average Convergence Divergence (MACD), Bollinger Bands, and moving averages remain foundational to this approach, with multiple studies demonstrating their usefulness in identifying trend formations, momentum shifts, and volatility conditions (Thakkar, 2025; Dongrey, 2022).

RSI has received significant empirical validation for its effectiveness in detecting overbought and oversold conditions. Melda et al. (2025) report accuracy rates approaching 97 percent when RSI is applied to periods of heightened price volatility, illustrating its reliability in signaling potential reversals. MACD, meanwhile, is widely regarded as a robust momentum-based indicator capable of capturing both short-term and long-term trend shifts. The integration of MACD with machine learning techniques—particularly long short-term memory (LSTM) models—has been shown to enhance predictive performance. Julus et al. (2025) find that hybrid MACD–LSTM systems outperform traditional TA models by improving sensitivity to

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nonlinear price dynamics and reducing false signals during volatile market phases.

Behavioral finance research further supports the use of TA by explaining why momentum, reversals, and price patterns emerge in the first place. Investor psychology, cognitive biases, and sentiment-driven reactions to news often generate persistent deviations from fundamental value, thereby reinforcing the predictive power of technical indicators. Ahn (2023) demonstrates that news sentiment has a measurable effect on the strength and frequency of technical patterns, especially in optimistic market environments where positive sentiment amplifies trend-following behavior. Leippold et al. (2024) similarly show that technical patterns gain predictive validity when interpreted alongside sentiment measures, suggesting that TA and behavioral signals function synergistically.

The applicability of TA to large, diversified firms is nuanced, as stock behavior can depend on firm size, ownership composition, and market liquidity. Leippold et al. (2024) and Rizwan (2024) note that technical patterns tend to be more stable and predictive for firms with strong momentum profiles, high institutional ownership, and relatively liquid trading environments—conditions that often characterize large conglomerates. However, the degree of predictability can vary substantially across markets, reflecting differences in regulatory frameworks, information environments, and investor structures.

In the Philippine stock market, evidence supports the practical utility of technical analysis, particularly during periods of heightened volatility. Navarro et al. (2023) demonstrate that MACD-based strategies yielded strong performance both before and during the COVID-19 pandemic, and that hybrid approaches combining TA tools, clustering algorithms (e.g., K-means), and mean-variance optimization improved portfolio resilience amid unprecedented market instability. Their findings illustrate that TA retains predictive value even in crisis conditions, provided that investors incorporate diversification and risk management into their decision-making frameworks.

In the Philippine context, emerging empirical work has begun to incorporate technical analysis into corporate valuation studies. Atento and Nona (2025) and Atento and Dela Costa (2025) employed indicators such as RSI, MACD, and moving averages to examine the price behavior of publicly listed firms, demonstrating the practical value of TA as a complementary analytic lens alongside fundamental indicators. While these studies do not assert that TA signals translate directly into superior investment performance, given their recency and exploratory nature, they nonetheless expand the methodological landscape of local market research. Their contributions highlight how TA can function as a diagnostic tool for interpreting price movements in relation to investor sentiment, market inefficiencies, and sectoral conditions, reinforcing its relevance for multi-dimensional analysis within emerging equity markets.

What emerges from the literature is a clear acknowledgment that technical analysis is not merely a heuristic tool but an analytical framework that captures behavioral and structural dimensions of market dynamics. TA indicators provide meaningful trading signals, but their reliability increases when integrated with sentiment analysis, machine learning models, and broader risk management practices. These insights are especially relevant for evaluating the stock performance of diversified corporations, where price movements reflect the combined effects of operational fundamentals, investor psychology, and market-wide trends.

2.6 Macroeconomic and Regulatory Influences on Corporate Performance

Macroeconomic conditions exert substantial influence on corporate performance, particularly in emerging markets where inflation, interest rates, and exchange rate fluctuations tend to be more volatile and often more consequential for firm outcomes. Inflation generally weakens profitability by eroding consumer purchasing power and raising input costs, especially in sectors with high exposure to raw materials and energy. Firandra (2024) notes that inflationary pressures can significantly reduce operational efficiency by compressing margins and increasing investment risk. Interest rates similarly affect firm performance by altering borrowing costs and investment incentives. Evidence from manufacturing and energy-intensive industries indicates that increases in policy rates often suppress capital investment due to higher financing costs and reduced liquidity (Valipour et al., 2025; Tiblola et al., 2024). These inflation–interest rate channels thus play a critical role in shaping corporate behavior and financial performance.

Exchange rate volatility represents another major determinant of firm-level outcomes, particularly for export-oriented businesses and multinational corporations. Stable exchange rates

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and strong foreign reserves enhance financial predictability and operational resilience, while volatility introduces uncertainty that undermines investment decisions, cash flow stability, and profit repatriation (Omoregie & Olofin, 2024). Efan and Ene (2025) show that exchange rate instability moderates the impact of other macroeconomic variables on profitability, suggesting that currency risk amplifies existing vulnerabilities in corporate operations. Firms heavily reliant on imported inputs, such as those in manufacturing, fuel distribution, and infrastructure development, are especially sensitive to these fluctuations as they directly affect procurement costs and project viability.

Public policy interventions aimed at controlling inflation, managing interest rates, and stabilizing the exchange rate are therefore essential for fostering a macroeconomic environment conducive to corporate growth. Governments in emerging markets often deploy monetary and fiscal instruments to stabilize economic conditions, with empirical studies showing that manufacturing and infrastructure firms respond favorably to policies that reduce financial uncertainty and improve credit accessibility (Tiblola et al., 2024; Omoregie & Olofin, 2024). Mayangsari et al. (2025), in their study on Indonesia's rail transport sector, highlight that macroeconomic stability directly shapes managerial decision-making, including investment planning, budgeting strategies, and risk mitigation.

Economic cycles further complicate firm performance, as multi-sector conglomerates typically experience varying effects across business units during expansions and contractions. Ibrahimov et al. (2025) demonstrate that macroeconomic shocks affect industries heterogeneously, requiring firms to employ adaptive strategies to manage demand fluctuations and regulatory risks. This is particularly evident in industries such as fuel, power, and transportation, where regulatory adjustments—including price controls, tax changes, and energy policies—can significantly alter cost structures and operational efficiency. Regulatory frameworks influence not only performance but also long-term investment decisions, especially in capital-intensive sectors where project horizons extend over multiple policy cycles.

Despite the influence of macroeconomic conditions, several studies emphasize that firm-level decisions—such as operational efficiency, capital structure choices, and governance quality—often exert a stronger and more consistent impact on financial performance than external shocks. Fernanda et al. (2024) argue that endogenous factors account for much of the variance in firm profitability across sectors, suggesting that strategic management and internal capabilities can buffer adverse macroeconomic effects. This perspective highlights the importance of organizational resilience, effective financial planning, and robust corporate governance in navigating volatile macroeconomic environments.

Collectively, the literature illustrates that corporate performance is shaped by the interplay of macroeconomic variables, regulatory frameworks, and firm-specific strategic responses. Inflation, interest rates, exchange rate volatility, and economic cycles form a contextual backdrop that influences financial outcomes, but the extent of their impact is mediated by internal corporate decisions, capital structures, and industry characteristics. These insights provide a necessary foundation for understanding the operating environment of large diversified firms and for interpreting their financial and market performance in a broader macroeconomic context.

2.7 Research Gaps

The reviewed literature underscores several important streams of inquiry across diversification strategy, manufacturing dynamics, energy–infrastructure systems, financial performance indicators, technical analysis frameworks, and macroeconomic influences. However, despite the breadth of these studies, several research gaps remain, particularly in the context of large diversified conglomerates in emerging markets such as the Philippines.

First, while research on corporate diversification highlights the strategic value of related and linked diversification, there remains limited empirical work connecting diversification structures with integrated financial and technical evaluation in Southeast Asian conglomerates. Existing studies largely examine diversification from a strategic or operational standpoint, but seldom combine this with market-based metrics to assess how diversification shapes valuation and investor sentiment—an analytical gap particularly relevant for firms like San Miguel Corporation, whose business segments span food, beverages, fuel, power, and infrastructure.

Second, literature on manufacturing, FMCG growth, and supply chain integration in emerging markets provides important insights into sectoral dynamics, yet these studies rarely extend their analyses to conglomerate settings where sectoral interdependencies amplify financial and operational complexity. The specific implications of such sectoral interactions on corporate valuation, risk exposures, and stock performance are not well explored, especially in the Philippine context.

Third, while research on the power, energy, and infrastructure sectors highlights regulatory uncertainty, fuel price volatility, and capital-

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intensity risks, there is a scarcity of studies that connect these macro-sectoral pressures to firm-level financial health or long-term market valuation for conglomerates operating simultaneously in multiple regulated industries. This is significant for SMC, whose portfolio includes power generation, oil distribution, and large-scale infrastructure projects that are sensitive to policy cycles.

Fourth, although the literature on financial ratios, valuation metrics, ESG performance, and governance provides robust evidence on firm-level determinants of performance, the findings are often sector-specific or country-specific, with limited application to diversified Philippine corporations. The lack of integrated analyses combining profitability indicators, leverage, liquidity metrics, and market-based measures such as P/E and P/B ratios within a single conglomerate framework represents a methodological gap.

Fifth, technical analysis has shown increasing relevance in emerging markets, with studies validating RSI, MACD, and hybrid machine learning approaches. However, empirical applications in the Philippines remain sparse. Recent works by Atento and Nona (2025) and Atento and Dela Costa (2025) demonstrate the feasibility of using technical indicators for evaluating firm behavior, but these studies are exploratory and do not yet establish how TA signals interact with fundamentals or reflect the performance of large multi-sector firms. There is therefore limited evidence on how technical patterns behave in conglomerates with diverse revenue streams and high exposure to sectoral cycles, such as SMC.

Finally, literature on macroeconomic influences—such as inflation, interest rates, exchange rate volatility, and regulatory shifts—emphasizes their effects on firm performance, but existing studies tend to analyze these variables at a broad sectoral level. There is a lack of integrated assessments examining how macroeconomic pressures simultaneously influence different business segments within a conglomerate and how these shocks manifest in corporate valuation and stock behavior.

Taken together, these gaps indicate the need for a comprehensive study that integrates fundamental financial analysis, technical market indicators, sectoral dynamics, and macroeconomic influences within a single evaluative framework. Such an approach is particularly valuable for understanding the financial health, market behavior, and investment potential of San Miguel Corporation, one of the Philippines' most diversified and economically significant conglomerates. This paper addresses this gap by examining the firm through both fundamental and technical perspectives, contextualized within its sectoral and macroeconomic environment.

3. Methodology

3.1 Research Design

This study employed a descriptive–evaluative research design integrating both fundamental analysis and technical analysis to assess the financial health, market valuation, and stock performance of San Miguel Corporation (SMC). This design is consistent with recent empirical works analyzing Philippine listed firms using hybrid FA–TA frameworks (Atento & Nona, 2025; Atento & Dela Costa, 2025). The descriptive component was used to summarize quantitative financial indicators, while the evaluative component examined the implications of financial ratios, profitability metrics, market valuation indicators, and price-based technical signals on SMC's investment outlook.

3.2 Data Sources and Collection Procedures

The study utilized publicly available secondary data. Company disclosures and reported financial statements were obtained from SMC annual/periodic reports and filings available through official channels (e.g., PSE/issuer disclosures). Market and chart-based indicators were obtained from platform-generated snapshots and historical price–volume series, specifically from the Philippine Stock Exchange (PSE) market information and the analytics platforms used for figures in this manuscript (e.g., Simply Wall St and Investagrams), with each figure labeled by extraction date. All platform-derived outputs are treated as secondary representations of market data and are interpreted descriptively within the stated observation window.

For technical analysis, daily stock price data—open, high, low, close (OHLC), and volume—were sourced from:

a. PSE historical price archives
b. Yahoo Finance historical data feed
c. Investing.com and MarketWatch datasets

All data were screened for completeness, cross-verified across sources, and cleaned for missing or duplicated entries. Only data from the

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period January 2020 to October 31, 2025 were included to capture SMC's financial and market performance amid post-pandemic recovery, inflationary cycles, and evolving sectoral conditions.

3.3 Fundamental Financial Indicators

Consistent with valuation models used in similar Philippine studies (Atento & Nona, 2025; Atento & Dela Costa, 2025), the following financial ratios were examined:

3.3.1 Profitability Indicators

a. Net Profit Margin (NPM)
b. Return on Equity (ROE)
c. Return on Assets (ROA)
d. Earnings Per Share (EPS)

These indicators assess the firm's ability to translate revenues into profits and generate returns to shareholders and asset holders.

3.3.2 Liquidity Indicators

a. Current Ratio
b. Quick Ratio

Liquidity measures determine SMC's capacity to meet short-term obligations, important in diversified conglomerates with variable cash cycles across business units.

3.3.3 Leverage Indicators

a. Debt-to-Equity Ratio (D/E)
b. Interest Coverage Ratio

These indicators capture financial risk levels, capital structure sustainability, and the degree of reliance on debt financing for growth.

3.3.4 Efficiency and Activity Indicators

a. Asset Turnover Ratio
b. Inventory Turnover (where applicable)

Efficiency ratios evaluate the effectiveness of SMC's resource utilization across its multiple sectors.

3.3.5 Market Valuation Indicators

a. Price-to-Earnings (P/E) Ratio
b. Price-to-Book (P/B) Ratio
c. Dividend Yield

Valuation indicators provide insight into investor expectations, company valuation relative to fundamentals, and long-term investment attractiveness.

3.4 Technical Analysis Indicators

To complement the fundamental assessment, the study used technical indicators widely supported in empirical TA literature and previously applied in Philippine corporate evaluations (Atento & Nona, 2025):

3.4.1 Moving Averages

a. 50-day Simple Moving Average (SMA)
b. 200-day Simple Moving Average (SMA)

Crossovers between these moving averages were examined to identify long-term trend shifts and potential buy/sell signals.

3.4.2 Relative Strength Index (RSI)

The 14-day RSI was computed to detect overbought or oversold conditions. Values above 70 indicate overbought levels, whereas values below 30 suggest oversold conditions.

3.4.3 Moving Average Convergence Divergence (MACD)

The MACD line, signal line, and histogram were analyzed to evaluate momentum and trend direction. Crossovers and divergence patterns were used to interpret potential reversals.

3.4.4 Bollinger Bands

Standard 20-day bands were employed to measure volatility and detect breakout patterns. Band contractions were interpreted as consolidation signals, while expansions suggested potential breakouts.

3.4.5 Volume-Based Indicators

On-Balance Volume (OBV) was used to assess volume flow and confirm price trends.

Volume spikes were also analyzed for possible accumulation or distribution phases.

3.5 Analytical Procedures

The analytical procedures were conducted in three stages:

Stage 1: Financial Ratio Computation and Interpretation

All fundamental indicators were manually computed and cross-validated with published financial disclosures. Ratios were interpreted primarily through within-firm historical trend inspection over the observation window. Where external comparators are mentioned (e.g., industry averages or peer conglomerates), these are used only as contextual references and are not presented as a formal statistical benchmarking exercise unless explicitly tabulated in the Results section.

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The interpretation focused on identifying trends, financial strengths, risk exposures, and valuation signals.

Stage 2: Technical Indicator Calculation

Technical indicators were computed using:

a. Microsoft Excel advanced functions
b. TradingView charting tools
c. Python scripts (Pandas, TA-Lib) where necessary

The computed indicators were plotted on candlestick charts to visualize price behavior. Confluence across multiple indicators (e.g., RSI + MACD + SMA crossovers) was considered more significant than isolated signals.

Stage 3: Integrated Interpretation

The synthesis of fundamental and technical indicators was used to generate an evidence-bounded interpretive stance (e.g., more favorable, mixed/uncertain, or less favorable) rather than a prescriptive trading instruction. This framing is intended for academic analysis of signal convergence in an emerging-market setting.

3.6 Scope and Delimitations

The study focuses solely on financial statements and market performance indicators from 2020–October 31, 2025. Internal managerial decisions, proprietary operational data, and forward-looking business disclosures not publicly available were excluded. Technical analysis interpretations were limited to classical indicators and did not incorporate machine learning, algorithmic trading signals, or intraday trading models.

3.7 Ethical Considerations

This research utilized publicly available secondary data. No sensitive, proprietary, or confidential corporate information was accessed. All sources used in this study—including financial statements, market data, and published literature—were properly cited in accordance with APA 7 guidelines. Analytical neutrality was upheld throughout the evaluation, consistent with IJHBA standards and ethical research practice.

4. Results and Discussion

4.1 Company Profile and Market Overview

As of December 1, 2025, San Miguel Corporation (SMC) continues to trade as one of the most actively watched conglomerates on the Philippine Stock Exchange (PSE), listed under the Holding Firms sector. The stock closed at ₱78.80, reflecting a 0.44% decline from its previous close of ₱79.15 on November 28, 2025. Intraday trading ranged between ₱77.00 and ₱79.00, with an average traded price of ₱78.44.

Trading activity for the day recorded a total volume of 273,390 shares, amounting to ₱21.44 million in value. Market depth showed best bid and best offer levels concentrated around the ₱78.20 and ₱78.80 range, indicating relatively narrow spreads typical of liquid, large-cap holdings.

Over the past year, SMC's price has fluctuated within a 52-week band of ₱54.25 to ₱88.00, demonstrating moderate volatility consistent with its diversified exposure to food, beverage, fuel, energy, and infrastructure industries. Based on disclosed earnings data, the company currently reflects a negative P/E ratio of –31.39, attributable to losses reported in its year-end and interim financial statements. Correspondingly, the year-end EPS as of December 31, 2023, stood at –2.51, while the interim EPS for the nine months ending September 2024 was –0.90.

In terms of market capitalization, SMC remains one of the largest publicly traded corporations in the Philippines, with a total market capitalization of ₱188.69 billion. As of the latest disclosure, the company has 2.38 billion outstanding shares, out of 3.25 billion listed shares, with a free-float level of 20.51%, indicating a substantial proportion of shares held by strategic and long-term shareholders. Foreign ownership remains within regulatory limits, with a maximum allowable level of 40% in accordance with PSE rules.

Historical trading statistics further underscore SMC's consistent presence in the local market. Annual trading volumes over the last decade have ranged between 63 million and 104 million shares, representing market values from ₱5.5 billion to ₱18.1 billion, with peak activity observed in 2019 prior to pandemic disruptions. This strong historical footprint reflects sustained investor interest and SMC's longstanding listing since November 5,

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1948, making it one of the earliest and most established corporations on the exchange.

Overall, the market profile indicates that SMC remains a highly liquid, actively traded, and systemically significant conglomerate within the Philippine equities landscape. Its stock performance continues to be shaped by shifts in sectoral profitability, macroeconomic pressures, and investor sentiment toward diversified holdings, providing a valuable backdrop for the subsequent analysis of its fundamental and technical indicators.

Security Information

SMC
San Miguel Corporation

78.80
-0.35 (-0.44%)

Sector: HOLDING FIRMS
Sub-Sector: HOLDING FIRMS

As of December 01, 2025 03:00:00 PM

SAN MIGUEL CORPORATION

Status:	Open	Open:	79.00	Prev Close: (Nov 28, 2025)	79.15
Value:	21,444,318.00	High:	79.00	52 Wk Low:	54.25
Volume:	273,390	Low:	77.00	52 Wk High:	88.00
P/E Ratio:	-31.39	Ave. Price:	78.44		

Figure 1. Security Information for San Miguel Corporation (SMC)

Board of Directors and Management

Board of Directors	
Chairman	Ramon S. Ang
Vice-Chairman	John Paul L. Ang
Director	Cecile L. Ang
Director	Aurora T. Calderon
Director	Joselito D. Campos, Jr.
Director	Jose C. de Venecia, Jr.
Director	Ernesto M. Pernia
Director	Joseph N. Pineda
Director	Alexander J. Poblador
Director	Thomas A. Tan
Director	Bryan U. Villanueva
Director	Iñigo U. Zobel
Lead Independent Director	Margarito B. Teves
Independent Director	Douglas L. LuYm
Independent Director	Felipe M. Medalla

Officers	
Chief Executive Officer	Ramon S. Ang
President and Chief Operating Officer	John Paul L. Ang
Chief Finance Officer	Bryan U. Villanueva
Treasurer	Joseph N. Pineda
General Counsel, Corporate Secretary and Compliance Officer	Virgilio S. Jacinto
Assistant Corporate Secretary	Mary Rose S. Tan
Head - Internal Audit	Ramon R. Bantigue

Figure 2. Executive Officers of SMC

San Miguel Corporation (SMC) is led by a seasoned and highly experienced executive team that oversees the conglomerate's diversified operations across food, beverage, energy, fuel, packaging, and infrastructure. At the helm is Ramon S. Ang, who serves concurrently as Chief Executive Officer, providing strategic direction, corporate leadership, and oversight of the group's multi-sector expansion initiatives. Working alongside him is John Paul L. Ang, the President and Chief Operating Officer, who manages day-to-day operations and ensures the effective execution of corporate strategies across SMC's core and emerging business units.

San Miguel Corporation maintains its principal corporate offices (see Figure 3) at 40 San Miguel Avenue, Mandaluyong City, Metro Manila, serving as the administrative and operational headquarters of the conglomerate. Stakeholders may reach the company through its main telephone line at (632) 8632-3000, while formal communications and inquiries may be directed to its official email address, smcL@sanmiguel.com.ph. Additional information on the company's operations, subsidiaries, disclosures, and corporate initiatives is accessible through its official website at www.sanmiguel.com.ph, which provides comprehensive resources for investors, customers, and the general public.

Contact Information

Business Address	40 San Miguel Avenue, Mandaluyong City, 1550 Metro Manila, Philippines
Telephone No.	(632) 8632-3000
Fax No.	
Email Address	smcl@sanmiguel.com.ph
Company Website	http://www.sanmiguel.com.ph

Figure 3. Contact Information of SMC

The daily candlestick chart of San Miguel Corporation (SMC) illustrates (Figure 4) significant price volatility from April to December 2025, marked by a pronounced mid-year decline followed by a strong recovery toward year-end. After trading relatively steadily during the second quarter, the stock experienced a sharp downward movement between July and September, culminating in a pronounced trough in late September. This decline reflects sustained selling pressure and heightened market uncertainty during that period.

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Figure 4. Stock Chart of SMC from PSE (December 1, 2025)

Beginning in early October, the price trend reversed sharply as SMC entered a strong and sustained upward rally. This bullish recovery extended through November and into early December, characterized by consecutive green candlesticks and rising trading volume, indicating renewed investor confidence and accumulation. By December 1, 2025, the stock approached the ₱78–₱79 level, nearing resistance levels formed earlier in the year. The transition from a prolonged downtrend to a steep recovery highlights a significant shift in market sentiment, suggesting improving outlook or favorable external developments during the latter part of the period.

4.2 Stock Performance and Historical Trends

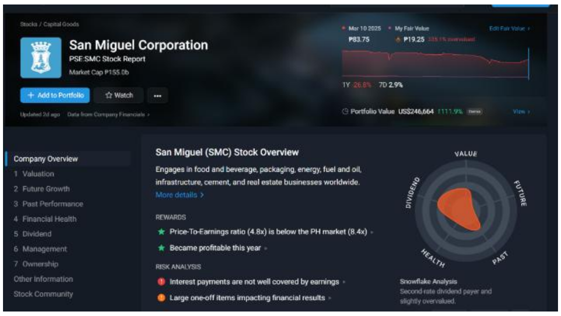

Figure 5: Stock Overview of SMC from Simply Wall St. (2025, October 31)

The stock overview in Figure 5 above indicates that San Miguel Corporation operates across multiple sectors including food and beverage, packaging, energy, fuel and oil, infrastructure, cement, and real estate. Key metrics show that its price-to-earnings ratio of 4.8x is significantly below the Philippine market average of 8.4x, suggesting relative undervaluation. The firm has also returned to profitability this year. However, risk indicators note that interest payments are not well covered by earnings, and large one-off items continue to affect financial results, reflecting ongoing pressures on operating performance.

The three-year price history of San Miguel Corporation (see Figure 6) shows a predominantly bearish trend, with the stock declining steadily from its peak of around ₱124.20 to a low near ₱55.55. Intermittent rebounds occurred during corporate and market events, but these were not sustained, and the overall trajectory reflects prolonged downward pressure. By October 30, 2025, the share price hovered near ₱65.00, indicating continued weakness despite short-term recoveries.

Figure 6. Price History & Performance of SMC from Simply Wall St. (2025, October 31)

4.3 Financial Performance and Profitability

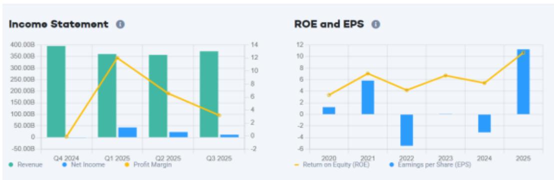

Figure 7. Historical Financial Performance of SMC from Investagrams (November 30, 2025)

The income statement trends indicate that San Miguel Corporation continues to generate stable quarterly revenues across the observed periods; however, profitability shows notable fluctuations. While Q1 2025 reflects a strong profit margin supported by favorable net income levels, subsequent quarters—particularly Q3 2025—show declining margins despite steady revenue figures, suggesting rising cost pressures or the impact of one-off expenses. This pattern is consistent with Philippine conglomerates experiencing margin compression due to sectoral volatility, as seen in prior empirical examinations (Atento & Nona, 2025).

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The ROE and EPS trend from 2020 to 2025 reveals mixed profitability performance. ROE exhibits marked variability, with intermittent improvements yet lacking sustained upward momentum, reflecting uneven returns to equity holders. Notably, the sharp rise in ROE in 2025 corresponds with a significant increase in EPS, indicating a short-term rebound in earnings generation capacity. However, the volatility across earlier years signals susceptibility to macroeconomic conditions and sector-specific disruptions, aligning with patterns identified in conglomerate evaluations where multi-sector exposure amplifies earnings variability (Atento & Dela Costa, 2025).

Overall, the combined indicators suggest that while SMC maintains strong revenue-producing capacity, its profitability profile remains sensitive to cost structures, external shocks, and internal operational adjustments. The recent improvement in EPS and ROE points to potential recovery, but the inconsistency across periods underscores the importance of evaluating both short-term gains and the stability of long-term financial performance.

4.4 Valuation and Sensitivity Analysis

Figure 8. Historical P/E Ratio and Valuation Metrics of SMC from Investagrams (2025, October 30)

The valuation indicators show that San Miguel Corporation is trading at relatively low market multiples, reflecting subdued investor expectations and persistent earnings volatility. The trailing twelve-month P/E ratio of 3.68 is substantially below typical market benchmarks, indicating that the stock is priced conservatively relative to its earnings capacity. This low P/E multiple may signal undervaluation, but it can also reflect ongoing concerns regarding earnings stability, similar to valuation compression observed in other Philippine conglomerates undergoing cyclical or structural adjustments (Atento & Nona, 2025).

The price-to-book ratio of 0.76 reinforces this conservative valuation, as the stock trades below its book value of ₱85.63 per share. A P/B ratio below 1.0 suggests that the market assigns a discount to SMC's asset base, often associated with elevated leverage, inconsistent profitability, or reduced return expectations—trends likewise identified in earlier examinations of large diversified firms (Atento & Dela Costa, 2025). The brief spike in the P/E chart indicates periods of negative or highly volatile earnings, which distort the ratio and typically correspond to one-off charges or temporary earnings shocks.

Taken together, SMC's low P/E and P/B multiples point to a market valuation shaped by cautious sentiment, reflecting a combination of cyclical pressures and sectoral risks, while simultaneously presenting potential value opportunities if the firm sustains recent improvements in profitability.

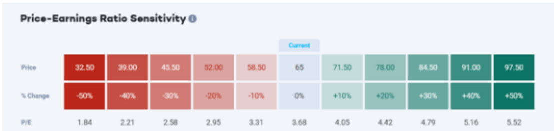

Figure 9. P/E Ratio Sensitivity of SMC from Investagrams (2025, October 31)

The sensitivity analysis illustrates how San Miguel Corporation's P/E ratio responds to changes in its share price, assuming earnings remain constant. At the market price of ₱65 (October 31, 2025), SMC trades at a P/E ratio of 3.68, already reflecting a low valuation multiple relative to both historical levels and market norms. The table shows that a further decline in price would push the P/E even lower—for instance, a 10% price drop to ₱58.50 reduces the multiple to 3.31, while a 20% decline results in a P/E of 2.95. These levels signal deep discounting, characteristic of companies facing heightened earnings uncertainty or investor risk aversion, similar to valuation compressions observed in earlier Philippine FA–TA studies (Atento & Nona, 2025).

Conversely, upward movements in share price would lift the valuation multiple without altering earnings. A 10% price increase (₱71.50) raises the P/E to 4.05, and a 50% increase (₱97.50) results in a P/E of 5.52. Even at higher price levels, however, the P/E remains within a relatively low range, suggesting that SMC's valuation continues to be shaped by conservative earnings expectations and broader market caution. This aligns with findings from similar conglomerate analyses where market valuations tend to lag operational recovery due to prolonged sectoral volatility (Atento & Dela Costa, 2025).

Overall, the sensitivity model indicates that SMC's earnings base currently anchors the stock to low valuation multiples across a wide range of prices. This reinforces the observation that the company may be undervalued on a P/E basis, but also highlights underlying concerns regarding

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earnings sustainability that continue to weigh on investor sentiment.

4.5 Balance Sheet Structure and Liquidity

Figure 10. Balance Sheet and Liquidity Metrics of SMC from Investagrams (2025, October 31)

The balance sheet trends show a steady expansion of total assets from 2020 to 2025, accompanied by a parallel rise in total liabilities. Although assets consistently exceed liabilities across the period, the gap between the two has narrowed, indicating that asset growth has been increasingly financed by debt. This is reflected in the debt-to-assets ratio, which remains elevated and relatively stable, suggesting a persistent reliance on leverage to support the firm's diversified operations in energy, fuel, infrastructure, and manufacturing.

The liquidity ratios reinforce this observation. The current ratio of 1.35 indicates that San Miguel Corporation maintains sufficient short-term resources to cover immediate obligations, though the margin is modest for a conglomerate with large working-capital requirements. Meanwhile, the debt-to-equity ratio of 2.55 signals a highly leveraged capital structure, consistent with the rising liabilities observed in the balance sheet graph. This leverage profile aligns with patterns seen in other Philippine conglomerates undertaking capital-intensive projects (Atento & Dela Costa, 2025) and mirrors earlier findings that liquidity adequacy often coexists with elevated solvency risk in multi-sector firms (Atento & Nona, 2025).

Overall, the balance sheet trajectory and liquidity indicators suggest that while SMC remains capable of meeting short-term obligations, its long-term financial flexibility is constrained by substantial leverage and sustained liability growth.

4.6 Dividend Policy and Yield Trends

The dividend chart shows that San Miguel Corporation has maintained a consistent cash dividend of ₱0.35 per share from 2022 through 2025, reflecting a stable dividend policy despite fluctuations in earnings performance. This steady payout suggests a commitment to shareholder returns and aligns with the practice of mature conglomerates that prioritize predictable distributions to maintain investor confidence. The trailing twelve-month dividend yield of 2.15% indicates a moderate return relative to the current share price, though the yield appears modest when viewed alongside the firm's historically low valuation multiples.

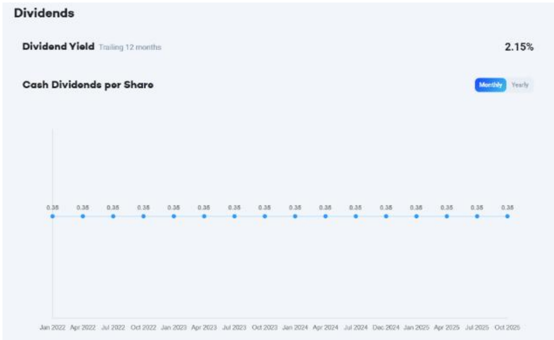

Figure 11. Dividend Yield of SMC from Investagrams (2025, October 30)

4.7 Market Behavior and Technical Indicators

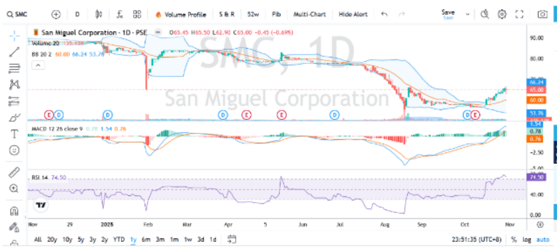

Figure 12. San Miguel Corp (SMC) Market Performance and Trading Metrics from Investagrams (2025, Oct. 30)

The price chart for San Miguel Corporation reflects a pronounced bearish trend during the first three quarters of 2025, followed by a sharp recovery beginning in late September. For much of the year, the stock traded below the mid-range of its Bollinger Bands, indicating persistent downward momentum and sustained selling pressure. The narrowing of the bands from June to September suggests a period of consolidation amid low volatility, preceding a significant price breakdown to new lows.

A notable reversal occurred in early October, where the price broke above the middle Bollinger Band and continued toward the upper band, signaling a shift to a short-term bullish phase. This upward movement was accompanied by a positive crossover in the MACD, with the MACD line rising

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above the signal line and the histogram turning positive—an indicator commonly associated with strengthening momentum in Philippine equities (Atento & Nona, 2025). The uptrend was further supported by increasing volume, suggesting renewed accumulation after months of price weakness.

The RSI surged to overbought territory at 74.50, indicating strong buying interest but also highlighting the risk of a short-term pullback if the rally becomes overextended. Similar patterns of RSI overshooting during recovery phases were previously observed in conglomerate stocks undergoing sentiment-driven rebounds (Atento & Dela Costa, 2025).

Overall, market performance shows a transition from prolonged bearishness to an emerging bullish momentum driven by technical reversals. However, the combination of an overbought RSI and proximity to the upper Bollinger Band suggests that the stock may be approaching a near-term resistance level, warranting cautious interpretation of the rally.

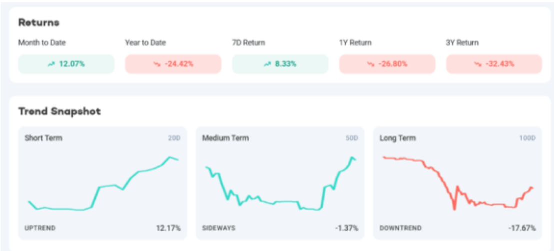

Figure 13. Trend Snapshot of SMC from Investagrams (2025, October 31)

The trend snapshot reveals a mixed performance profile for San Miguel Corporation across different time horizons. In the short term (20-day window), the stock exhibits a clear uptrend, registering a 12.17% gain, indicating strong recent momentum consistent with the sharp recovery observed in late 2025. This reflects renewed investor interest and short-term bullish sentiment following the earlier period of prolonged weakness.

The medium-term trend (50-day window) shows a sideways movement, with a slight negative return of –1.37%, suggesting consolidation and the absence of a sustained directional bias. This plateau reflects the market's adjustment phase following significant volatility earlier in the year, where price action neither confirmed a continued decline nor a stable, durable recovery.

In contrast, the long-term trend (100-day window) remains decisively bearish, with the stock posting a –17.67% decline over the period. This indicates that despite short-term gains, SMC still carries the imprint of a broader downtrend shaped by earlier sell-offs, earnings volatility, and sector-wide pressures—a pattern similarly observed in earlier TA–FA evaluations of large Philippine conglomerates (Atento & Dela Costa, 2025).

Overall, the trend structure suggests that while short-term momentum has turned positive, the medium and long-term indicators reflect lingering weakness and the need for consistent fundamental improvement to sustain a full reversal.

Support and Resistance Analysis

On October 31, 2025, the current market price of ₱65.00 positions San Miguel Corporation near a key resistance level. The first resistance at ₱65.48 lies just above the present price, indicating that the stock is approaching a short-term barrier where selling pressure may emerge. A stronger resistance is observed at ₱68.80, representing the next upside target should bullish momentum continue. On the downside, immediate support is identified at ₱62.75, with a deeper support at ₱56.55, the latter marking the lower threshold aligned with earlier multi-month declines. This configuration suggests that while the stock has regained momentum, its current level remains sensitive to potential pullbacks if upward pressure weakens.

Figure 14. Support, Resistance Levels, and Moving Average Distance for SMC from Investagrams (2025, October 31)

The MA-to-price distance reinforces the stock's transitional state. The October 31, 2025 price of ₱65 sits above the 20-day (₱60.00), 50-day (₱59.50), and 100-day (₱66.38) moving averages, indicating improving short- to medium-term sentiment. The largest deviation is seen from the 200-day moving average (₱73.87), with the price still 13.64% below this long-term trend line. This reflects that although recent price action is bullish, the stock has yet to reclaim its broader long-term trend—consistent with the lingering long-term downtrend observed in earlier analyses.

Overall, the proximity to near-term resistance and significant distance from the 200-day average suggests that while short-term recovery is evident, sustained confirmation of a long-term reversal has not yet materialized.

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Figure 15. Volume Tracker of SMC from Investagrams (2025, October 30)

The volume tracker indicates a broad-based decline in trading activity across multiple time frames, suggesting reduced liquidity and waning investor participation in San Miguel Corporation's stock. Short-term volume has contracted sharply, with the 1-day, 3-day, and 7-day periods showing declines of 41.62%, 40.31%, and 46.18%, respectively. This indicates that recent price movements are occurring on diminished volume, which may weaken the reliability of short-term bullish signals observed in the price trend.

Over longer horizons, volume remains subdued as well. The 30-day, 50-day, and 100-day windows reflect declines of 20.07%, 26.93%, and 42.61%, highlighting that reduced trading activity is not merely a temporary fluctuation but part of a sustained pattern. Such persistent volume contraction often signals investor caution or consolidation phases, consistent with earlier observations that SMC's long-term trend remains bearish despite short-term recoveries.

Overall, the widespread decline in volume suggests that while recent price gains reflect improving sentiment, the absence of strong volume confirmation warrants a cautious interpretation of the stock's current upward movement.

Figure 16. Momentum Indicators for SMC from Investagrams (2025, October 31)

The momentum indicators point to a strong but potentially overextended short-term rally in San Miguel Corporation's stock. The RSI (14) at 74.50 places the stock firmly in overbought territory, suggesting that recent buying pressure has been intense and may not be sustainable without consolidation. This aligns with typical reversal risks seen in Philippine equities when RSI exceeds the upper threshold, as documented in prior technical evaluations (Atento & Dela Costa, 2025).

The ADX value of 35.27 indicates a strong trend, confirming that the recent upward movement is not merely noise but supported by directional conviction in the market. The MACD reading of 1.54, with a positive crossover, reinforces the presence of strong upward momentum, consistent with the recent acceleration in price gains.

However, the candlestick signals introduce caution. The appearance of a Hanging Man in the most recent session, followed by Tweezer Tops over the two-day horizon, both reflect bearish reversal patterns commonly associated with weakening buying pressure near the peak of an uptrend. These candlestick formations typically emerge after strong rallies and warn of potential short-term corrections.

Taken together, the momentum indicators suggest that while SMC's recent rally is supported by strong trend strength and positive momentum signals, the overbought RSI and emerging bearish candlestick patterns highlight the potential risk of a near-term pullback or profit-taking phase.

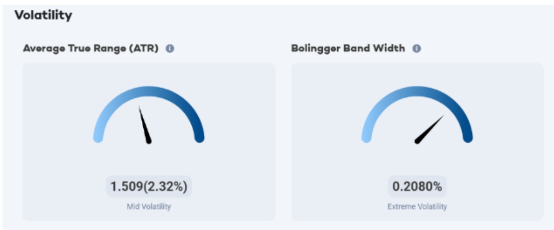

Figure 17. Volatility Metrics for SMC from Investagrams (2025, October)

The volatility indicators present a mixed picture of San Miguel Corporation's short-term price behavior. The Average True Range (ATR) of 1.509 (2.32%) reflects mid-level volatility, indicating that daily price fluctuations remain moderate despite recent market movements. This suggests that while the stock has experienced directional changes, the magnitude of intraday swings remains relatively controlled.

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In contrast, the Bollinger Band Width of 0.2080% signals extreme volatility, reflecting a recent expansion of price dispersion around the moving average. Such widening of the bands typically occurs during strong directional movements or following prolonged consolidation, and it often coincides with heightened uncertainty or the early stages of trend reversals. This divergence between the ATR and the Bollinger Band Width suggests that SMC is transitioning from a low-volatility consolidation phase into a more volatile trend environment—patterns similarly observed in earlier Philippine equity volatility studies (Atento & Dela Costa, 2025).

Overall, the indicators imply that while day-to-day fluctuations remain manageable, broader price movements are becoming increasingly volatile, warranting caution for momentum-driven trading strategies

4.8 Summary of Quantitative Findings

Fundamental Analysis Summary

The fundamental indicators present a mixed but informative picture of San Miguel Corporation's financial position. Revenue levels remain stable across quarters, reflecting the breadth and resilience of SMC's diversified operations; however, profitability has fluctuated, with recent quarters showing narrowing profit margins and intermittent declines in net income. These trends indicate ongoing cost pressures and exposure to sector-specific volatility, consistent with patterns observed in prior conglomerate evaluations.

Liquidity ratios show moderate short-term strength, with a current ratio of 1.35 suggesting that SMC maintains adequate working capital to meet immediate obligations. At the same time, the balance sheet reveals rising liabilities that increasingly finance asset expansion, contributing to a high debt-to-equity ratio of 2.55. This leverage profile, while typical for capital-intensive firms, elevates long-term financial risk and constrains flexibility during periods of earnings weakness.

Valuation indicators reinforce the market's cautious stance. The P/E ratio of 3.68 and P/B ratio of 0.76 both point to conservative valuation levels, with the stock trading below book value despite recent improvements in earnings. These compressed multiples align with findings in earlier Philippine FA–TA studies, where valuation discounts often reflected uncertainty about earnings sustainability more than operational capacity. Dividend data show consistent payouts of ₱0.35 per share, underscoring SMC's commitment to returning value to shareholders, though the sustainability of this policy depends on stabilizing core profitability.

Taken together, the fundamentals suggest a strong revenue base, adequate liquidity, but elevated leverage and valuation compression—signaling that while near-term improvements are emerging, long-term financial robustness still requires continued operational strengthening.

Technical Analysis Summary

The technical indicators point to a stock undergoing a meaningful short-term recovery following a prolonged bearish cycle. Price action has reversed sharply from late-year lows, with the stock breaking above mid-range Bollinger Bands and showing improving momentum supported by bullish MACD crossovers. The RSI above 74 indicates strong buying activity, though also suggesting an overbought condition where short-term corrections are possible. The ADX confirms that the current upward movement is trend-driven rather than noise, reflecting renewed interest among traders after months of depressed sentiment.

Trend snapshots across horizons reveal a divergence:

1. Short-term trend: Uptrend (+12.17%)
2. Medium-term trend: Sideways (–1.37%)
3. Long-term trend: Downtrend (–17.67%)

This configuration indicates that the recent rally is not yet strong enough to overturn the broader bearish structure, mirroring reversal dynamics documented in earlier TA studies of Philippine conglomerates.

Support and resistance levels position the price (₱65.00) just below a key resistance zone at ₱65.48, with a higher barrier at ₱68.80, while support levels at ₱62.75 and ₱56.55 provide insight into potential retracement zones. Moving average distances show the price comfortably above short- and medium-term averages but still below the 200-day MA, suggesting that a full long-term trend reversal has not yet been confirmed.

Volume indicators reveal broad-based declines across all time frames, indicating that recent price gains are occurring on diminishing trading activity—reducing the strength of bullish confirmations. Volatility metrics further show a transition from consolidation to heightened price dispersion, suggesting sensitivity to market catalysts.

Overall, the technicals point to strong short-term momentum but weak long-term structure, with signals that favor tactical gains rather than sustained trend reversal. Continued confirmation—through volume strengthening and 200-day MA recovery—would be required to classify the rally as structurally durable.

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4.9 Discussion and Investment Synthesis

The combined assessment of San Miguel Corporation's fundamental and technical indicators provides a nuanced understanding of its financial position, market behavior, and overall investment attractiveness. Fundamentally, SMC remains a revenue-strong conglomerate with extensive diversification across food and beverage, energy, fuel, packaging, and infrastructure. This diversification continues to underpin its stable top-line performance. However, profitability metrics reveal inconsistency, with fluctuating margins and variable net income across recent quarters. Elevated leverage—evidenced by a debt-to-equity ratio of 2.55—indicates reliance on debt-financed expansion, which raises long-term solvency risks and heightens sensitivity to macroeconomic conditions, particularly interest rate movements and sector-specific shocks.

Valuation metrics reinforce this cautious assessment. The firm's P/E ratio (3.68) and P/B ratio (0.76) place the stock at a noticeable discount relative to intrinsic asset value and market benchmarks. While this may be interpreted as a sign of undervaluation, it also reflects subdued investor expectations regarding earnings stability. Meanwhile, SMC's consistent dividend payout signals shareholder commitment but also raises questions about sustainability given the volatility of recent earnings. These fundamental patterns mirror findings from earlier Philippine corporate analyses where undervaluation stemmed not from weak business capacity but from market concerns surrounding leverage, external risks, and cyclical earnings shifts.

Technical indicators, however, display a markedly different short-term picture. The stock has demonstrated strong momentum in recent weeks, breaking away from its extended downtrend and posting notable short-term gains. Positive MACD crossovers, rising prices through mid-range Bollinger Bands, and an ADX level above 35 suggest strengthening upward momentum. Yet the RSI reading of 74 places the stock in overbought territory, indicating that the pace of the rally may be unsustainable without consolidation. Moreover, long-term trend metrics remain firmly bearish, and declining volume across multiple time frames weakens the confirmation of the recent price recovery. Thus, while short-term sentiment has clearly improved, the technical structure does not yet support a decisive long-term trend reversal.

Bringing together both analyses, the evidence suggests that SMC is in a transitional phase—fundamentally undervalued but facing earnings-related uncertainty, and technically bullish in the short term but lacking the long-term volume and trend confirmation needed to establish structural upward momentum. Investors may find this divergence informative. For short-term traders, the current momentum offers tactical opportunities, although caution is required given the overbought signals and resistance levels near ₱65.48 and ₱68.80. For long-term investors, the attractive valuation and stable dividend policy may signal potential value, but only if earnings stabilize and leverage risks are progressively reduced.

Investment Recommendation

Given the alignment and divergence of indicators, the overall recommendation is Hold. The short-term uptrend and favorable valuation suggest upside potential, but the long-term bearish structure, declining trade volume, and elevated leverage call for prudence. A "Hold" stance reflects the need to wait for clearer confirmation of sustained earnings recovery, stronger volume support, and a reversal of long-term technical indicators before reclassifying the stock as a buy. Conversely, the company's deep undervaluation and consistent dividend profile mitigate the case for an outright sell, making a neutral position the most balanced and evidence-based assessment at this point.

5. Conclusion and Recommendations

5.1 Conclusion

This study examined San Miguel Corporation's financial and market performance through an integrated framework combining fundamental analysis and technical analysis, providing a multidimensional view of the firm's corporate health, valuation, and investor sentiment. The results show that SMC continues to demonstrate robust revenue generation supported by diversified business operations, yet its profitability profile remains uneven due to sector-specific volatility, elevated leverage, and cyclical pressures affecting energy, infrastructure, and fuel segments. Despite these constraints, the company maintains a consistent dividend strategy and trades at valuation levels that appear discounted relative to its book value and market peers, suggesting latent long-term value.

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The technical analysis, however, reveals a more complex short-term dynamic. Recent price movements exhibit a strong upward momentum characterized by bullish MACD signals, tightening Bollinger Bands, and a positive reversal from multi-month lows. Nevertheless, the stock's overbought RSI and weakening volume signals moderate caution, as they indicate that the price recovery may not be fully supported by sustained market participation. Moreover, long-term trend indicators remain distinctly bearish, reinforcing the view that the stock is still undergoing a gradual correction rather than initiating a confirmed structural reversal.

Overall, the convergence of these findings underscores a dual narrative: SMC is fundamentally undervalued but operationally constrained, and technically recovering but not yet stabilized. For investors, this implies that immediate entry carries both opportunity and risk. The evidence supports a Hold recommendation, offering investors time to observe whether the recent momentum transitions into a durable uptrend, supported by improving fundamentals, stronger earnings consistency, and a deliberate reduction in financial leverage. The study also highlights the importance of incorporating multi-layered analysis when evaluating diversified conglomerates in emerging markets, where macroeconomic headwinds, regulatory shifts, and sectoral dynamics jointly shape corporate valuation and market performance.

Future research may extend this analysis by integrating forward-looking forecasting models or stress-testing SMC's financial structure under various macroeconomic scenarios. Such approaches can deepen understanding of conglomerate resilience in volatile market environments and provide further insight into the complex interplay between firm fundamentals and investor behavior.

5.2 Recommendations

Recommendations are presented as conditional implications derived from indicator patterns observed within the stated window and should not be interpreted as individualized investment advice.

Based on the integrated assessment of San Miguel Corporation's financial fundamentals and technical indicators, several strategic and investment-oriented recommendations are offered. These recommendations address both investor decision-making and corporate strategic considerations, recognizing the multidimensional pressures and opportunities facing a diversified conglomerate operating in volatile macroeconomic and regulatory environments.

5.2.1 Recommendations for Investors

a. Adopt a Hold Position in the Short Term. The technical indicators show strong but overextended upward momentum—evidenced by an overbought RSI, tightening Bollinger Bands, and weakening volume. These patterns suggest a potential pullback or consolidation phase. A hold position allows investors to monitor whether price stabilization occurs before committing additional capital.

b. Accumulate on Dips if Support Levels Hold. Key support levels at ₱62.75 and ₱56.55 represent crucial thresholds. Should the price revisit these zones with stable volume, gradual accumulation may be warranted. This aligns with the valuation metrics showing a discounted P/E and P/B ratio, suggesting long-term underpricing relative to book value and operational scale.

c. Monitor Earnings Quality and Leverage Management. The study's findings highlight uneven profitability and elevated financial leverage. Investors are advised to track improvements in cash flow consistency, debt reduction measures, and margin recovery—particularly within the fuel, energy, and infrastructure segments. Earnings momentum will be a decisive factor for a stronger Buy signal.

d. Track Macro-Regulatory Signals Affecting Energy and Fuel Segments. Given SMC's exposure to energy, infrastructure, and fuel operations, changes in regulatory regimes, interest rates, and commodity markets should be closely monitored. These external shocks critically shape valuation trajectories and capital expenditure risk.

e. Integrate Technical Trends with Sentiment Indicators. Consistent with the synthesis in Atento & Nona (2025), technical signals should be interpreted alongside investor sentiment and macro analytics. High institutional participation, improving liquidity, and stabilization of long-term trends will further strengthen the case for re-entry.

5.2.2 Recommendations for Corporate Management

a. Strengthen Profitability and Cash Flow Consistency Across Units. While revenue performance remains robust, margin volatility—especially in fuel and infrastructure—warrants targeted cost restructuring and efficiency initiatives. Enhancing earnings quality will directly support valuation recovery.

b. Deliberately Reduce Financial Leverage. SMC's Debt-to-Equity ratio remains elevated relative to comparable firms. Strategic deleveraging—through refinancing, asset rationalization, or phased reduction of high-cost debt—would improve credit standing and investor confidence.

c. Enhance Transparency in Segment-Level Performance. Providing more granular reporting on earnings by business segment would help investors

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evaluate where operational improvements are most effective. This is particularly relevant given the conglomerate structure and sectoral heterogeneity.

d. Strengthen Communication of Long-Term Projects to Investors. Given the market's sensitivity to infrastructure delays, fuel price shocks, and regulatory outcomes, more frequent disclosure on project milestones can mitigate uncertainty and stabilize market expectations.

e. Consider ESG and Sustainability Integration. Global evidence indicates that strong ESG performance enhances financial stability and valuation outcomes. SMC may benefit from clearer ESG reporting and sustainability frameworks, improving both domestic and international investor appeal.

5.2.3 Recommendations for Future Research

a. Incorporate Forecasting Models Using FA + TA Inputs. Hybrid predictive models—combining valuation metrics, macroeconomic drivers, and machine-learning-enhanced technical indicators—can deepen understanding of long-term price behavior.

b. Benchmark Against Regional Conglomerates. Comparative studies with regional peers (e.g., Thailand's CP Group, Indonesia's Salim Group) can reveal structural advantages or vulnerabilities in SMC's diversification strategy.

c. Explore Market Microstructure Effects in the Philippine Context. Future studies may examine liquidity patterns, institutional ownership behavior, and investor sentiment dynamics to better contextualize TA signals in emerging markets.

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Conflicts of Interest:
The authors declare no conflict of interest.

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