

Philippine Stock Exchange index (PSEi)

7,361.65

▲ 109.68 PTS.

▲ 1.51%

MONDAY, JANUARY 31, 2022

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P870.00 +P18.00 +2.11%	ACEN AC Energy Corp. P9.54 +P0.07 +0.74%	AEV Aboitiz Equity Ventures, Inc. P63.00 +P0.50 +0.80%	AGI Alliance Global Group, Inc. P12.80 +P0.02 +0.16%	ALI Ayala Land, Inc. P35.90 +P1.70 +4.97%	AP Aboitiz Power Corp. P35.30 +P1.50 +4.44%	BDO BDO Unibank, Inc. P135.00 +P1.00 +0.75%	BLOOM Blossberry Resorts Corp. P6.27 +P0.19 +3.12%	BPI Bank of the Philippine Islands P98.10 -P1.20 -1.21%	CNVRG Converge ICT Solutions, Inc. P30.65 +P0.20 +0.66%
GLO Globe Telecom, Inc. P3,110.00 -P130.00 -4.01%	GTCAP GT Capital Holdings, Inc. P570.00 +P12.00 +2.15%	ICT International Container Terminal Services, Inc. P200.00 +P2.50 +1.27%	JFC Jollibee Foods Corp. P240.00 +P3.40 +1.44%	JGS JG Summit Holdings, Inc. P62.50 +P2.75 +4.60%	LTG LT Group, Inc. P10.00 +P0.04 +0.40%	MBT Metropolitan Bank & Trust Co. P58.90 +P1.35 +2.35%	MEG Megaworld Corp. P3.09 +P0.02 +0.65%	MER Manila Electric Co. P335.00 +P12.00 +3.72%	MPI Metro Pacific Investments Corp. P3.85 +P0.07 +1.85%
PGOLD Puregold Price Club, Inc. P37.10 +P0.60 +1.64%	RLC Robinsons Land Corp. P18.30 +P0.36 +2.01%	RRHI Robinsons Retail Holdings, Inc. P56.40 -P1.60 -2.76%	SECB Security Bank Corp. P107.20 +P1.90 +1.80%	SM SM Investments Corp. P949.00 +P10.00 +1.06%	SMC San Miguel Corp. P112.50 —	SMPH SM Prime Holdings, Inc. P35.10 +P0.90 +2.63%	TEL PLDT, Inc. P1,834.00 -P15.00 -0.81%	URC Universal Robina Corp. P127.00 +P1.00 +0.79%	WLCON Wilcon Depot, Inc. P30.00 +P0.25 +0.84%

PHL cloud market seen to reach \$2.8B by 2025

MORE Philippine enterprises intend to migrate workloads to the cloud, propelling the country's cloud market to \$2.8 billion by 2025 from \$1.8 billion in 2020, making it an ideal destination for global hyperscalers, data analytics and consulting company GlobalData said.

Global hyperscalers, or the massive international companies that dominate the cloud service sector, may be needed to open facilities in the country because "local hosting" is a "key requirement" to address the "strong demand" for cloud services, the company said in its recent study.

"Over half of the enterprises revealed their plan to migrate

more workloads to the cloud," GlobalData said, citing its 2021 study. "Over 20% of these customers foresee having all of their corporate data migrated by the end of [2021]."

It noted that hybrid operations such as remote working, advancements in vertical applications such as e-learning, e-government, e-health, and wider adoption of analytics and artificial intelligence are driving strong cloud demand in the Philippines.

At the same time, continuous network expansion, such as 5G (fifth-generation network) and fiber domestically and internationally, is seen enabling cloud services in the country.

"This will drive the cloud market in the Philippines to grow solidly to \$2.8 billion in 2025," GlobalData said. In February last year, the data and analytics company said the "enterprise spending on cloud services would grow from \$1.8 billion in 2020 to \$2.6 billion in 2024."

"In-country hosting is a crucial requirement for most enterprises. Over two thirds of enterprises indicated that local facilities are an important/very important criterion when considering new cloud services," it noted.

"There are many reasons for this, such as the requirement for low-latency and higher performance when applications are

hosted locally, cybersecurity, business continuity, and data sovereignty."

On why global hyperscale providers are favored, GlobalData said it is "due to their wide range of services, speed to release new features, and overall technical prowess."

PLDT GROUP'S DATA CENTER

Last year, the PLDT group announced that it would start building the first hyperscaler data center in the country in 2022. It targets to complete the project in 2024.

The group's budget for the new data center would be approximately P5 billion.

In an e-mailed statement on Jan. 29, the PLDT group said

that it has been "augmenting its capabilities to strengthen the country's global connectivity infrastructure and be the next preferred geographic destination of hyperscalers in the Asia-Pacific region."

"Likewise, it has been leading various industry initiatives including the launch of commercial mobile 5G last year, which now has over 6,000 sites," it added.

PLDT Home announced on Monday that it achieved the highest speed score of 77.24 among major internet service providers in the country at the Ookla Speedtest Awards for the last two quarters of 2021.

"The latest result showed a big jump from PLDT's Speed Score of 27.28 in the second half of the previous year," it said in a statement.

Converge ICT Solutions, Inc. came in second with a speed score of 53.17, followed by Sky Cable Corp. (39.92) and Globe Telecom, Inc. (25.66).

PLDT said its fiber footprint expanded by 73% from end 2020 to 743,700 kilometers in 2021, with homes passed at nearly 14 million.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Arjay L. Balinbin**

ERC imposes P4.31-million fine on Batangas power plant

THE Energy Regulatory Commission (ERC) has fined Sem-Calaca Power Corp. (SCPC) a total of P4.31 million after the two units of its power plants breached the maximum allowable unplanned outages.

In a decision posted on its website on Monday, the ERC found the company to have violated Article 5 of the commission's Resolution No. 10, Series of 2020 after its power plant's units 1 and 2 exceeded by 5.24 days and 96.2 days, respectively, the 16.8 days allowable unplanned outages for a pulverized coal-fired power plant per generation unit per year.

"According to SCPC, most of these unplanned outages were due to leaks in the boiler tubes and burners which were not part of SCPC Unit 1's Life Extension Program (LEP)," the ERC said.

The ERC decision was supported by Resolution No. 21, series of 2016, which measures power reliability via frequency, duration, and magnitude of adverse effects on the electric supply.

Frequency is the number of times the generation unit went offline after it had breached the maximum allowable unplanned outage; duration is calculated as the number of total unplanned outage days minus the

maximum allowable unplanned outage days; magnitude is the rated capacity of the generating unit divided by the highest rated capacity in the grid where the generating unit is located, the ERC explained.

Frequency is the basis of the impossible penalty, while duration and magnitude are given the percentages of 40% and 60%, respectively, in consideration of their significance to reliability, the commission said.

BusinessWorld has reached out to DMCI Holdings, Inc., the holding firm of SCPC's parent company Semirara Mining and Power Corp., for a comment

on the decision but has not immediately received a response. SCPC operates a coal-fired power plant in Calaca, Batangas with two identical units of 300 megawatt units.

The ERC said in its decision that the power industry is imbued with public interest under Republic Act No. 9136 or the Electric Power Industry Reform Act of 2001 (EPIRA) "to ensure the quality, reliability, security, and affordability of the supply of electric power" and "to protect the public interest as it is affected by the rates and services of electric utilities and other providers of electric power." — **Marielle C. Lucenio**

Filipinos more aware of data privacy — NPC

FILIPINOS are more aware of data privacy and privacy issues, according to a survey commissioned by the National Privacy Commission (NPC).

In a statement on Monday, the NPC said it commissioned a nationwide survey which showed that public awareness and knowledge of Republic Act 10173 or the Data Privacy Act increased to 25% in 2021 compared with 13% in 2017.

However, the survey also showed that most Filipinos with internet access still lack awareness in terms of internet security, with only a 9% awareness of proper social media usage.

The commission said the survey revealed that data privacy awareness is concentrated in the National Capital Region and other urban areas where internet access is high.

"Furthermore, the survey also found that dissemination of information through social media channels (Facebook, Twitter, YouTube) and television contributed to the growth of public awareness and knowledge," the NPC said.

According to the NPC, the survey showed that individuals who consider the Data Privacy Act as relevant are aware of data privacy and can effectively explain its use.

In contrast, the survey revealed that those who find the law to be irrelevant have insufficient awareness on data privacy.

Privacy Commissioner John Henry D. Naga said data privacy awareness should have increased promotion in rural areas and those in the lower economic classes.

"We are planning to focus our efforts in increasing data privacy and protection awareness, which in effect will educate and empower data subjects, making them less vulnerable to data privacy abuses," Mr. Naga said.

"Heightened awareness and familiarity with data privacy concepts and the Data Privacy Act is essential in improving public satisfaction, trust, and engagement with the NPC," he added.

According to the NPC, the nationwide survey was conducted by the Philippine Survey and Research Center (PSRC) from October to November 2021. The survey's respondents are males and females aged 18 years old and above from homes belonging to all income categories. — **Revin Mikhael D. Ochave**

Flag carrier PAL names new president and COO

PHILIPPINE Airlines, Inc. (PAL) announced on Monday that its senior vice-president for operations, Capt. Stanley K. Ng, has been appointed as the flag carrier's new president and chief operating officer (COO), in an acting or officer-in-charge capacity, replacing Gilbert F. Santa Maria.

Mr. Ng, a son-in-law of billionaire Lucio C. Tan, will now oversee the flag carrier's efforts to "maintain the momentum toward full recovery" following its recent Chapter 11 restructuring, the airline said in an e-mailed statement.

PAL said Mr. Ng is the first pilot to assume the presidency of the flag carrier since the early 1960s.

"He brings to the job a wealth of experience in the airline industry," it noted.

Mr. Ng began his career with the airline as a member of the on-ground staff in 2003 before attending the PAL Aviation School.

He started flying as a second officer in 2008 and "rose up the ranks until he was promoted to senior vice-president in 2019 in charge of the airline's internationally-respected pilots and cabin crew, as well as operational airport and engineering teams," PAL said.

Citing industry sources, OneNews and *The Philippine Star* reported on Jan. 30 that Mr. Santa Maria was "stepping down" as president and COO of the flag carrier.

In its statement on Monday, PAL said Mr. Santa Maria had "completed his engagement with Philippine Airlines after successfully leading and completing the Chapter 11 process."

"The Board expressed its gratitude to Mr. Santa Maria for his steady stewardship of the company over the last two and a half years," the company said.

"The former president and COO will continue to make himself available to assist in the leadership transition over the next few weeks," it added.

The airline has said that it aims to restore more routes and increase flight frequencies as travel restrictions ease and borders reopen, including the resumption of regular flights to multiple cities in mainland China, full regularization of flights to Australia and the commencement of new services to Israel.

PAL previously reported a loss of \$11.67 million, or P582.65 million, for November 2021, three months after filing for Chapter 11 bankruptcy protection, resulting in a cumulative loss of \$69.09 million, or P3.45 billion. The airline had a gross income of \$143.48 million for the month.

The company anticipates to generate an operating income of \$220 million this year and \$364 million in 2023. — **Arjay L. Balinbin**

PHL AirAsia says domestic travel picked up in January

DOMESTIC travel picked up in January despite the surge in coronavirus cases, low-cost carrier Philippines AirAsia, Inc. said on Monday.

The airline reported a 182% increase in domestic travel for the month of January.

"The uptick in [coronavirus] cases in January has not affected domestic travel as the airline recouped 42% of its pre-COVID flight frequency this month," the low-cost carrier said in an e-mailed statement.

"Seats sold for said month also increased by 200% as compared to the same month in the previous year. Moreover, load factor has increased by 10%," it added.

The airline noted that Caticlan, Cebu and Tacloban remained the top destinations for both leisure and essential travels.

The low-cost carrier has also started gradually increasing its domestic flights slated for February for Davao, Iloilo, Cagayan De Oro, Bacolod, Puerto Princesa, Panglao and Kalibo "in preparation for a possible influx of travelers."

The airline previously said, citing its own survey, that seven out of 10 Filipinos are still keen on pushing through with their planned air travel in the next nine months despite the rising coronavirus cases.

Philippines AirAsia Chief Executive Officer Ricardo P. Isla said that the airline has observed an increase in Filipinos' confidence to travel as the country gains "a better understanding of the pandemic" and develops "a more fitting culture of safety and vigilance." — **Arjay L. Balinbin**



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