Philippine Stock Exchange index (PSEi) 6,977.73 ▼310.34 PTS. ▼4.25%

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PSEi MEMBER STOCKS

AC	Ayala Corp.	P800.50	-P37.50	-4.47%
ACEN	AC Energy Corp.	P7.64	-P0.42	-5.21%
AEV	Aboitiz Equity Ventures, Inc.	P58.70	-P3.10	-5.02%
AGI	Alliance Global Group, Inc.	P12.70	-P0.10	-0.78%
ALI	Ayala Land, Inc.	P36.90	-P0.90	-2.38%
AP	Aboitiz Power Corp.	P33.50	-P0.60	-1.76%
BDO	BDO Unibank, Inc.	P124.00	-P6.00	-4.62%
BPI	Bank of the Philippine Islands	P91.00	-P7.50	-7.61%
CNVRG	Converge ICT Solutions, Inc.	P24.95	-P0.55	-2.16%
EMP	Emperador, Inc.	P15.80	-P1.90	-10.73%
GLO	Globe Telecom, Inc.	P2,460.00	-P80.00	-3.15%
GTCAP	GT Capital Holdings, Inc.	P523.50	-P34.00	-6.10%
ICT	International Container Terminal Services, Inc.	P219.00	-P10.00	-4.37%
JFC	Jollibee Foods Corp.	P222.60	-P15.40	-6.47%
JGS	JG Summit Holdings, Inc.	P57.00	-P3.00	-5.00%
LTG	LT Group, Inc.	P9.20	-P0.30	-3.16%
MBT	Metropolitan Bank & Trust Co.	P52.50	-P2.80	-5.06%
MEG	Megaworld Corp.	P3.02	-P0.10	-3.21%
MER	Manila Electric Co.	P360.00	+P5.00	+1.41%
MONDE	Monde Nissin Corp.	P13.80	-P0.68	-4.70%
MPI	Metro Pacific Investments Corp.	P3.72	-P0.03	-0.80%
PGOLD	Puregold Price Club, Inc.	P33.80	-P1.10	-3.15%
RLC	Robinsons Land Corp.	P19.00	-P0.90	-4.52%
SECB	Security Bank Corp.	P106.90	-P4.00	-3.61%
SM	SM Investments Corp.	P890.00	-P39.00	-4.20%
SMC	San Miguel Corp.	P103.00	-P3.80	-3.56%
SMPH	SM Prime Holdings, Inc.	P37.40	-P2.10	-5.32%
TEL	PLDT, Inc.	P1,842.00	-P7.00	-0.38%
URC	Universal Robina Corp.	P110.30	-P4.30	-3.75%
WLCON	Wilcon Depot, Inc.	P26.30	-P2.40	-8.36%

Petron swings to P6-billion profit amid easier mobility

PETRON Corp. swung to profitability in 2021 with a reported net income of P6.14 billion from P11.4-billion net loss in 2020 on the back of higher sales volume due to more relaxed quarantine restrictions.

In a press release on Tuesday, Petron said it "continued to bounce back from the impact of the pandemic" after its sale grew by 5% to 82.24 million barrels last year.

"To say that we've come a long way since the start of this pandemic would be an understatement. We have recovered significant volumes in key market segments, and more importantly, we have returned profitability to our business," Petron President and Chief Executive Officer Ramon S. Ang said.

The country's largest oil refining and marketing company said its retail volume rose 6.4% during the implementation of granular lockdowns, while its industrial sales went up by 2%, pushed by the reopening of the economy.

"Petron's lubricant sales recorded the highest growth at 11%, highlighting the strong performance and presence of its locally produced engine oils and other lubricant products in the market," the company said.

The increase in international prices also played a huge role in the firm's economy, driving its consolidated revenue for last year to P438 billion, 53% higher than the P286 billion posted in 2020.

"Dubai crude prices breached the $80 per barrel level in the fourth quarter due to recovering oil demand and tighter supply. As a result, it averaged nearly $70 per barrel in 2021, 64% higher than 2020's $42 per barrel. This is Dubai crude's highest annual average in the past three years," the company said.

The San Miguel Corp. unit is also looking forward to the completion of its 184-megawatts (MW) power plant in Limay, Bataan, which, it said, will reduce its refinery's usage of fuel oil and will convert the feedstock into more fuel for sale.

In January, Petron said it would offer and issue $500-million worth of senior notes to repay debts and partially fund its P12-billion power plant project in Bataan.

Petron shares at the Philippine Stock Exchange on Tuesday went up by 14 centavos or 3.68% to close P3.94 apiece. — **Marielle C. Lucenio**

Manila Water unit acquires water company in Davao

MANILA Water Philippine Ventures, Inc. (MWPV), a wholly owned subsidiary of Manila Water Co., Inc., acquired full ownership of Davao Del Norte Water Infrastructure Co., Inc. (Davao Water) after it bought the shares held by iWater, Inc.

"The acquisition is in line with the company's strategic direction to maximize the business potential of existing ventures and take on opportunities for growth and expansion in Visayas and Mindanao," Manila Water said in a disclosure on Tuesday.

Prior to the purchase, MWPV held 51% and iWater held a 49% equity interest in Davao Water.

Davao Water and the water district in Tagum, Davao del Norte partnered to implement a bulk water supply and purchase project, which is being carried out by their joint venture company, Tagum Water Co., Inc.

In 2015, Davao Water formalized a joint venture agreement with the Tagum City water district and formed Tagum Water Co., Inc.

The agreement covers the construction of a bulk water supply system, which includes an intake structure through riverbank filtration, a transmission pipeline, a 5,000-cubic meter water reservoir, and a water treatment plant with a capacity of 38 million liters per day.

The project began delivering water in May 2020 but is expected to fully complete its contract term in 2035.

It is estimated to benefit almost 300,000 people and will serve the water requirements of commercial and industrial establishments in Tagum City.

Manila Water brings water and wastewater services to the east concession zone of Metro Manila and Rizal province. Meanwhile, MWPV serves key metropolitan areas in Batangas, Laguna, Bulacan, Pampanga, Boracay, Iloilo, and Samar.

Manila Water Co., Inc. reported consolidated earnings of P3.7 billion for 2021, which was 18% lower than the previous year due to the pandemic.

In its unaudited report for 2021, revenues dropped 4% to P20.3 billion from P21.1 billion in 2020, due to lower billed volume across all segments in its east zone concession area and in several local subsidiaries, as well as lower customer consumption due to the pandemic.

At the stock exchange on Tuesday, Manila Water shares fell by P1.00 or 5.01% to P18.98 each. — **Luisa Maria Jacinta C. Jocson**

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Some flights delayed after Cebu Pacific runway excursion at NAIA

SOME flights were delayed on Tuesday due to a runway excursion at the Ninoy Aquino International Airport Terminal 3 involving a Cebu Pacific aircraft.

"Cebu Pacific Flight DG 6112 Naga-Manila flight upon arrival at the Ninoy Aquino International Airport (NAIA T3) at 11:45 a.m., Manila time, had a slight runway excursion," the budget carrier said in a statement.

It said all 42 passengers and four crew "safely" deplaned "with no reported injuries."

"All the affected passengers have been assisted accordingly and have left the airport," Cebu Pacific noted.

"We are working on normalizing operations as soon as possible. We sincerely apologize for the inconvenience this has caused and we thank you for your kind understanding."

Meanwhile, flag carrier Philippine Airlines (PAL) said that there would be delays in departures and arrivals because of the incident.

"Due to a runway obstruction at NAIA caused by a disabled aircraft of another airline, there will be delays in flight departures and arrivals," the airline said in a separate statement.

It said flights from Manila to London, Dammam, Dubai, and Doha were "on hold."

Flights slated to arrive in Manila (from Ho Chi Minh, Cagayan de Oro, and Iloilo) were diverted to Clark.

The flag carrier also said that some departing flights were able to proceed because an alternate runway was open.

"However, this is not possible for larger aircraft (e.g., B777, A330, A350 widebody aircraft) which are only allowed on the runway... currently blocked," it added. — **Arjay L. Balinbin**

Concepcion: Sustained economic activity can help PHL economy brace for worst of Russia crisis, record debt

"We can't stop the war in Europe, but we can help the country brace for crisis," said Presidential Adviser for Entrepreneurship Joey Concepcion. The Go Negosyo founder believes that sustaining the current increase in local economic activity will help the Philippines weather the crisis brought about by the Russia-Ukraine conflict and the record rise in the country's debt.

"It's now become more urgent for the Philippines to maintain its Alert Level 1 status until the end of the year. And to do this, we have to continue to vaccinate, booster and keep our Covid indicators under control," he said.

Concepcion explained that lockdowns and restrictions have been particularly harmful to the Philippine economy as it is highly dependent on mobility. "We are a consumer-led economy. We depend on mobility," he said. "If our Covid numbers go up again, our mobility will be restricted and we would reverse the gains we've achieved so far," he said.

He added that the country's MSMEs are severely affected by restrictions, yet they generate more than half—63.2 percent according to the Department of Trade and Industry—of employment in the country.

"Giving enough cash flow to our entrepreneurs will cushion the effect, and they will have a better chance of surviving if the situation in the Ukraine becomes worse," he said.

Concepcion further said that keeping businesses open will help contribute to revenue generation for the government and help pay back its debt, which as of January has reached a record Php12 trillion, or USD256 billion. Since the start of the pandemic in 2020, the Philippines's debt has increased by almost Php4 trillion, with Covid-related borrowings reaching Php2.74 trillion in 2020 alone.

"We were able to hit 7.7 GDP growth in the fourth quarter, better than most had expected, when we reopened the economy," he said. He also noted that before the Russia-Ukraine conflict, the consensus was that the Philippines would have 6 to 6.5 GDP growth in the first and second quarter of 2022. "We have addressed the public health situation, and now we have to keep on track with the economy," he said.

The Russia-Ukraine crisis has disrupted global raw material flows, sending crude oil and wheat prices to multi-year highs. The Go Negosyo founder believes small businesses will be hit hardest by the rise in commodity prices that come as a reaction to the rising tensions in Europe. Basic commodities like wheat, milk, sugar, and oil have skyrocketed, sending shockwaves that will be felt most acutely by small businesses who are now only starting to recover from the pandemic's restrictions on economic activity.

Concepcion's push for a sustained reopening of the economy involves the resumption of face-to-face classes and the return of employees to their places of work. "Schools and offices have a massive multiplier effect in spurring economic activity, especially with MSMEs like cafeterias, retail shops and transport," he said. He also called on fully vaccinated consumers to trust in the efficacy of vaccines and resume their normal economic activities.

He has also called for fully vaccinated Filipinos to get their Covid-19 booster shots to help maintain their immunity and keep healthcare utilization at low risk levels. Medical doctors have earlier cautioned against people lowering their guard and forgetting to practice minimum public health safety protocols, raising fears that infection levels might again rise.

Nevertheless, the Go Negosyo founder is confident that current indicators will hold. "I'm still very optimistic with 2022 because despite the odds, we were able to control infection levels," he said. "What we have to do now is to be on Alert Level 1 for the rest of the year," he said.

Slow recovery seen for consumer goods industry

THE country's fast moving consumer goods (FMCG) industry is projected to have a slow return to pre-pandemic levels, according to data and consulting company Kantar.

Kantar said in a statement on Tuesday that the country's FMCG industry declined 4% year on year during the first nine months of 2021.

"Total beverages only saw a 1% growth, while dairy experienced a -11% growth in year-to-date September 2021 compared to the same period the year before. Moreover, breakfast categories like total coffee, coffee creamer, cereal and oatmeal further declined in the last two years since the pandemic started," Kantar said.

"Filipinos instead turned to easier or more convenient ways of cooking via bouillons, instant noodles, cooking oil, seasonings and sauces. Healthier beverages such as cultured milk, family and adult milk, and energy drinks also showed stable growth locally," it added.

According to Lourdes Deocareza-Lozano, Kantar Philippines Worldpanel Division new business director, local FMCG companies should consider the changes to consumer behavior following the coronavirus disease 2019 (COVID-19) pandemic in order to boost the industry.

"Our data reveal that major markets around the world are slowly showing signs of pre-pandemic times. While restrictions are being lifted in many countries, including the Philippines, FMCG companies, including our small and medium enterprises, must pay attention to behaviors that consumers have developed since the pandemic and capitalize on these in order to sustain the momentum," Ms. Lozano said.

In comparison, Kantar said FMCG growth slowed to 0.8% in countries such as the United Kingdom, France, Spain, mainland China, Indonesia, Brazil, and Mexico from January to September last year.

"Globally, food categories under breakfast and lunch benefit most from the shift to a work-from-home setup, especially during the first nine months of 2021. Beverages (2.5%) and dairy (1.8%) such as milk, flavored milk, coffee, ready-to-drink tea, juices and carbonated soft drinks saw steady growth across the seven major markets covered by Kantar's recent study," it said.

"In addition, the return of face-to-face socializing in other parts of the globe may be having a positive impact on the health and beauty category with a 1.8% increase in consumer spend. This covers makeup, sun protection, and fragrances," it added.

Meanwhile, Kantar said 1.8 million Filipino homes purchased in-home FMCG items online at least once last year.

It added that products usually bought via online channels include bar bath soap, shampoo, laundry powder, lotion, baby diaper, and frozen or chilled meat. — **Revin Mikhael D. Ochave**

FULL STORY

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SEC revises corporate dissolution guidelines

THE Securities and Exchange Commission (SEC) released revised guidelines on corporate dissolution to further standardize procedures, according to a memorandum circular on Tuesday.

For voluntary dissolutions where no creditors are affected, or if a dissolution of a corporation does not prejudice the rights of any creditor having a claim against it, the dissolution will be initiated by filing a verified request with the Company Registration and Monitoring Department and or SEC Extension Office.

The filed request must include company details, the reason for dissolution, the form, manner and time when the notices were given, and names of stockholders and directors, among other requirements.

For verifications and certifications against forum shopping, the verified request for dissolution should contain an affidavit, which should include the allegations in the verified request.

Required supporting documents include notarized copies of the board resolution authorizing the dissolution, a publisher's affidavit of publication of the notice of the meeting, the latest due general information sheet, audited financial statements, and the Bureau of Internal Revenue tax clearance certificate, among others.

The SEC said that no application for the dissolution of banks, banking and quasi-banking institutions, insurance and trust companies, pawnshops and other financial intermediaries will be approved by the commission unless accompanied by a favorable recommendation of the appropriate government agency. — **Luisa Maria Jacinta C. Jocson**