

Philippine Stock Exchange index (PSEi)

6,998.59

▼ 62.90 PTS.

▼ 0.89%

FRIDAY, APRIL 22, 2022

BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P756.00 -P24.00 -3.08%	ACEN AC Energy Corp. P8.20 -P0.25 -2.96%	AEV Aboltiz Equity Ventures, Inc. P56.85 +P0.85 +1.52%	AGI Alliance Global Group, Inc. P12.38 +P0.28 +2.31%	ALI Ayala Land, Inc. P34.80 -P0.20 -0.57%	AP Aboltiz Power Corp. P34.00 -P1.00 -2.86%	BDO BDO Unibank, Inc. P135.00 —	BPI Bank of the Philippine Islands P99.00 -P1.00 -1.00%	CNVRG Converge ICT Solutions, Inc. P29.80 -P0.75 -2.45%	EMP Emperador, Inc. P18.34 +P0.34 +1.89%
GLO Globe Telecom, Inc. P2,430.00 -P84.00 -3.34%	GTCAP GT Capital Holdings, Inc. P515.00 -P14.00 -2.65%	ICT International Container Terminal Services, Inc. P225.00 +P2.80 +1.26%	JFC Jollibee Foods Corp. P219.80 -P4.20 -1.87%	JGS JG Summit Holdings, Inc. P57.00 -P0.80 -1.38%	LTG LT Group, Inc. P08.84 +P0.01 +0.11%	MBT Metropolitan Bank & Trust Co. P55.40 -P0.60 -1.07%	MEG Megaworld Corp. P02.95 -P0.02 -0.67%	MER Manila Electric Co. P340.00 -P11.80 -3.35%	MONDE Monde Nissin Corp. P13.10 -P0.44 -3.25%
MPI Metro Pacific Investments Corp. P3.86 +P0.02 +0.52%	PGOLD Puregold Price Club, Inc. P36.10 -P0.40 -1.10%	RLC Robinsons Land Corp. P19.96 +P0.12 +0.60%	SECB Security Bank Corp. P106.50 -P1.30 -1.21%	SM SM Investments Corp. P869.00 +P4.00 +0.46%	SMC San Miguel Corp. P107.50 —	SMPH SM Prime Holdings, Inc. P36.05 -P0.95 -2.57%	TEL PLDT, Inc. P1,900.00 +P9.00 +0.48%	URC Universal Robina Corp. P111.40 -P2.10 -1.85%	WLCON Wilcon Depot, Inc. P28.30 -P0.15 -0.53%

Villar group plans 3 initial public offerings in 2022

By Luisa Maria J.C. Jocson

THE Villar group is targeting three initial public offerings (IPOs) this year, with its real estate investment trust (REIT), coffee shop business, and power company, its top official said.

VistaREIT, Inc., the REIT company of Vista Land & Landscapes, Inc., is set to debut on the stock exchange in the second quarter.

"We still have a lot we haven't added to VistaREIT. We already have a decent amount to place for its second phase," Vista Land & Landscapes Chairman Manuel B. Villar said at a press conference last week.

The Securities and Exchange Commission said in March that

it had received the registration statement of VistaREIT, Inc. for an initial public offering of P9.18-billion shares on the stock exchange's main board.

The offering consists of around 3.34 billion secondary common shares priced at up to P2.50 each, with an overallotment option of up to 333.75 million secondary common shares.

"VistaREIT is envisioned to be the flagship office and mall REIT of Vista Land, one of the country's largest integrated real estate developers, and aims to be among the leading diversified commercial REITs in the Philippines in terms of portfolio, profitability, growth, sustainability, and dividend yield," according to the prospectus.

Mr. Villar said the group intends to list Siquijor Island

Power Corp. in the third quarter of the year.

The power generation company has facilities in Siquijor and Camotes Islands with a combined capacity of 21.7 megawatts.

At the same time, the group is eyeing to launch its coffee business, the Coffee Group, in the latter part of the year or early in 2023, Mr. Villar noted.

It is expected to raise over P1 billion from its offering and will have over 200 branches by the time of its listing.

The Coffee Group is the company's restaurant and coffee shop businesses, which will include Bread Basket, a pastry shop and cafe, and the Crossings Cafe, one of its latest launches.

"I'm building everything around coffee. It will have good profitability," Mr. Villar said.

Power Beacon starts hydropower construction in Pangasinan

ELECTRICITY retailer Power Beacon Renewable Solutions, Inc. recently broke ground for its hydropower facility in Pangasinan.

The facility is expected to be commercially operational by 2024, the company said in a statement on Friday.

The P750-million Dipalo Hydropower Project has a 415-megawatt capacity and is estimated to generate 18.87 gigawatts of energy annually, which will be used to power the municipalities of San Quintin, Umingan, Tayug and Natividad.

"The project shall be the first major industry in the easternmost part of Pangasinan and will generate renewable and clean energy geared towards improving the lives of the

people of San Quintin in support of the thrust of the local government unit," said Power Beacon Chairman Engr. Armando L. Diaz.

The groundbreaking ceremony was attended by representatives and officials from the Department of Energy, Department of Environment and Natural Resources, National Water Resources Board, and Development Bank of the Philippines.

The project utilizes diversion weir strategy to assure the ecological sustainability of the Dipalo River, and capitalizes on the difference in elevation, measuring 210 meters, to produce enough driving force that turn the turbines combined with electric generators.

The redirected water courses back to the Dipalo River Park and the National Irrigation Administration's irrigation facility.

The two vertical Pelton turbines, meanwhile, were acquired from Austrian hydropower plant technology provider Global Hydro Energy.

San Quintin Mayor Clark Cecil P. Tiu expressed the municipality's readiness to cooperate with the project's development, and said that its constituents will be prioritized for the employment opportunities from the construction.

The hydropower plant is planned to be connected to the Pangasinan III Electric Cooperative and distributed to its consumer base. — **Ram Christian S. Agustin**

Recovery,
from SI/1

"There's a great deal of possibility of capital flight from the Asia-Pacific region including the Philippines. Recession or a simple slowdown in the US economy could affect our exports, BPO (business process outsourcing) and overseas remittances," he said in a Viber message.

"Setting aside timing, we could find ourselves in a situation where monetary policy might default in arresting the rising inflation and face the prospect of addressing both high inflation and weak economic growth, rather than just doing immediate moderation of price movements and in the process safeguard financial stability and foster the resiliency of the recovery," he added.

Meanwhile, ING Bank N.V. Manila Senior Economist Nicholas Antonio T. Mapa said slower US growth or a recession will greatly affect the Philippines' economic trade.

"Slowing demand from a major market like the US would slow overall global trade, which would also negatively impact demand for Philippine products purchased by our other trading partners," he said.

Bank of the Philippine Islands Lead Economist Emilio S. Neri, Jr. said talk of a possible US recession still seems to be premature.

However, he said the Philippines should be focused on how monetary policy tightening in the US is already affecting the peso's strength.

"We will have to wait for the implementation of quantitative tightening in the US before we can validate whether yield inversion or other early warnings are going to persist or not. The [US] rate hikes will have to be delivered before we can affirm the possibility of a recession soon," he said in a Viber message.

The US Federal Reserve will have its policy review from May 3 to 4. It began increasing interest rates by a quarter percentage point in March, and signaled more hikes this year.

Finance Secretary Carlos G. Dominguez III last week said the Philippines would be closely watching the Federal Reserve's monetary policy normalization before making its own policy adjustments.

"We don't want to be behind the eight ball here because if the US raises their interest rates, people in the Philippines will, of course, want to follow those rates. We have to make sure we balance the need to grow, the need to fight inflation and the need to preserve our capital," Mr. Dominguez, who sits on the Monetary Board, said in a Bloomberg Television interview last week.

Alliances,
from SI/1

"What is possibly novel in the 2022 elections is that we have sectoral and professional groups that have not been very vocal in previous elections coming out to support the Robredo-Pangilinan tandem," she said, referring to the tandem of Ms. Robredo and her running mate Senator Francis N. Pangilinan.

"In a presidential campaign, any form of endorsement is indispensable, and more so in a tight race," said Jan Robert R. Go, an assistant political science professor at UP.

Local government officials usually endorse their national bets based on consultations with the governor and other higher-level politicians.

"So, if one candidate at the national level can penetrate this system, there is a chance of being considered and eventually being elected to the position," Mr. Go said in a Facebook Messenger chat.

He added that national candidates have to balance their focus between national and local politics, which is more close-knit and could influence the results.

Ms. Atienza said the test on election day is whether the endorsements by traditional politicians would make a difference. "Will voters be influenced more by other factors? We can probably expect more shifts in the coming days until May 9."

'SOLID NORTH'

Jean Encinas-Franco, a political science professor at UP, expects Mr. Marcos to lose supporters given that his ratings have been falling and issues against him and his family including billions of unpaid estate tax pile up.

Outlook,
from SI/1

Separately, East West Banking Corp. President and Chief Executive Officer Antonio C. Moncupa said the COVID-19 pandemic remains a risk until its end is officially declared.

"We also need to consider the geopolitical tension as it affects world prices and affects our imports, economy and inflation," he said at East-West's annual stockholders' meeting also held on Friday.

Mr. Moncupa said loan losses are likely to continue declining although the bank's earnings are unlikely to return to pre-pandemic level in 2022.

The lender's net profit in 2021 dropped by 30.8% to P4.5 billion from a year earlier.

"Our earnings capacity should have increased significantly this year

"April is crunch time for all candidates so these developments are expected," she said in a Messenger chat.

Leaders of the Kilusang Bagong Lipunan chapter in Baguio City recently withdrew their support for Mr. Marcos, whose poll rating at Pulse Asia Research, Inc.'s March opinion poll fell by 4 points.

Ms. Franco said it's unlikely for Ms. Robredo's supporters to change their mind at the last minute since they have been organizing and joining rallies that have drawn thousands of people and have managed to run the campaign like a social movement.

Mr. Go said the opposition candidate must sustain her campaign and convince more voters given her relatively lower ratings.

"It seems that she's gaining momentum because of a more personal way of campaigning," he said. "If sustained, this can make a difference in her favor. A lot can still happen between today and election day."

Mr. Marcos kept his lead in Pulse Asia presidential opinion poll last month, with 56% of Filipinos saying they would vote for him, even if his rating fell by 4 points. Still in second place was Ms. Robredo, whose rating rose by 9 points to 24%. She was followed by Mr. Domagoso (8%), Senator and boxing champion Emmanuel "Manny" D. Pacquiao (6%) and Mr. Lacson (2%).

Earlier this month, the opposition bet drew more than 200,000 supporters at a rally in Pampanga province, the bailiwick of President Gloria Macapagal-Arroyo, who has endorsed Mr. Marcos and his vice-presidential running mate, Davao

City Mayor and presidential daughter Sara Duterte-Carpio.

Analysts have said youth voters, who make up more than 50% of registered voters, are unlikely to be swayed by the endorsements of local politicians.

"I do not consider Pampanga a bailiwick of Arroyo or any of the politicians out there," said Wency Manaloto Basa, one of the thousands of youngsters who joined Ms. Robredo's Pampanga rally.

"We're not going to let any local politician dictate who we should vote for," he said in a Messenger chat. "We are tired of dynasties. We will vote for someone who we think will help not just our province and our *Cabalans* but all Filipinos."

"There is no Solid North," supporters shouted at Ms. Robredo's recent rally in La Union province in the country's north, which is part of the regional bloc known for supporting the late dictator's family.

"I joined the rally to prove that there is no Solid North," Bret Jarod Sean Ordoño, one of the thousands of youngsters who joined the event, said in a Messenger chat. The 22-year-old student from UP joined the La Union rally with his friends from Baguio, Ilocos Sur and Ilocos Norte, which are considered part of the pro-Marcos regional bloc.

"The so-called unity dubbed as Solid North is a hoax," he said, noting that his ancestors had fought to prevent the return of the Marcoses to power. "It is used to gain the bandwagon voters."

Mr. Yadao, the laundry shop worker, said his voting decision is based on a candidate's platforms and track record, not opinion polls. "Poll results can still change."

Pag-IBIG home loan releases reach record-high
P24.2B in Q1 2022, up 16%

Pag-IBIG Fund released a record-high P24.20 billion in home loans during the first quarter of 2022, an increase of P3.26B or 16% compared to the P20.94 billion released during the same period in 2021, its top officials announced on Thursday (April 21).

"We are happy to report that we have again posted a record-high in home loan releases in the first three months of 2022. Our strong start this year means that more Filipino workers have been helped by Pag-IBIG Fund in acquiring their own homes. The sustained growth in our home loan disbursements also contributes to the economy, as we continue to help our members and the country recover from the pandemic," said Secretary Eduardo D. del Rosario, who heads the Department of Human Settlements and Urban Development and the 11-member Pag-IBIG Fund Board of Trustees.

Del Rosario added that the amount of home loans released by the agency during the first quarter enabled 22,210 members to acquire their own homes, a 7% increase from the 20,712

members helped during the same period in 2021. He further added that out of the total amount, P1.78 billion were released as socialized home loans benefitting 4,114 Pag-IBIG Fund members belonging to the minimum-wage and low-income sectors.

Meanwhile, Pag-IBIG Fund Chief Executive Officer Acamad Rizaldy P. Moti noted that the agency's performance at the start of the year is a continuance of its record-high achievement in 2021 when the agency surpassed P100 billion in home loan releases.

"After coming off a record-setting 2021 with P100.8 billion in home loans released, we have yet again set another record-high in housing loan takeouts for the first quarter of 2022. Our performance in the housing loan front is an indication of the trust of our members in our programs. More importantly, our record-high numbers show the increasing number of Filipino workers we have enabled to have homes of their own. We aim to keep our loan interest rates low and help more Filipinos become homeowners. That is the Lingkod Pag-IBIG way," said Moti.

and we should be back closer to 2019 income levels by 2023," he said.

Meanwhile, Mr. Tan said recent economic reforms, such as the passage of laws amending the Retail Trade Liberalization Act, the Foreign Investment Act, and Public Service Act could open up growth opportunities for the local banking industry.

"If crafted well in terms of implementing rules, (the laws) will help spur economic activity. And generally, increased economic activity helps the banking sector. So, we expect that this would benefit our clients and effectively benefit the bank," he said.

CYBERCRIME

Mr. Tan is hopeful that the next administration will also prioritize policies that will deter cybercrime and

boost regulation of nonbank financial service providers.

"We need to be tighter on cybercrimes, we need to make sure that we do our part in preventing or discouraging the perpetrators from committing cybercrimes," he said.

While banks are heavily regulated, Mr. Tan noted there has been a proliferation of nonbank financial service providers that do not fall within the regulatory ambit of financial supervision.

"So, for the health of the industry, and for public policy, they should look at how these entities should be managed relative to banks," he said.

The Philippine banking industry's collective net income surged by 44% to P223.66 billion in 2021 from P155.22 billion in 2020. — **Luz Wendy T. Noble**