

Philippine Stock Exchange index (PSEi)

6,988.29 ▼ 29.73 PTS. ▼ 0.42%

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BusinessWorld

PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P778.00 ---	<b>ACEN</b> AC Energy Corp. P8.55 +P0.01 +0.12%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P55.80 -P0.70 -1.24%	<b>AGI</b> Alliance Global Group, Inc. P11.92 -P0.20 -1.65%	<b>ALI</b> Ayala Land, Inc. P34.30 -P0.65 -1.86%	<b>AP</b> Aboitiz Power Corp. P35.75 -P0.25 -0.69%	<b>BDO</b> BDO Unibank, Inc. P130.10 -P2.40 -1.81%	<b>BPI</b> Bank of the Philippine Islands P100.00 +P1.50 +1.52%	<b>CNVRG</b> Converge ICT Solutions, Inc. P29.20 +P0.55 +1.92%	<b>EMP</b> Emperador, Inc. P14.04 -P0.06 -0.43%
<b>GLO</b> Globe Telecom, Inc. P2,470.00 -P10.00 -0.40%	<b>GTCAP</b> GT Capital Holdings, Inc. P514.50 +P0.50 +0.10%	<b>ICT</b> International Container Terminal Services, Inc. P223.00 -P2.00 -0.89%	<b>JFC</b> Jollibee Foods Corp. P219.00 -P0.40 -0.18%	<b>JGS</b> JG Summit Holdings, Inc. P55.80 -P0.70 -1.24%	<b>LTG</b> LT Group, Inc. P8.95 +P0.01 +0.11%	<b>MBT</b> Metropolitan Bank & Trust Co. P55.00 +P0.50 +0.92%	<b>MEG</b> Megaworld Corp. P2.95 ---	<b>MER</b> Manila Electric Co. P372.40 -P1.60 -0.43%	<b>MONDE</b> Monde Nissin Corp. P12.80 -P0.32 -2.44%
<b>MPI</b> Metro Pacific Investments Corp. P3.83 +P0.01 +0.26%	<b>PGOLD</b> Puregold Price Club, Inc. P36.25 -P0.75 -2.03%	<b>RLC</b> Robinsons Land Corp. P20.00 -P0.25 -1.23%	<b>SECB</b> Security Bank Corp. P106.00 -P0.80 -0.75%	<b>SM</b> SM Investments Corp. P865.00 ---	<b>SMC</b> San Miguel Corp. P107.00 -P2.00 -1.83%	<b>SMPH</b> SM Prime Holdings, Inc. P37.00 -P0.05 -0.13%	<b>TEL</b> PLDT, Inc. P1,828.00 -P12.00 -0.65%	<b>URC</b> Universal Robina Corp. P121.00 +P0.10 +0.08%	<b>WLCON</b> Wilcon Depot, Inc. P26.50 +P1.35 +5.37%

# PXP Energy suspends exploration on DoE directive

PXP Energy Corp. and its subsidiary Forum (GSEC 101) Ltd. have put on hold activities for two petroleum exploration service contracts as directed by the Energy department until the issuance of the “necessary clearance to proceed.”

In a disclosure on Monday, PXP said “this was the first time” that the company, along with Forum, learned of the requirement for clearance from the Security, Justice and Peace Coordinating Cluster (SJPC) before undertaking the work obligations that the Department of Energy (DoE) has required.

PXP is the operator under Service Contract (SC) 75 and

Forum is the operator under SC 72.

SJPC is composed of the Department of the Interior and Local Government, Department of Foreign Affairs, Department of National Defense, Department of Justice, and the Office of the Presidential Adviser on the Peace Process with the National Security Council as secretariat.

SC 75 was awarded by the DoE on Dec. 27, 2013 and covers an area of 6,160 square kilometers in the offshore northwest Palawan basin.

On Sept. 9, 2015, the department granted force majeure to SC 75’s work commitments effective De-

partment of that year until the DoE notifies PXP to resume its petroleum exploration-related activities.

SC 72 within Recto Bank is a concession acquired by Forum, which became its operator in April 2005. It is located in the West Philippine Sea, west of Palawan Island and southwest of the Malampaya gas field. Forum plans to drill two wells over the Sampaguita field once the force majeure is lifted.

The force majeure was lifted by the DoE on Oct. 14, 2020.

In the disclosure, PXP said the directive from the DoE to put on hold exploration activities was received on April 6.

“PXP and Forum, however, understood the suspension to be temporary,” it said, considering that the DoE has been keen for exploration activities to be conducted since the lifting of the force majeure.

It added that both operators had been closely coordinating with the DoE regarding the planned exploration activities, which are part of their respective work obligations under SC 75 and SC 72.

PXP said the company and Forum, through their letters dated April 8, expressed their willingness to resume activities immediately and no later than April 11. But if they have not received written con-

firmation from the DoE by April 10 that they can resume their activities on April 11 at the latest, they will consider the suspension of work issued by the DoE “to be indefinite.”

It said a force majeure event “will entitle them to be excused from the performance of their respective obligations and to the extension of the exploration period under SC 75 and SC 72.”

It said PXP and Forum have not received advice from the DoE that they can resume their exploration activities, prompting them to terminate all the supply and services agreements to carry out their work obligations.

PXP added that the decision was meant “to mitigate losses arising from what now appears could be an indefinite suspension of exploration activities.”

PXP holds a 50% interest in SC 75. Forum Energy Ltd., in which PXP holds a direct and indirect interest of 79.13%, has a 70% participating interest in SC 72 through its wholly owned subsidiary Forum. PXP has a total economic interest of 54.36% in SC 72.

On Monday, PXP shares at the local bourse slid by five centavos or 0.92% to close at P5.40 apiece.

— **Ram Christian S. Agustin**

## Global-Estate posts P1.3-B profit on strong demand, sales growth

MEGAWORLD Corp. subsidiary Global-Estate Resorts, Inc. (GERI) announced on Monday that its income attributable to parent company shareholders grew by 21% P1.3 billion in 2021 due to strong demand and real estate sales.

“For 2021, we continued to capitalize on the strong demand for properties in the provinces. Aside from the intrinsic attractiveness of owning a place that allows you to commune more closely with nature, the past couple of years also highlighted the potential of owning real estate as an investment,” GERI President Monica T. Salomon said in a statement.

“In fact, the underlying land values for our offerings continued to appreciate at a brisk pace in spite of the pandemic,” she added.

Net income rose by 15% to P1.5 billion while consolidated revenues reached P5 billion, with no comparative figure given.

Real estate sales were the biggest contributor to revenues with a 3% increase to P3.7 billion in 2021, in line with the expansion in construction activity.

In the fourth quarter, real estate sales were up 49% to P1 billion.

The company said that demand also came from leisure developments, with reservation sales growing by 25% year on year to P17.2 billion.

Its Boracay Newcoast development led the company’s property sales with P4.1 billion last year, followed by Eastland Heights and Alabang West at P3.6 billion and P3.4 billion, respectively.

Meanwhile, leasing revenues declined by 34% to P409 million as “consumer confidence remained subdued for the majority of 2021.”

Revenue from hotel operations also dropped by 27% to P146 million from P201 million in the previous year as a result of travel restrictions.

However, hotel revenues in the fourth quarter increased by 231% to P78 million due to a resurgence in bookings from the easing of lockdown restrictions.

“The increased economic activity in the last couple of months of the year has really been a boon for us. Furthermore, the relaxation of travel requirements will help sustain the ramp up in operations of our hotels which rely a lot on leisure and tourism-related activities,” Ms. Salomon added.

GERI has eight integrated tourism developments across the country covering more than 3,300 hectares of land in Batangas, Cavite, Aklan, Iloilo, and Rizal, among other locations.

At the stock exchange on Monday, GERI shares remained unchanged at P0.88 apiece.

— **Luisa Maria Jacinta C. Jacson**

## Electricity rates rise in April as power generation charge climbs — Meralco

CUSTOMERS of Manila Electric Co. (Meralco) will see more than a 50-centavos per kilowatt-hour (kWh) increase in their electricity bill in April or around P107 for a typical household consuming 200 kWh.

In a virtual briefing on Monday, Meralco officials announced that the overall rate for residential users inched up by P0.5363 per kWh to P10.1830 per kWh from P9.6467 per kWh in March.

“This summer season, in terms of upward rate adjustments, consumption patterns are also expected to increase. We try to find ways wherein we can somehow mitigate the impact of these factors that are in play,” said Meralco Vice-President and Head of Corporate Communications Agapito D. Zalardriaga.

Consumers using 300 kWh, 400 kWh, and 500 kWh can expect a monthly increase of P160.89, P214.52, and P268.15, respectively.

Meralco said higher charges from independent power producers (IPPs) and the electricity spot market prompted an increase in the generation charge.

As a component of the month’s price increase, the generation charge accounted for P0.3987. The other charges are transmission at P0.0071, taxes at P0.0915, and other charges such as subsidies and system loss at P0.0390.

The generation charge in April rose to P5.8724 per kWh from P5.4737 per kWh the previous month. Meralco’s distribution charge stayed unchanged since July 2015.

The increase in IPP charges to P1.4885 per kWh is influenced by the scheduled maintenance of the power plant of Quezon Power (Philippines) Ltd. Co., the Malampaya facility’s insufficient supply of natural gas that resulted in First Gas Power Corp.’s Santa Rita plant acquiring pricier liquid fuel to ensure continuous supply, and further depreciation of the peso versus the greenback.

“There is a consistent depreciation over the past months in terms of the impact of the peso and dollar exchange rate. March is at P51.74, a depreciation from 51.27 in February,” Mr. Zalardriaga added.

Meanwhile, prices at the wholesale electricity spot market (WESM) remained elevated in March caused by the thinning of reserves in the Luzon grid, which recorded peak demand that exceeded annual figures from 2019 to 2021 to 11,617 megawatts.

Jose Ronald V. Valles, head of Meralco’s regulatory management office, said the company coordinated with the Energy Regulatory Commission and some of the company’s suppliers for the deferral of generation costs, leading to lower charges from power supply agreements (PSAs) by as much as P0.1068 per kWh.

“On top of the deferred generation charges, the impact of the quarterly repricing of the Malampaya natural gas for the April supply will be reflected in the generation charge in May,” he added.

— **Ram Christian S. Agustin**

**FULL STORY**

Read the full story by scanning the QR code with your smartphone or by typing the link  
<https://bit.ly/38Lyx8V>

## PT&T targets to connect 7M homes, businesses in next 2 years

LISTED diversified telecommunications company Philippine Telegraph and Telephone Corp. (PT&T) announced on Monday that it plans to further expand its coverage in the adjacent regions of the National Capital Region (NCR) through its partnership with a US investment firm.

The company said it is working with US-based Continental Advisory Services (CAS), LLC and Urban Logistic Advisory Services (ULAS), Inc., to “upgrade its network infrastructure and expand coverage in its high growth yet still underserved service areas” in the neighboring regions of the NCR.

“This important step will expand PT&T’s footprint 10x over in the next 2 years, translating to 7 million homes and businesses passed,” it said in a disclosure to the stock exchange.

Under the partnership, the company’s US-based partner, CAS/ULAS, will share technical expertise in the areas of integrated engineering and outsourced logistics services.

PT&T is hoping to “rebound” as a “major” telecommunications and information and communications technology player in the country.

James G. Velasquez, the company’s president and chief executive officer, said: “Partnering with CAS/ULAS comes at a crucial time as PT&T seeks to sustain its growth momentum, having experienced a streak of nonstop growth quarter by quarter from 2017 and through the pandemic.”

“We are confident this development will place PT&T on a stronger track towards our goal of becoming the partner of choice for broadband connectivity and cutting-edge digital transformation solutions in the markets we serve,” he added.

PT&T’s net loss after tax widened to P40.53 million in the first nine months of 2021 from a loss of P30.43 million in the same period in 2020.

It recently partnered with Kacific Broadband Satellites Ltd., a Singapore-based next-generation broadband satellite operator, to “offer high-speed satellite internet at a more economical cost.”

— **Arjay L. Balinbin**

## Duterte extends franchise of Smart Broadband, five others

PRESIDENT Rodrigo R. Duterte’s office on Monday released approved laws extending the franchise of Smart Broadband, Inc. and five other telecommunication firms.

Mr. Duterte signed Republic Act No. 11678, which extends for another 25 years the franchise given to Smart Broadband, Inc., a subsidiary of Smart Communications, Inc., which is chaired by Manuel V. Pangilinan.

Smart Communications is the wireless subsidiary of PLDT, Inc., one of the country’s major telecommunication providers.

Mr. Duterte also renewed for another 25 years the franchise granted to Odiongan Telephone Corp., Mati Telephone Corp., Bicol Telephone and Telegraph, Inc., Marbel Telephone System, Inc., and Yulo Telephone System, Inc.

Mr. Duterte also signed laws approving the franchise bids of Capricorn Broadcasting Network, Suluh-Tawitawit Broadcasting Foundation, and Southern Luzon State University.

In July 2020, his allies in Congress rejected the franchise application of ABS-CBN

Corp., the largest television network in the Philippines.

Last year, the media giant announced a partnership with rival TV5 Network, Inc., which is owned by Mr. Pangilinan’s MediaQuest Holdings, Inc., to allow more of its content to air on free television across the country.

In 2021, Mr. Duterte said he would bar ABS-CBN from using free TV and radio frequencies even if it gets a fresh franchise from Congress.

— **Kyle Aristophere T. Atienza**



**Pag-IBIG Fund on the go.**  
Top executives of Pag-IBIG Fund held a send-off of their mobile branch called Lingkod Pag-IBIG On Wheels. The mobile branches will bring Pag-IBIG services closer to more members and serve as a quick-deploy assistance vehicle to calamity-stricken areas when necessary. Pag-IBIG Fund Board Chairman and Housing Department Secretary Eduardo D. del Rosario and Pag-IBIG Fund CEO Acmad Rizaldy P. Moti led the send-off ceremony, along with other members of the Pag-IBIG Fund Board of Trustees and officials at the DHSUD grounds in Quezon City on Thursday (April 7).