

Philippine Stock Exchange index (PSEi)

6,731.25 ▼ 178.20 PTS. ▼ 2.57%

FRIDAY, APRIL 29, 2022

BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P737.50 +P5.50 +0.75%	ACEN AC Energy Corp. P7.22 -P0.78 -9.75%	AEV Aboltiz Equity Ventures, Inc. P50.60 -P3.85 -7.07%	AGI Alliance Global Group, Inc. P11.82 -P0.30 -2.48%	ALI Ayala Land, Inc. P32.05 -P1.55 -4.61%	AP Aboltiz Power Corp. P32.15 -P0.45 -1.38%	BDO BDO Unibank, Inc. P130.00 -P2.60 -1.96%	BPI Bank of the Philippine Islands P94.90 -P2.05 -2.11%	CNVRG Converge ICT Solutions, Inc. P28.80 +P0.25 +0.88%	EMP Emperador, Inc. P19.50 -P0.02 -0.10%
GLO Globe Telecom, Inc. P2,270.00 -P150.00 -6.20%	GTCAP GT Capital Holdings, Inc. P504.00 -P4.50 -0.88%	ICT International Container Terminal Services, Inc. P215.60 -P4.40 -2.00%	JFC Jollibee Foods Corp. P215.00 -P5.80 -2.63%	JGS JG Summit Holdings, Inc. P55.70 -P1.70 -2.96%	LTG LT Group, Inc. P8.52 -P0.25 -2.85%	MBT Metropolitan Bank & Trust Co. P51.10 -P1.65 -3.13%	MEG Megaworld Corp. P2.86 +P0.01 +0.35%	MER Manila Electric Co. P352.40 -P5.40 -1.51%	MONDE Monde Nissin Corp. P12.98 -P0.30 -2.26%
MPI Metro Pacific Investments Corp. P3.80 -P0.05 -1.30%	PGOLD Puregold Price Club, Inc. P33.00 -P0.55 -1.64%	RLC Robinsons Land Corp. P19.12 -P0.66 -3.34%	SECB Security Bank Corp. P103.00 -P2.00 -1.90%	SM SM Investments Corp. P851.50 -P8.50 -0.99%	SMC San Miguel Corp. P106.30 -P0.90 -0.84%	SMPH SM Prime Holdings, Inc. P35.00 -P1.35 -3.71%	TEL PLDT, Inc. P1,866.00 -P82.00 -4.21%	URC Universal Robina Corp. P102.50 -P3.20 -3.03%	WLCON Wilcon Depot, Inc. P28.00 -P0.80 -2.78%

Pepsi-Cola Philippines aims to sustain growth momentum in 2022

PEPSI-COLA Products Philippines, Inc. (PCPPI), the exclusive manufacturer of PepsiCo beverages in the country, is focusing on sustaining its growth momentum this year, driven by its non-carbonated and soft drinks brands.

"As the government continues to ease pandemic restrictions, we are seeing a recovery in consumer spending. Social and economic activities are slowly restarting normal operations. This has helped boost our sales in the first quarter of 2022," PCPPI President and Chief Executive Frederick D. Ong said in a statement.

In January, it launched Gatorade No Sugar, a healthier option to its sports drink brand Gatorade.

"It is the same sports drink that helps with the hydration process, minus the sugar and with minimal calories," Mr. Ong said.

PCPPI said that with more outdoor activities resuming amid eased mobility restrictions, the demand for energy drinks also increased.

The company saw an uptick in sales from its energy drink brand Sting, as it remains one of its more "in-demand" products.

"To hit more targets this year, PCPPI implemented various brand initiatives to meet the growing consumer demand and helped

strengthen the business of its partner distributors," the company said.

Mr. Ong said that the company is optimistic that it will sustain its growth momentum throughout the year.

"One way to help maintain economic recovery is to ensure that our work force is fully vaccinated and boosted. Currently, the company declared that it is nearing its employee booster shot target of at least 90%," he said.

"Every year, we are dedicated to drive sustainable and profitable growth. We do this by providing a wide range of quality beverages to our consumers. These are all in line with our vision to be the leading beverage company in the Philippines," he added.

PCPPI is the exclusive manufacturer in the Philippines of beverage brands Pepsi-Cola, Mountain Dew, 7-Up, Mirinda, Gatorade, Sting, Tropicana, Lipton, Mug, Premier, Milkis, and Aquafina.

In 2020, the company secured stockholders' approval to delist its shares from the Philippine Stock Exchange.

PCPPI made the decision to delist voluntarily after its public ownership dropped to 2.1%, which was below the 10% minimum requirement of the exchange. — **Luisa Maria Jacinta C. Jacon**

Ayala Corp. targets to raise \$1B to boost core businesses

DIVERSIFIED conglomerate Ayala Corp. is targeting to divest some assets and raise \$1 billion by 2023 to fund future investments and to enhance core businesses in real estate, banking, telecommunications, and energy.

"Through 2023, we have committed to sharpen our portfolio with an increased focus on value realization to fund future investments and strengthen our balance sheet, targeting to raise \$1 billion in proceeds by 2023," Ayala President Fernando Zobel de Ayala said in a virtual meeting on Friday.

For 2022, Ayala is setting aside P285 billion for capital expenditure projects across its businesses, or an increase from its P196-billion budget last year.

"We have a renewed focus on sharpening our portfolio, taking into account the changes in the business landscape. We are working towards achieving a robust and agile portfolio that can deliver optimal returns across its components," Mr. Zobel de Ayala said.

He said the move will be executed through "a combination of strategic partnerships and divestments of assets that are no longer strategic to our portfolio

or do not meet the desired scale and profitability."

As of March 2022, the company said it realized 61% or \$614 million from the transactions through its energy arm, a follow-on offering, and from Manila Water Co., Inc., and through the sale of secondary shares to the Razon group, among other transactions.

"We have also executed a property-for-share swap with Ayala Land, which involved transferring five of our assets to Ayala Land in exchange of its primary common shares. Further, we have started the divestment of some of our passive investments in AC Ventures [Holding Corp.], which is an ongoing exercise," he said.

The company also divested its entire stake in the Muntinlupa-Cavite Expressway Project to the Villar group.

To reach the remainder of the \$1-billion target, Ayala will be working on divesting its remaining thermal assets, interest in the LRT-1, and some of its other non-core businesses.

"We have so far reinvested around \$360 million of the value realization proceeds into value-accretive opportunities. Since last year, we have been taking

advantage of attractive valuations to buy back Ayala and Ayala Land, Inc. shares," Mr. Zobel de Ayala said.

"Going forward, proceeds will be redeployed to fund other investments and pay down debt. We hope to improve our gearing level and evaluate our dividend payout in step with the growth of our businesses," he added.

In 2021, Ayala recorded a P27.8 billion net income, up 62.6% from P17.1 billion in 2020.

"We have seen most of our businesses performing better in our second year into the pandemic. Ayala Land, the Bank of the Philippines Islands (BPI), Globe Telecom, Inc., and AC Energy Corp. (ACEN) continued to be the core drivers of our earnings," Mr. Zobel de Ayala said.

"Despite limited mobility, Ayala Land was able to capture the fairly resilient demand in its residential business and stable office leasing segment," he added.

In 2021, Ayala Land's net income rose by 40% to P12.2 billion.

The property developer has more than 12,000 hectares of land bank and focuses mainly on large-scale, integrated, mixed-use, and sustainable estates.

"Following the success of the Makati Central Business District, Ayala Alabang, Cebu Park District, Bonifacio Global City, and NUVALI, Ayala Land pioneers sustainability standards and practices in all of its developments and acts with integrity, foresight, and prudence as a responsible corporate citizen," Mr. Zobel de Ayala said.

The company also achieved 100% carbon neutrality for its malls, offices, hotels, and resorts last year, subject to third-party verification in 2022.

Meanwhile, BPI reported a 12% increase in earnings were to P23.9 billion.

Mr. Zobel de Ayala said the bank views 2022 to be a recovery year due to elevated global and domestic inflation, he also said to expect higher interest rates.

"With higher interest rates expected to take place in the second semester, BPI sees an expansion in net interest margin of 15 to 20 basis points," he said. — **Luisa Maria Jacinta C. Jacon**

FULL STORY

Read the full story by scanning the QR code with your smartphone or by typing the link <<https://bit.ly/3KCM09>>

Take a day off on Mother's Day and let Green Crew take charge!

Mothers are probably the busiest people on this planet. After a long day at work, they have to cook dinner, look after the children, help them with their homework, and so much more. Stay at home mothers are as busy as their working counterparts, sometimes even busier. There will always be an endless list of work to be done.

With Mother's Day just around the corner, why don't you mothers take a day off from your busy schedule and let the Green Crew take charge? Green Crew House Cleaning Service is an emerging professional cleaning business that can be found in the heart of Metro Manila.

Awarded as the most trusted house cleaning services in the market by Golden Globe annual awards for business excellence, Green Crew is making waves in the industry by understanding how businesses, corporate offices, leasing companies, and individuals can keep their place in pristine condition and make their living environment healthier while making their lives easier.

Green Crew specializes in providing cleaning services of hotel-standard experience through their exceptional and highly dependable cleaning experts. These cleaning experts have a thorough grasp of hotel experiences and makes use of environmentally friendly tools that transform an ordinary area into a stunning one.

The company specializes in general services, deep cleaning, post renovation cleaning and detailing services for your vehicle needs.



Whether condominiums, homes and corporate offices, Green Crew can make everything happen at one glance.

So all you mothers out there, what are you waiting for? Grab that phone and book an appointment with Green Crew now!

#greencrowcleans
#deepcleaning
#postconstructioncleaning
#housecleaning

Green Crew House Cleaning Services can be reached at 09690562265 or through their Facebook and IG Accounts GreenCrewPH. Green Crew was recently recognized as the Best Trusted Cleaning Services Provider for 2022 by the Globe Annual Awards for Business Excellence.

Awarded as the most trusted house cleaning services in the market by golden globe annual awards for business excellence.

OUTLIER

Market bets on higher SM Prime Q1 earnings

INVESTORS were cautiously optimistic on SM Prime Holdings, Inc. last week as they expect higher first-quarter earnings amid looser movement curbs recently.

Market players maintained their optimism on the listed property development unit of the Sy group after the easing of quarantine restrictions for the past months.

Data from the Philippine Stock Exchange showed around P1.39 billion worth of 38.92 million shares in SM Prime were traded from April 25 to 29, making it the third most actively traded stock last week.

Shares in the Sy-led property developer dipped by 2.9% week on week to P35.00 per share on Friday from its P36.05 finish on April 22. Since the start of the year, the stock has gained 4.5%.

The easing of most quarantine restrictions in recent months resulted in greater confidence among business owners, which prompted market investors to take a look at SM Prime last week, analysts said.

"Foot traffic finally picked up [in malls] as the government removed most restrictions allowing businesses to run 100%," Salisbury BKT Securities Corp. Equity Sales Trader Juan Paolo R. Dela Cruz said in a text message last Friday.

This pushed SM Prime to "outperform" as investors were awaiting its first-quarter earnings report, he said.

Wendy B. Estacio, senior equity analyst at Philippine National Bank, said investors might have been "cautiously optimistic" and were pricing in a further improvement in SM Prime's top line in the first quarter of 2022 "given the ease in quarantine restrictions in the past months."

In an e-mail interview last Friday, she noted that the company's revenues went up in the past three quarters since the fall recorded in the first quarter of 2021.

More businesses have been allowed to fully operate after Metro Manila and several other locations have been put on the looser Alert Level 1 since March as new coronavirus infections declined.

In its annual stockholders meeting last Monday, SM Prime said it was earmarking P80 billion for capital expenditure this year, the same amount it allotted in 2021.

The bulk of the amount will be used for the development of malls as well as residential and office spaces.

SM Prime targets to open four new malls within the country this year. It also plans to launch around 20,000 residential units, subject to government issuance of licenses to sell.

It also eyes to open its FourE-Com Center at the Mall of Asia Complex in Pasay City and SMX Clark in Pampanga.

SM Prime's consolidated revenues inched up by 0.5% to P82.32

billion last year from P81.9 billion in 2020. Its attributable net income rose by more than a fifth to P21.79 billion from P18.01 billion previously.

"[I]nvestors should continue monitoring the pandemic situation, since a large part of the company's revenues come from the malls business (about 40%)," Ms. Estacio said. "[I]t will remain prone to pandemic-related restrictions, which directly affects foot traffic and tenants' sales."

She expects SM Prime to finish the year with a P31.4-billion net income.

Mr. Dela Cruz said investors would look at foreign flows for the company's stock as foreigners continue to unload in the short term.

For the long term, he said they would look into SM Prime's completion and the take up of properties and projects outside the National Capital Region.

"Also, look into developments of e-commerce and how they tackle/adjust with the fast-growing online shopping," he said.

He expects the property developer to net P7.8 billion during the first three months of the year, and P31.3 billion for full-year 2022.

For this week, Mr. Dela Cruz pegged the stock's support and resistance levels at P34.10 and P35.40, respectively. — **Mariadel Irish U. Catilogo**