### Philippine Stock Exchange index (PSEi)

6,769.62

▲ 15.61 PTS.

**▲ 0.23**%

WEDNESDAY, JUNE 8, 2022 **BusinessWorld** 

**EMP** 

Emperador, Inc.

P17.20

-P0.40 -2.27%

#### PSEI MEMBER STOCKS

ALI

Ayala Land, Inc.

P32.00

+P1.05 +3.39%

JGS

JG Summit Holdings, Inc

P53.80

+P2.15 +4.16%

SM

SM Investments Corp.

P852.00

-P12.00 -1.39%

AC Ayala Corp. P694.00 +P15.50 +2.28%

+P50.00 +2.09%

ACEN AC Energy Corp. P7.54 +P0.05 +0.67%

**GLO GTCAP** Globe Telecom, Inc. P2.444.00

MPI PGOLD Metro Pacific Investments Corp Puregold Price Club, Inc. P33.50 P3.79 -P0.01 -0.26%

GT Capital Holdings P501.00 +P4.00 +0.80%

-P0.45 -1.33%

nternational Container P211.00 -P3.00 -1.40%

Aboitiz Equity Ventures, Inc.

P52.00

-P1.00 -1.89%

RLC P19.14 -P0.16 -0.83% +P0.06 +0.55% JFC Jollibee Foods Corp.

AGI

Alliance Global Group, Inc.

P10.96

P210.20 +P7.20 +3.55% SECB

Security Bank Corp. P93.50 +P3.40 +3.77%

AP Aboitiz Power Corp. P31.15 -P0.65 -2.04%

LTG LT Group, Inc. P8.47 -P0.01 -0.12%

SMC San Miguel Corp. P107.00 +P1.40 +1.33% +P0.70 +0.55% MBT Metropolitan Bank

**BDO** 

**BDO Unibank, Inc.** 

P129.00

P53.80 -P0.20 -0.37% SMPH

P38.35 -P0.75 -1.92%

Bank of the Philippine Islands P97.00 +P1.85 +1.94%

MEG Megaworld Corp. P2.68 -P0.04 -1.47%

TEL PLDT, Inc. P1,915.00

-P17.00 -0.88%

-P0.05 -0.21% MER Manila Electric Co.

URC

Universal Robina Corp.

P106.00

CNVRG

Converge ICT

P24.15

MONDE **Monde Nissin** P14.00 P363.00 +P2.00 +0.55% +P0.20 +1.45%

WLCON Wilcon Depot, Inc. P27.70

+P0.10 +0.36%

# PCC clears AC Logistics acquisition of Air 21 stake

THE Philippine Competition Commission (PCC) has given the green light to the proposed acquisition by Ayala Corp. unit AC Logistics Holdings Corp. of the controlling stake in Air 21 Holdings, Inc.

The agency said in a statement on Wednesday that its mergers and acquisitions (M&A) office deemed that the merging parties would not create a dominant market position and substantial lessening of competition.

In its decision dated May 31, the PCC said it "found that the proposed acquisition does not result in substantial lessening of competition in relevant markets within the logistics sector. This is due to substantial competitive constraints exerted by other market players in this sector nationwide."

It said customers of the services offered by AC Logistics and Air 21 were de-

termined to also engage with multiple service providers, indicating competition in the industry in terms of price and service quality.

In reaching its decision, the PCC looked into the merger's effects in the national markets of domestic courier and messengerial services; domestic air, sea, and road freight forwarding; nationwide or regional market for trucking services; general warehousing and storage services in Luzon, and cold storage services in Metro Manila and Southern Luzon, since the operations of AC Logistics and Air 21 overlap in some markets.

The PCC said that its M&A office "found that the merging parties would not result in dominant market position given its resulting market shares in the relevant markets.

It added that the two parties were deemed to have no increased ability nor incentive to engage in anti-competitive foreclosure such as exclusively supplying its own downstream customers or limiting its services to other downstream markets or players.

The PCC said it "deemed it was unlikely for the transaction to effectively limit access of other players to a significant customer base in the same relevant

In November last year, AC Logistics' parent firm Ayala Corp. announced the proposed merger in which its unit entered into an exchange note agreement for conversion shares with Air 21, its owner former Customs chief Alberto D. Lina, and the eight companies in the network.

The conversion shares will result in at least a 60% stake in Air 21, which in turn

controls Airfreight 2100, Inc., Air 2100, Inc., LGC Logistics, Inc., Cargohaus, Inc., U-Freight Phils., Inc., U-Ocean, Inc., Waste & Resources Management, Inc., and Integrated Waste Management, Inc.

The merger is the first transaction submitted for voluntary review by the parties under the Bayanihan To Recover As One Act (Bayanihan II) period with the increased threshold of P50 billion, the PCC said.

"The transaction, however, would have also qualified for regular review under pre-Bayanihan threshold conditions," it added.

Once the Bayanihan II law expires in September this year, firms whose parent company assets exceed P6 billion and whose M&A transactions exceed P2.4 billion will once again be required to notify the PCC. — **Revin Mikhael D. Ochave** 

### **Manulife**

Fund	Current Week June 7, 2022	Previous Week May 31, 202	
Peso Secure Fund	1.670	1.670	
Peso Diversified Value Fund	1.852	1.857	
Peso Growth Fund	2.828	2.861	
Peso Dynamic Allocation Fund	0.989	0.996	
Peso Target Distribution Fund	0.779	0.782	
Peso Cash Fund	1.016	1.016	
Peso Wealth Optimizer 2026 Fund	0.921	0.927	
Peso Wealth Optimizer 2031 Fund	0.883	0.891	
Peso Wealth Optimizer 2036 Fund	0.870	0.880	
Powerhouse Fund	0.825	0.835	
Emperor Fund	0.855	0.866	
USD Secure Fund	1.531	1.532	
USD Asia Pacific Bond Fund	1.062	1.067	
USD Global Target Income Fund	0.784	0.789	
USD ASEAN Growth Fund	1.560	1.564	
USD Asia Pacific Property Income Fund	0.901	0.901	
PHP Asia Pacific Property Income Fund	0.892	0.883	
PHP Tiger Growth Fund	0.685	0.667	
USD Tiger Growth Fund	0.614	0.604	
PHP Global Preferred Securities Income Fund	0.977	0.965	
USD Global Preferred Securities Income Fund	0.881	0.879	
PHP US Growth Fund	1.018	0.992	
USD US Growth Fund	0.904	0.890	
PHP Global Health Fund	1.006	1.011	
USD Global Health Fund	0.995	1.010	
PHP Global Multi-Asset Income Fund	1.036	1.029	
USD Global Multi-Asset Income Fund	1.027	1.031	

# **ARQCapital plans** to raise P1.5-billion capital for SMEs

ARQCAPITAL Partners, Inc. announced on Wednesday that it is planning to raise and deploy P1.5 billion in capital to around 20 to 50 small and mid-sized enterprises

"That's the vision of ARQ. We are an SME focused investor. Our heart and vision is to serve this segment." AR-**QCapital Founding Partner** Edmund Solilapsi said in a virtual briefing.

ARQ SME Mezzanine Business Development Co. (ARQ SME BDC) was formed by ARQCapital in 2014, with the goal of being an SMEfocused private mezzanine debt investor.

"We customize multiproduct investment structures to fully service the critical growth stage of a promising medium enterprise," Mr. Solilapsi said.

The firm focuses on "smart capital" investments in the private and alternative lending space.

"There are a few 'smart capital' investors in the Philippines today and this space has yet to be institutionalized," he added.

Mr. Solilapsi said that the country's financing market is dominated by banks and nonbank financial institutions, which are primarily passive capital providers and predominantly asset-backed.

"The private lending space is highly fragmented and is generally yield-driven with no clear thematic approach necessary in providing smart capital and creating an enabling environment for these enterprises," he said.

"Venture capital firms focus on early-stage startups and tech-driven companies while private equity investors and strategic investors focus on larger investments and more mature enterprises," he added. "This environment leaves SMEs with more traditional but similarly growing businesses uniquely challenged to find the right capital partner to fuel their growth."

ARQCapital has invested approximately P1 billion in 33 firms since 2016 through its ARQ SME BDC and through co-investment partners.

For 2022, the company said it plans to fund 10 more mid-sized enterprises by yearend to add to its current portfolio of 22. It is also raising additional capital from development institutions to fundits investments. - Luisa Maria Jacinta C. Jocson

## Cement group seeks safeguard measures for local manufacturers

THE proposed extension of safeguard measures is needed to help the recovery of local cement manufacturers, according to the Cement Manufacturers Association of the Philippines (CeMAP).

CeMAP Executive Director Cirilo M. Pestaño II said during a virtual public hearing led by the Tariff Commission (TC) on Wednesday that extending the safeguard measures on the importation of ordinary Portland cement Type 1 and blended cement Type 1P from various countries is "an important support that can be given to the domestic manufacturing industry.

Mr. Pestaño said manufacturers are just starting to recover after the reopening of the economy.

"But this can all be compromised if the safeguard measures are not extended. This is a real important support that can be given to the domestic manufacturing industry considering the various contributions that we continue to provide to the country," he said.

According to Mr. Pestaño, the local cement industry has been facing challenges with the rising prices of fuel, which is attributed to the ongoing conflict between Ukraine and Russia. The safeguard measures are set to expire in October this year. "Approximately 70% of the cost of manufacturing cement is accounted for by both fuel and power. And that has been affected by the Ukraine war," he said.

"It is imperative that the safeguard measure is extended to allow the continuation of advancement plans that have been started by the domestic cement manufacturers and for them to be able to possibly invest more into the Philippines and create more jobs, contribute taxes, and deliver socioeconomic benefits to the particular communities where they operate," he added.

John Reinier H. Dizon, Republic Cement & Building Materials, Inc. vice-president for strategy and business development, said that removing the safeguard measures would result in a spike in cement

"I believe that if the safeguard measures are not extended, we anticipate an immediate further spike of cement importation into the country, to the detriment of domestic producers. We believe that the Philippines will be quite vulnerable to surge of imports immediately once the current safeguard duty is removed," Mr. Dizon said.

"The current safeguard duty in place is P200 per ton. We are in the final year of the safeguard measures duty. Removing such duty of P200 per ton will cause an erosion of the prices of cement that we are currently producing. We are today, already in very challenging times" he added

Meanwhile, Indonesia Ministry of Trade Director f Trade Events Natan Kambuno said that the current safeguard measures implemented by the Philippines should not be extended.

He added that the Philippines imported 532,000 metric tons of cement from Indonesia from 2019 to 2021, while Vietnam cement imports reached 80% of overall Philippine cement imports.

In December last year, the Philippines' Department of Trade and Industry (DTI) slapped anti-dumping duties on Vietnam cement imports after an investigation showed that it had caused injury to the local industry.

"The government of Indonesia believes that the existing safeguard measures should not be extended further. The expiring safeguard measures [should] be replaced with a more targeted anti-dumping trade measures so an extension of the safeguard measure will not be necessary or appropriate anymore," Mr.

"The government of Indonesia reserves its right to request rate compensation should the existing safeguard measure on imported cement is extended," he added.

Recently, CeMAP disclosed that cement from Vietnam accounted for 6.466 million metric tons of cement imports out of the 7.107 million metric tons imported by

the Philippines last year. In 2019, the DTI issued Department Administration Order (DAO) 19-13 that implemented a safeguard measure on cement imports for a three-year period after it was found that there is a causal link between higher cement imports and threat of serious injury to the local cement industry. The safeguard duties ranged from P250 per ton in the first year of implementation, down to P200 per ton this year. — **Revin Mikhael D. Ochave** 

**Manulife** 

	Unit Bid Price			
Fund	Current Week June 7, 2022	Previous Week May 31, 2022		
Peso Bond Fund	2.842	2.842		
Peso Stable Fund	2.805	2.812		
Peso Equity Fund	2.112	2.136		
Peso Balanced Fund	1.012	1.019		
Peso Target Income Fund	0.795	0.798		
U.S. Dollar Bond Fund	2.188	2.189		

	Unit Offer Price			
Fund	Current Week June 1, 2004	Previous Week May 25, 2004		
Peso Bond Fund	2.885	2.885		
Peso Stable Fund	2.848	2.855		
Peso Equity Fund	2.144	2.169		
Peso Balanced Fund	1.027	1.035		
Peso Target Income Fund	0.807	0.810		
U.S. Dollar Bond Fund	2 2 2 1 2 2 2 2 2			

### Single Pricing Investment Funds of Variable Life Insurance Contracts

	Unit Price			
Fund	Current Week June 7, 2022		Previous Week May 31, 202	
Peso Secure Fund		1.669		1.669
Peso Diversified Value Fund		1.823		1.828
Peso Growth Fund		2.757		2.789
Peso Dynamic Allocation Fund		0.985		0.992
Peso Target Distribution Fund		0.773		0.777
Peso Cash Fund		0.989	0.989	
Peso Wealth Optimizer 2026 Fund		0.868		0.873
Peso Wealth Optimizer 2031 Fund		0.826		0.833
Peso Wealth Optimizer 2036 Fund		0.806		0.815
Powerhouse Fund		0.826		0.836
USD Secure Fund		1.517		1.518
USD Asia Pacific Bond Fund		1.042		1.048
USD Global Target Income Fund	0.788		0.794	
USD ASEAN Growth Fund	1.535		1.540	
Chinabank Dollar Fixed Income VUL Fund	1.003		1.005	
USD Asia First Fund	1.241		1.224	
USD Asia Pacific Property Income Fund	0.903		0.903	
PHP Asia Pacific PropertyIncome Fund	0.903			0.894
PHP Tiger Growth Fund		0.691		0.673
USD Tiger Growth Fund		0.619		0.610
PHP Global Preferred Securities Income Fund		0.971		0.959
USD Global Preferred Securities Income Fund	0.884			0.882
PHP US Growth Fund	0.999		0.973	
USD US Growth Fund		0.901		0.886
PHP Global Health Fund		1.005		1.012
USD Global Health Fund		0.997		1.013

Fund	Current Week	June 7, 2022	Previous Week	May 31, 2022	
io Bond Fund	1.971		1.970		
o Stable Fund	1.859		1.859 1.86		1.864
io Equity Fund	1.906		1.906 1.928		
so Balanced Fund	0.999		1.007		
io Target Income Fund	0.788		0.791		
Dollar Bond Fund	1.586 1.588		1.588		
Fund	Unit Offer Price				
Fund	Current Week	June 7, 2022	Previous Week	May 31, 2022	
so Bond Fund	2	.001		2.000	
io Stable Fund	1.887		1.892		

Fund	Current Week J	une 7, 2022	Previous Week	May 31, 2022	
eso Bond Fund	2.0	01		2.000	
eso Stable Fund	1.8	87		1.892	
eso Equity Fund	1.9	35		1.957	
eso Balanced Fund	1.0	14		1.022	
eso Target Income Fund	0.8	00		0.803	
S. Dollar Bond Fund	1.6	10		1.612	
S. Dollar Bond Fund hese investment funds are sproducts are regulated by the in	1.6 crific to variable life insura	10		1.612	

# Philjets Aero Services acquires certification as distribution center

PHILJETS Aero Services, Inc. announced on Wednesday that it was appointed by Safran Helicopter Engines as a certified distribution center

(CDC) in the country. "We are thrilled and excited to officially become a CDC and thus work closely with Safran Helicopter Engines, a global engine manufacturer, to further boost proximity support in the Philippines for civilian operators," Philjets General Manager Reginald J. Arguelles said in a statement.

The certification will allow the company to distribute its complete range of services, alongside spare parts, tooling, training, repair, overhaul, or standard exchanges.

"This partnership will allow Philjets Aero Services and Safran Helicopter Engines to strengthen their relationship to provide seamless support to existing and future civilian operators and owners in the Philippines," Philjets Sales Supervisor Chressa T. Malicdem said.

Safran Helicopter Engines manufactures helicopter engines, with more than 75,000 produced since being founded. It offers helicopter turboshafts and has more than 2,500 customers in 155 countries.

Philjets is an aviation services company in the Philippines. The company deals with maintenance and support services, serving customers from general aviation, commercial airlines, maintenance and repair organization (MRO) companies, and government agencies.

The firm also has offices in the Philippines, Cambodia, Malaysia, Singapore, and soon in France.

Philjets aims to address and support the "growing needs of helicopters and jets, not only in the Philippines but also the ASEAN region. Its objective is also to raise the bar in delivering its wide-range of services – from aircraft acquisition, sales assistance, fleet management, and maintenance." — **Luisa Maria** Jacinta C. Jocson