

Philippine Stock Exchange index (PSEi) 6,445.01 ▲ 135.02 PTS. ▲ 2.14%

WEDNESDAY, JULY 6, 2022
BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P650.00 +P30.00 +4.84%	ACEN AC Energy Corp. P8.40 ---	AEV Aboitiz Equity Ventures, Inc. P49.40 +P0.40 +0.82%	AGI Alliance Global Group, Inc. P9.80 +P0.15 +1.55%	ALI Ayala Land, Inc. P26.90 +P0.50 +1.89%	AP Aboitiz Power Corp. P30.30 +P0.85 +2.89%	BDO BDO Unibank, Inc. P119.50 +P0.80 +0.67%	BPI Bank of the Philippine Islands P88.90 -P0.10 -0.11%	CNVRG Converge ICT Solutions, Inc. P20.95 +P0.05 +0.24%	EMP Emperador, Inc. P17.90 -P0.20 -1.10%
GLO Globe Telecom, Inc. P2,240.00 +P14.00 +0.63%	GTCAP GT Capital Holdings, Inc. P488.00 +P10.00 +2.09%	ICT International Container Terminal Services, Inc. P194.30 +P8.30 +4.46%	JFC Jollibee Foods Corp. P207.00 +P6.20 +3.09%	JGS JG Summit Holdings, Inc. P52.50 +P1.25 +2.44%	LTG LT Group, Inc. P8.49 +P0.01 +0.12%	MBT Metropolitan Bank & Trust Co. P48.55 -P0.55 -1.12%	MEG Megaworld Corp. P2.24 +P0.10 +4.67%	MER Manila Electric Co. P358.00 -P1.00 -0.28%	MONDE Monde Nissin Corp. P14.40 +P0.50 +3.60%
MPI Metro Pacific Investments Corp. P3.64 +P0.07 +1.96%	PGOLD Puregold Price Club, Inc. P31.35 +P1.05 +3.47%	RLC Robinsons Land Corp. P17.98 +P0.70 +4.05%	SECB Security Bank Corp. P89.20 +P1.20 +1.36%	SM SM Investments Corp. P839.00 +P47.00 +5.93%	SMC San Miguel Corp. P104.70 -P1.30 -1.23%	SMPH SM Prime Holdings, Inc. P37.75 +P0.25 +0.67%	TEL PLDT, Inc. P1,758.00 -P17.00 -0.96%	URC Universal Robina Corp. P118.20 +P4.20 +3.68%	WLCON Wilcon Depot, Inc. P23.00 +P0.45 +2.00%

ACEN plans P30-B bonds, sets 458-MW solar farms

AC ENERGY Corp. (ACEN) is planning a P30-billion debt securities program to be shelf-registered with the corporate regulator, with a P10-billion first tranche allocated for three solar projects with a combined capacity of 458 megawatts (MW).

In a regulatory filing, the Ayala-led renewable energy (RE) company said that its executive committee in a meeting on Wednesday authorized the debt securities to be offered and issued in one or more tranches.

“All (three solar farms are for) completion next year,” Eric T. Francia, ACEN president and chief executive officer, separately told reporters partly in Filipino after the meeting.

ACEN identified the projects as the expansion of its 72-MW Arayat-Mexico, Pampanga solar farm by another 42 MW; the first phase 133-MW solar farm

in Lal-lo, Cagayan; and the first phase 283-MW solar farm in San Marcelino, Zambales.

“Arayat is the only expansion, ‘*yung dalawa bago* (the other two are new),” Mr. Francia said.

In its filing, ACEN said the P10-billion initial tranche would be peso-denominated ASEAN green fixed-rate, five-year bonds that would be applied for listing with the Philippine Dealing & Exchange Corp.

The company’s executive committee authorized Mr. Francia, Chief Finance Officer Maria Corazon G. Dizon, and Deputy Chief Finance Officer Juan Martin L. Syquia to jointly determine and finalize the terms and conditions for the bonds and the debt securities program.

It also approved the total transaction costs related to the bond issuance of up to 1.4% of the issue size.

The Pampanga solar farm expansion comes after ACEN unit ACE Endeavor, Inc. entered into a “framework agreement” in February 2020 for the joint development, ownership and operation of solar and other power plants in the Philippines.

Under the agreement, Citicore Renewable Energy Corp. and ACE Endeavor are to be shareholders in a company — Natures Renewable Energy Development Corp. — incorporated to own and undertake the development of the solar farm in Arayat and Mexico.

In March this year, ACEN set up a joint venture with CleanTech Renewable Energy 4 Corp. to start building the 133-MW solar farm and transmission line in Lal-lo.

Late last year, it disclosed that it had agreed to subscribe to the shares of subsidiary Santa Cruz Solar Energy, Inc., which is developing the 283-MW solar farm in San Marcelino.

ACEN aims to become the largest listed renewables platform in Southeast Asia. It is also committed to achieving net-zero greenhouse gas emissions by 2050.

Earlier this year, ACEN said it had invested more than \$200 million in what it calls “priority markets,” namely: Australia, Vietnam and Indonesia. It targets to add renewable capacity in the United States to its portfolio ahead of its goal of installing 5,000 MW of renewables by 2025.

Thus far, the company has an attributable capacity of 3,800 MW in the Philippines, Vietnam, Indonesia, India, and Australia. Of this figure, renewables account for 87%, which it claims to be the highest in the region.

Mr. Francia said the company is set to disclose next month a new target installed capacity for completion by 2030. — VVS

Manulife

Single Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Price		
	Current Week	July 5, 2022	Previous Week
Peso Secure Fund	1.665	1.661	1.661
Peso Diversified Value Fund	1.814	1.815	1.815
Peso Growth Fund	2.590	2.614	2.614
Peso Dynamic Allocation Fund	0.955	0.959	0.959
Peso Target Distribution Fund	0.754	0.755	0.755
Peso Cash Fund	1.018	1.016	1.016
Peso Wealth Optimizer 2026 Fund	0.880	0.883	0.883
Peso Wealth Optimizer 2031 Fund	0.826	0.832	0.832
Peso Wealth Optimizer 2036 Fund	0.803	0.810	0.810
PowerHouse Fund	0.767	0.768	0.768
Empower Fund	0.787	0.793	0.793
USD Secure Fund	1.487	1.498	1.498
USD Asia Pacific Bond Fund	1.040	1.038	1.038
USD Global Target Income Fund	0.750	0.754	0.754
USD ASEAN Growth Fund	1.459	1.491	1.491
USD Asia Pacific Property Income Fund	0.851	0.869	0.869
PHP Asia Pacific Property Income Fund	0.877	0.891	0.891
PHP Tiger Growth Fund	0.750	0.760	0.760
USD Tiger Growth Fund	0.646	0.658	0.658
PHP Global Preferred Securities Income Fund	0.973	0.972	0.972
USD Global Preferred Securities Income Fund	0.841	0.844	0.844
PHP US Growth Fund	0.962	0.987	0.987
USD US Growth Fund	0.820	0.846	0.846
PHP Global Health Fund	1.026	1.026	1.026
USD Global Health Fund	0.983	0.989	0.989
PHP Global Multi-Asset Income Fund	1.020	1.020	1.020
USD Global Multi-Asset Income Fund	0.967	0.978	0.978

These investment funds are specific to variable life insurance contracts and are not considered mutual funds. Life insurance products are regulated by the Insurance Commission.

Manulife

Dual Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Bid Price		
	Current Week	July 5, 2022	Previous Week
Peso Bond Fund	2.834	2.829	2.829
Peso Stable Fund	2.747	2.749	2.749
Peso Equity Fund	1.935	1.952	1.952
Peso Balanced Fund	0.957	0.961	0.961
Peso Target Income Fund	0.769	0.770	0.770
U.S. Dollar Bond Fund	2.124	2.140	2.140

Fund	Unit Offer Price		
	Current Week	July 5, 2022	Previous Week
Peso Bond Fund	2.877	2.871	2.871
Peso Stable Fund	2.789	2.791	2.791
Peso Equity Fund	1.964	1.982	1.982
Peso Balanced Fund	0.972	0.976	0.976
Peso Target Income Fund	0.781	0.782	0.782
U.S. Dollar Bond Fund	2.158	2.173	2.173

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Manulife China Bank

Single Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Price		
	Current Week	July 5, 2022	Previous Week
Peso Secure Fund	1.654	1.660	1.660
Peso Diversified Value Fund	1.785	1.786	1.786
Peso Growth Fund	2.525	2.548	2.548
Peso Dynamic Allocation Fund	0.931	0.936	0.936
Peso Target Distribution Fund	0.748	0.750	0.750
Peso Cash Fund	0.989	0.989	0.989
Peso Wealth Optimizer 2026 Fund	0.829	0.832	0.832
Peso Wealth Optimizer 2031 Fund	0.773	0.778	0.778
Peso Wealth Optimizer 2036 Fund	0.744	0.750	0.750
PowerHouse Fund	0.767	0.768	0.768
USD Secure Fund	1.489	1.483	1.483
USD Asia Pacific Bond Fund	1.013	1.016	1.016
USD Global Target Income Fund	0.756	0.760	0.760
USD ASEAN Growth Fund	1.438	1.469	1.469
Chinabank Dollar Fixed Income VUL Fund	0.993	0.993	0.993
USD Asia Fnd Fund	1.172	1.226	1.226
USD Asia Pacific Property Income Fund	0.853	0.871	0.871
PHP Asia Pacific Property Income Fund	0.888	0.903	0.903
PHP Tiger Growth Fund	0.759	0.769	0.769
USD Tiger Growth Fund	0.654	0.666	0.666
PHP Global Preferred Securities Income Fund	0.967	0.966	0.966
USD Global Preferred Securities Income Fund	0.845	0.849	0.849
PHP US Growth Fund	0.946	0.969	0.969
USD US Growth Fund	0.817	0.844	0.844
PHP Global Health Fund	1.033	1.030	1.030
USD Global Health Fund	0.987	0.992	0.992

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Dual Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Bid Price		
	Current Week	July 5, 2022	Previous Week
Peso Bond Fund	1.964	1.960	1.960
Peso Stable Fund	1.819	1.820	1.820
Peso Equity Fund	1.745	1.762	1.762
Peso Balanced Fund	0.945	0.949	0.949
Peso Target Income Fund	0.762	0.763	0.763
U.S. Dollar Bond Fund	1.536	1.551	1.551

Fund	Unit Offer Price		
	Current Week	July 5, 2022	Previous Week
Peso Bond Fund	1.994	1.990	1.990
Peso Stable Fund	1.847	1.848	1.848
Peso Equity Fund	1.773	1.789	1.789
Peso Balanced Fund	0.959	0.963	0.963
Peso Target Income Fund	0.774	0.775	0.775
U.S. Dollar Bond Fund	1.559	1.575	1.575

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Digitalization benefits ESG-related communities, entities — report

THE acceleration of digitalization helps boost environment, social, and government (ESG) related communities and businesses in the Philippines amid the ongoing coronavirus pandemic, according to research firm ESG Intelligence.

According to the report, almost two-thirds of new digital consumers came from non-metro areas in the first half of 2021. Filipino consumers use twice as many digital services as before the pandemic.

The Philippines’ internet economy is also expected to double in value by 2025, the fastest projected growth in Southeast Asia.

“Protracted lockdowns and containment measures across the Philippines during the COVID-19 (coronavirus disease 2019) pandemic encouraged consumers to turn to digital tools for the fulfillment of daily tasks, as well as for work, education and social connection,” it stated.

ESG Intelligence reported that technology also helped micro, small and medium enterprises (MSMEs) maintain operations over the pandemic.

“In this way, increased digitalization can enable equitable development across the archipelago, and looks set to present a sizable growth opportunity over the coming years,” it added.

The report also said that digital finance can enhance process efficiency and widen

financial inclusion. “Digital payments can offer greater security, efficiency and revenue opportunities for merchants,” it added.

With regards to consumers, digital payments are seen as a tool to raise financial inclusion, the report stated, citing a study by the Bangko Sentral ng Pilipinas. The central bank also aims for 50% of total retail transaction volume to be digital by 2023.

“Nevertheless, challenges remain. Among these, digital lending options from financial institutions can be limited, with high minimum requirements. Strengthened digital finance infrastructure, including credit risk evaluation as well as rules and regulations, could help overcome this and unlock the ESG-related benefits of digital finance for all stakeholders,” it added.

Apart from increasing the use of digital payments, the pandemic also triggered a review of digital regulation and taxation in the Philippines.

“The pandemic triggered a reevaluation of the cross-border e-commerce tax system. The COVID-19 pandemic increased the use of e-commerce, including for products from overseas. With a relatively high exemption threshold, reducing or abolishing this could help preserve the Philippine VAT base amid VAT and customs-free competition from overseas,” it added. — **Luisa Maria Jacinta C. Jocson**

Cebu Pacific says fares still lower than pre-pandemic despite higher fuel surcharge

CEBU Pacific, operated by Cebu Air, Inc., said it is keeping its fares cheaper this year than they were in 2019, or before the pandemic, in an effort to sustain its recovery by increasing passenger volume and flight frequencies.

The Civil Aeronautics Board approved the budget carrier’s application for a higher fuel surcharge at Level 11 in July, up from Level 7 in June, according to airline representatives.

Cebu Pacific domestic fares were 26% cheaper in the second quarter of 2022 than they were in the same period in 2019, or prior to the pandemic, Candice A. Iyog, vice-president for marketing and customer experience, told reporters on Wednesday.

In comparison to the same month in 2019, she said, July domestic fares are down by 9%.

Asked how the airline manages to keep its fares lower despite the higher fuel surcharge, Cebu Pacific Chief Financial Officer Mark V. Cezar said they absorb some of the costs. “We have to subsidize.”

Under Level 11, the fuel surcharge per passenger ranges from P335 to P1,038 for domestic flights and from P1,172.07 to P8,714.84 for international flights.

“We remain committed to offering the lowest fares across our network, and we are encouraged by past seat sale success rates so we will continue to stimulate travel through our promo fares,” Cebu Pacific Chief Commercial Officer Xander Lao said.

The airline fully restored its pre-pandemic domestic capacity in April, its officials said. “The airline surpassed its December 2019 level for domestic capacity, as it (registered) 109% restoration in (the first week of) July 2022.”

Mr. Lao said this development has also boosted Cebu Pacific’s cargo service.

The budget carrier currently operates an average of 340 flights a day, covering 34 domestic and 18 international destinations. This is equivalent to around 64,000 seats offered in a day, the airline said.

The airline also announced on Wednesday a “special 7.7 sale” from July 7 to 11. One-way domestic flights are offered for as low as P188. Travel period is from Sept. 1, 2022, until Jan. 31, 2023.

Its international seat sale for the same travel period starts at P499 one-way. Destinations include South Korea, Singapore, Hong Kong, Taipei, Hanoi, Ho Chi Minh, and Bangkok. — **Arjay L. Balinbin**

SEC flags Wellcons anew on investment scheme

THE Securities and Exchange Commission (SEC) has ordered Wellcons Unlimited Systems, Inc. once again to stop offering investment packages to the public without the necessary license from the commission.

The SEC’s order dated July 5 comes after the commission on June 23 directed Wellcons to immediately cease engaging in the unlawful solicitation, offer, and sale of securities until it has filed the required registration statement and secured the necessary approval from the commission.

Wellcons and all the people and subsidiaries involved under the name have been ordered to stop their investment solicitation activities and immediately cease their internet presence related to the unauthorized investment scheme.

They have also been prohibited from transacting any business involving funds in Wellcons’ depository banks, and from transferring, disposing, or

conveying any related assets to ensure the preservation of the assets of the investors.

The cease-and-desist order was issued after the SEC’s Enforcement and Investor Protection Department found that Wellcons has been offering investment packages worth P2,500 to P13,890 with guaranteed returns of up to P9,000 to P32,000 per day.

Members who availed of investment packages can further earn through Wellcon’s Pangkabuhayan Program, where they can supposedly double their money within six months based on investment packages worth P1,500 to P5,000.

Aside from these investment packages, Wellcons also promised leadership bonuses and referral fees to its members.

“[I]t is clear that Wellcons’ business model which promises high return of investments is not sustainable, and can only be carried out as long as new invest-

ors continue to come in,” the commission banc said.

The scheme involves the sale and offer of securities to the public in the form of investment contracts, whereby a person invests money in a common enterprise and is led to expect profits primarily from the efforts of others.

SEC finds this scheme a violation of Section 8 of the Securities Regulation Code (SRC) because Wellcons has no license to carry out sales or offers of securities. Although the company is a duly registered corporation, it has never secured a secondary license from the commission to operate as a broker or dealer of securities, nor is it a registered issuer of any securities.

The SRC provides that securities should not be sold or offered for sale or distribution within the Philippines without a registration statement duly filed with and approved by the SEC.

“This is a fraudulent scheme which will likely cause grave or irreparable in-

jury or prejudice to the investing public. Thus, we hold that the act of Wellcons in selling/offering unregistered securities operates as a fraud to the public which, if unrestrained, will likely cause grave or irreparable injury or prejudice to the investing public,” the commission added.

As early as Feb. 2, the SEC sent an advisory to Wellcons in order to warn the public against investing in the group and similar entities.

Wellcons registered with the commission on April 19, 2021 with a primary purpose of distribution of products through multi-level marketing, buying and selling, and marketing through online channels, as permitted by law, goods and merchandise that primary target the basic needs of individuals and households.

BusinessWorld tried to reach out to Wellcons via Facebook pages under its name and a phone number attached to one of the pages but has not received a reply as of press time. — **Justine Irish DP. Tabile**