

Philippine Stock Exchange index (PSEi)

6,681.47

▲ 74.53 PTS.

▲ 1.12%

MONDAY, NOVEMBER 28, 2022

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P700.00 +P5.00 +0.72%	ACEN ACEN Corp. P7.10 +P0.05 +0.71%	AEV Aboitiz Equity Ventures, Inc. P56.35 -P0.15 -0.27%	AGI Alliance Global Group, Inc. P9.61 -P0.13 -1.33%	ALI Ayala Land, Inc. P29.95 +P0.55 +1.87%	AP Aboitiz Power Corp. P34.80 +P0.30 +0.87%	BDO BDO Unibank, Inc. P131.00 -P0.50 -0.38%	BPI Bank of the Philippine Islands P102.40 +P0.30 +0.29%	CNVRG Converge ICT Solutions, Inc. P16.10 -P0.20 -1.23%	EMI Emperador, Inc. P20.10 +P0.28 +1.41%
GLO Globe Telecom, Inc. P2,284.00 +P44.00 +1.96%	GTCAP GT Capital Holdings, Inc. P470.00 +P12.00 +2.62%	ICT International Container Terminal Services, Inc. P198.90 +P13.10 +7.05%	JFC Jollibee Foods Corp. P249.00 -P3.00 -1.19%	JGS JG Summit Holdings, Inc. P45.30 +P1.30 +2.95%	LTG LT Group, Inc. P9.36 +P0.10 +1.08%	MBT Metropolitan Bank & Trust Co. P57.25 +P1.10 +1.96%	MEG Megaworld Corp. P2.32 +P0.06 +2.65%	MER Manila Electric Co. P290.20 +P5.60 +1.97%	MONDE Monde Nissin Corp. P12.92 +P0.32 +2.54%
MPI Metro Pacific Investments Corp. P3.61 +P0.03 +0.84%	PGOLD Puregold Price Club, Inc. P34.65 -P0.15 -0.43%	RLC Robinsons Land Corp. P16.60 +P0.10 +0.61%	SCC Semirara Mining and Power Corp. P33.60 +P2.95 +9.62%	SM SM Investments Corp. P927.00 +P17.00 +1.87%	SMC San Miguel Corp. P98.00 +P1.20 +1.24%	SMPH SM Prime Holdings, Inc. P35.10 -P0.85 -2.36%	TEL PLDT, Inc. P1,710.00 +P45.00 +2.70%	URC Universal Robina Corp. P132.80 -P0.20 -0.15%	WLCON Wilcon Depot, Inc. P33.10 +P0.60 +1.85%

DMCI unit targets more subway contract packages

D.M. CONSUNJI, Inc. (DMCI) is planning to bid for three more sections of the country's first subway project while waiting for the Department of Transportation's (DoTr) call for bidders, its top official said.

"We are waiting for the DoTr's announcement. We won one section already, then there's still three more sections that we are bidding for," D.M. Consunji President and Chief and Execu-

tive Officer Jorge A. Consunji told reporters in a recent interview.

In October, D.M. Consunji was awarded contract package 102 of the subway project spanning the Quezon Ave. and East Ave. stations.

According to Mr. Consunji, the three sections being eyed by the company will also be with a foreign partner. He did not disclose whether it will be its partner in the first section, Ja-

pan's Nishimatsu Construction Co., Ltd.

Meanwhile, he said that the company was advised to start the construction of contract package 102 in the second quarter of next year.

"Sinabihan na kami, 'next year kayo mag-uumpisa ha.' Meanwhile, we will get all of these right-of-way [issues] cleared' (We were told, 'start the construction next year.' Meanwhile, we will get

all of these right-of-way issues cleared)," Mr. Consunji said.

Mr. Consunji said he believes that the deferred construction was a good decision as the company does not want to start the project with pending right-of-way issues.

Asked about the time to complete the project, he said a subway is perceived to be built within four to five years. But he clarified that the duration is up to the changes made along the way, adding that

it is the company's first subway contract.

D.M. Consunji is one of the major subsidiaries of listed holding firm DMCI Holdings, Inc.

According to Mr. Consunji, bidding preparation for the project is still in the works as the company awaits the DoTr announcement on the public-private partnership projects lined up for 2023.

"We are waiting for the announcement. [I think] all of these

will be clearer in the first quarter next year," Mr. Consunji said.

The subway line will start in Quezon City's Mindanao Ave. - Quirino Highway and will end in FTI, Taguig City. Its proposed depot is in Brgy. Ugong, Valenzuela City.

The subway project aims to meet the growing transportation demand in Metro Manila and ease traffic in the Philippine capital. — **Justine Irish D. Tabile**

SMC Global Power points to ERC for looming rate hike

THE decision of the Energy Regulatory Commission (ERC) to reject the temporary relief sought by SMC Global Power Holdings Corp. has exposed consumers to higher power rates, the company said on Monday.

In a statement, SMC Global Power said that the regulator was "made aware of the looming power rate hikes. It was also made aware of how it can ensure that the public gets the lowest possible rate while energy players continue to supply power viably amid rising geopolitical risks beyond anybody's control."

San Miguel Corp. (SMC), through its power arm SMC Global Power, filed a

petition for certiorari with the Court of Appeals (CA), which issued a temporary restraining order (TRO) in favor of the company.

The TRO suspended the power supply deal between SMC Global Power unit South Premiere Power Corp. and Manila Electric Co. (Meralco), which the ERC said could lead to an increase in consumers' monthly power bills.

In a Viber message on Monday, the ERC said that it would wait for the final decision of the CA for its next step.

Senator Sherwin T. Gatchalian said the Department of Energy, Meralco, ERC, and SMC must ensure a steady

supply of power following the issuance of the TRO.

"Pending the final resolution of the case, [these entities] must see to it that a steady supply of electricity is maintained and that there are no significant power interruptions," Mr. Gatchalian said.

In August, SMC Global Power said it had sought to recover the losses incurred by its units SPPC and San Miguel Energy Corp. (SMEC), the administrators of the natural gas-fired power plant in Ilijan, Batangas, and the coal power plant in Sual, Pangasinan, respectively.

It said the losses stemmed from a change in circumstance that resulted in losses for the group. It cited supply issues that were not factored in when they forged their power supply agreement (PSA).

The company placed the losses at P15 billion but said it was only seeking to recover P5 billion through a temporary relief — an increase in the PSA's electricity rate.

However, the ERC denied the temporary relief jointly sought by SMC Global Power and Meralco, saying a rate increase is not based on a valid change of circumstance as called for under their PSA. — **Ashley Erika O. Jose**

Globe says 1,064 new cell towers built

GLOBE TELECOM, Inc. on Monday said it concluded September with 1,064 new cell towers built nationwide to further improve connectivity.

"Globe network rollout remains on track as it closed the first nine months of 2022 with P74.4 billion capital expenditure (capex), 14% higher than last year, to address growing connectivity needs of Filipinos amid greater digitalization," the company said in an e-mailed statement.

It said its investment has yielded 1,064 new cell sites, 10,600 mobile sites upgraded to long-term evolution of LTE, and 1,887 new fifth-generation sites nationwide.

"At least 84% of this period's total cash capex was allocated for data requirements to further enhance overall customer data experience. These include additional LTE upgrades, new 5G sites, tower builds, and Fiber to the Home (FTTH) rollout," the company noted.

The company also reported that it has deployed nearly 1.4 million FTTH lines as of the end of September.

"This is in line with the company's bid to make fast and reliable connectivity pervasive and accessible to more households and businesses," Globe said.

At the same time, the Ayala-led telco expects its \$150-million domestic submarine cable project to cover a total cable distance of about 2,500 kilometers.

"The project is seen to deliver connectivity crucial to the country's recovery from the pandemic, as it will support the growing need for reliable communications facilities," Globe said.

Globe undertakes the project with Eastern Telecommunications Philippines, Inc. and InfiniVAN, Inc. For the nine months ended Sept. 30, Globe saw its attributable total comprehensive income increase 37% to P24.9 billion from P18.2 billion previously.

Total revenues for the period went up 3% to P130.2 billion from P126.4 billion in 2021.

The growth was led by corporate data and mobile services, supplemented by the sustained growth from non-telco services, according to the company. — **Arjay L. Balinbin**

SEC cancels Koen Solutions' company registration

THE Securities and Exchange Commission (SEC) has revoked the incorporation certificate of Koen Solutions OPC for violating Section 44 of the Revised Corporation Code of the Philippines (RCC).

Section 44 of the RCC on the ultra vires acts of corporations states that a corporation cannot exercise corporate powers other than what was conferred in its articles of incorporation.

In an issuance on Monday, the regulator said the primary purpose of Koen Solutions was to engage in the business of information technology products and services.

Its articles of incorporation stated that the corporation could not solicit investments and could not issue investment contracts.

According to the SEC, its Enforcement and Investor Protection Department (EIPD) found that Koen Solutions had been offering marketing schemes.

Investors were given three marketing options — by being an agent, by referring other investors for a fee, and by investing through the Koen application.

As an agent, the investor will have to recruit 30 members and have them sign up for an agency contract. Referral fees or commissions for every referral were said to bring as high as a 12% daily income.

Meanwhile, the income from investments through the company's application will depend on the investor's choice of a robot. The investments are said to have a daily income of 2.5% to 3% and a monthly income of 75% to 90%.

On Sept. 9, the SEC issued an advisory against Koen wherein it advised the public not to invest in the company. But the regulator later said that it was still receiving e-mails from the public that the company continued to solicit investments.

A show-cause order was then issued against the company and its president, Rafael Albin Nepomuceno Khoe, on Oct. 10. In response to the order, Koen Solutions denied the solicitation reports and



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sent a compliance motion to EIPD on Oct. 20 seeking to lift the SEC advisory.

In its investigation, EIPD was able to gather evidence that proved the company's engagement in offering and selling securities to the public without the required registration approved by the SEC.

CEASE-AND-DESIST ORDER ON SILVERLION

Separately, the SEC issued a cease-and-desist order on Nov. 26 against Zamboanga-based Silverlion Livestock Trading Corp. for soliciting investments without a license.

According to the order, Silverlion has been offering securities to the public for as low as P5,000 to P100,000 with a promise of 2.3% daily earnings.

It has also been offering a special promo wherein investors may receive a Ford Raptor or any car of their choice once they lock in a P400,000 investment in 60 days.

According to the SEC, the scheme used by Silverlion pools resources from new investors to pay guaranteed returns to its existing investors.

The regulator described the scheme as a form of selling securities that require prior registration with and approval by the SEC.

The order also prohibits the company and its representatives from transacting any business that involves funds. It also directs them to cease their internet presence. — **Justine Irish D. Tabile**

Sansan, Inc. to open global development center in PHL

JAPANESE tech firm Sansan, Inc. is set to open a global development center in the Philippines to accelerate its overseas product expansion.

In a statement on Monday, Sansan said that the global development center will be located in Cebu and is projected to be launched by early 2023.

Sansan is a provider of cloud-based solutions. Via its overseas unit, Sansan Global Pte. Ltd., the firm has been expanding the availability of its Sansan digital transformation solution and Bill One online invoice receiving solution in countries such as Singapore, Thailand, and Malaysia.

"The center will strengthen the development of Sansan's product functions for global markets by establishing a global-standard technology development environment," the company said.

"To accelerate its global ambitions, Sansan must increasingly

respond to the needs of local customers in each country. This will require greater investments into multi-language support teams and development of unique functions in line with each country's laws and regulations, systems, business customs, and workflows," it added.

Sansan Overseas Establishment Team Head Fujikura Shigemoto said that the company opted to establish its development center in Cebu to boost its product development for overseas markets.

"The Philippines is actively attracting and supporting global information technology (IT) companies, and Cebu is known for its high-level IT education and large pool of talented engineers. The center's opening will let us strengthen regional recruitment of engineers and improve our development environment overseas," the official said. — **Revin Mikhael D. Ochove**

PHL businesses seen to return to pre-pandemic levels

BUSINESSES in the Philippines may return to pre-pandemic level by year-end as many sectors showed improvements this year, the head of the Management Association of the Philippines (MAP) said.

"We are still very hopeful that all of the sectors will overcome the 2019 level, we are seeing that already with many companies," MAP President Rogelio L. Singson told reporters on Monday during the group's annual general membership meeting.

Mr. Singson said that the turnaround for the companies' recovery started in 2021, "obviously the numbers are showing that indeed the recovery is on the way."

"By end of 2022, we expect it to return to 2019 levels, and 2023 we

expect it to be better than 2022, this is our outlook," Mr. Singson said.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said in a Viber message that economic activity is seen to return to the pre-pandemic level.

"This is consistent with the fact that GDP (gross domestic product) in pesos at constant 2018 prices and seasonally adjusted already back to pre-pandemic levels," Mr. Ricafort said.

Preliminary data from the Philippine Statistics Authority (PSA) show that the economy for the third quarter grew by 7.6%, higher than the revised 7.5% GDP growth in the second quarter and 7% last year.

In August, the Philippines started the gradual resumption of face-to-face classes, which helped the reopening of more sectors.

"Thus, the affected industries especially those that were hit hard by the pandemic are in the right recovery path, including those that are moving towards pre-pandemic levels," Mr. Ricafort said.

Meanwhile, Mr. Singson said that real estate is among the hardest-hit sectors and is still recovering from the impact of the pandemic.

"Of course, the real estate, with all the POGOs (Philippine offshore gaming operators) growth and so on, but what I am saying now is the best time to move with the POGOs before they grow again," he said. — **Ashley Erika O. Jose**