Philippine Stock Exchange index (PSEi) 7,056.62 ▼5.39 PTS. ▼0.07%

FRIDAY, JANUARY 20, 2023 BusinessWorld

PSEi MEMBER STOCKS

AC	Ayala Corp.	P745.00	-P1.00	-0.13%
ACEN	ACEN Corp.	P6.96	-P0.15	-2.11%
AEV	Aboitiz Equity Ventures, Inc.	P58.40	+P0.50	+0.86%
AGI	Alliance Global Group, Inc.	P12.30	——	
ALI	Ayala Land, Inc.	P32.65	+P0.65	+2.03%
AP	Aboitiz Power Corp.	P37.65	-P0.05	-0.13%
BDO	BDO Unibank, Inc.	P123.00	+P0.30	+0.24%
BPI	Bank of the Philippine Islands	P109.90	-P0.60	-0.54%
CNVRG	Converge ICT Solutions, Inc.	P18.84	-P0.18	-0.95%
EMI	Emperador, Inc.	P20.95	+P0.20	+0.96%
GLO	Globe Telecom, Inc.	P2,080.00	-P76.00	-3.53%
GTCAP	GT Capital Holdings, Inc.	P495.80	+P10.80	+2.23%
ICT	International Container Terminal Services, Inc.	P216.00	-P2.00	-0.92%
JFC	Jollibee Foods Corp.	P245.00	-P3.00	-1.21%
JGS	JG Summit Holdings, Inc.	P55.10	-P2.40	-4.17%
LTG	LT Group, Inc.	P9.98	+P0.03	+0.30%
MBT	Metropolitan Bank & Trust Co.	P57.80	-P1.65	-2.78%
MEG	Megaworld Corp.	P2.13	+P0.01	+0.47%
MER	Manila Electric Co.	P282.20	-P9.00	-3.09%
MONDE	Monde Nissin Corp.	P14.40	-P0.40	-2.70%
MPI	Metro Pacific Investments Corp.	P4.08	-P0.02	-0.49%
PGOLD	Puregold Price Club, Inc.	P36.05	-P0.15	-0.41%
RLC	Robinsons Land Corp.	P14.82	+P0.18	+1.23%
SCC	Semirara Mining and Power Corp.	P34.95	+P0.05	+0.14%
SM	SM Investments Corp.	P950.00	+P19.50	+2.10%
SMC	San Miguel Corp.	P96.50	-P0.10	-0.10%
SMPH	SM Prime Holdings, Inc.	P38.35	+P0.05	+0.13%
TEL	PLDT, Inc.	P1,460.00	-P25.00	-1.68%
URC	Universal Robina Corp.	P145.00	+P3.00	+2.11%
WLCON	Wilcon Depot, Inc.	P34.05	+P0.55	+1.64%

Xtreme targets 5-billion sales volume before IPO

XTREME Appliances is targeting to open 80 company-owned stores in 2023 as part of its goal to achieve a volume of five billion appliance units for sale, its president said over the weekend.

The local appliances company, which offers a one-stop shop for affordable home and light commercial appliances, operates under Suntouch Technology Corp.

"Our target to see this year is to end up with 80 company-owned stores," Xtreme Appliances President Adrian G. Lim said on the sidelines of a store opening.

On Saturday, the company opened its first store in the metro at SM City Sta. Mesa which counts as Xtreme Appliances' fourth company-owned store.

The store followed the openings in SM Daet, SM San Fernando, and SM Lemery.

Mr. Lim said that the company plans to open in more SM malls as well as in Robinsons and Ayala malls.

"We're already in talks with them. Our target is to open in all branches of SM, Robinsons and Ayala," Mr. Lim said.

For Ayala Malls, the company plans to open in Abreeza Mall in Davao City and MarQuee Mall in Pampanga, while for Robinsons Malls, Xtreme Appliances will soon open in Iloilo.

"In Robinsons, we started in General Trias. Next, [we] will be in Iloilo, and then *sunod-sunod na 'yan* (we will go from there)," Mr. Lim said.

According to Mr. Lim, the company will have around 24 company-owned stores by the end of the first quarter.

Meanwhile, Mr. Lim said that the company is just waiting to reach its volume target of 5 billion before it enters the capital market.

"We are trying to meet our target volume, to make the business sustainable and we will go for an initial public offering (IPO)," Mr. Lim said. "As of now, we are only at 3 billion."

The company is aiming to meet its target by opening company-owned stores in the next three to five years.

"The challenge in appliance stores is that they expand slower. So normally, if you look at them, they don't expand until there will be new malls," Mr. Lim said.

"That's the reason why we thought about opening our own stores so that we will have full control of our growth," he added.

"If not, if we wait for them to open and they don't open, whatever is their initial availability and distribution, *ganon lang siya palagi* (it will stay the same)," Mr. Lim said. — **Justine Irish D. Tabile**

PLDT group, partner tech firms move to boost cybersecurity

THE PLDT group said it is working closely with more than 20 partner technology companies to strengthen cybersecurity and protect customers from cyberattacks.

The Cyber Security Operations Group (CSOG) of PLDT Inc. and its wireless arm Smart Communications, Inc. recently met with third-party vendors and service providers to discuss how to further secure the group's cybersecurity drive, the group said in an e-mailed statement on Saturday.

The group said that representatives from more than 20 contracted companies attended the gathering.

"Third-party vendors play a key role in the PLDT group's cybersecurity infrastructure. They provide PLDT and Smart with critical products and services that help the group monitor its assets, warn against attacks, contain threats, secure data, and enable the companies to deliver innovations that serve customer needs," the PLDT group noted.

Angel T. Redoble, first vice-president and chief information security officer of PLDT and Smart, stressed the need for rapid action once an alarm has been triggered.

"It is important that within two minutes, the incident is contained. We need to have an established process with our vendors, so we can quickly respond to cyber-attacks and prevent a crisis," he said.

"The chain is only as strong as its weakest link. To eliminate any weakness in our value chain, we are closely collaborating with our technology partners to make sure that everyone is on board our cybersecurity culture," he also said.

According to the group, its CSOG foiled more than 182 million attacks and breach attempts against its assets last year.

The group also said that its collaboration with key partners is part of a broader effort to elevate the Filipinos' experience by keeping customers and the country safe from threats and attacks.

"These initiatives highlight the group's commitment to the United Nations Sustainable Development Goals," it noted.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Arjay L. Balinbin**

Pilipinas Shell targets up to 60 stations in 2023

PILIPINAS Shell Petroleum Corp. is targeting to put up between 40 and 60 new service stations each year until 2025, its top official said last week.

"For our stations, we have over 1,100 stations at the end of mid-last year and we will continue to grow that by 40 to 60 sites year on year until 2025," Pilipinas Shell Petroleum President Lorelie Q. Osial told reporters.

To achieve its target expansion, Ms. Osial said the company is planning to have five import-range terminals, with its fifth terminal expected to be put up this year.

"We have committed to having five import-range terminals, we broke ground for the fourth one last year and we are looking forward to announce the fifth one. We will announce it in 2023," she said.

Ms. Osial said the investment cost for the target expansion would be "a lot" but declined to disclose specific figures.

"[What] I can only disclose right now is the 40-60 [service stations]. It's 40-60 per year until 2025," she said.

She said the full effect of Russia's war on Ukraine on the Philippines' oil prices remains to be seen but described the ongoing conflict as a big disruptor, causing volatility.

"Macroeconomic conditions are still changing. Volatility is determined by market conditions [and] geopolitics. [I] can't accurately guess the future," she said.

Meanwhile, Ms. Osial said that the company continues to be interested in the renewable energy (RE) sector.

"You have seen that we also entered the renewable space. We signed joint ventures last year on solar, so we continue to progress," she said.

According to the group's website, Shell Overseas Investments B.V. in 2022 partnered with Emerging Power, Inc. in a joint venture that aims to contribute 1 gigawatt (GW) to the country's energy system by 2028 by using alternative sources of energy.

In November 2022, Shell Overseas partnered with Alternergy Holdings Corp. to assess the feasibility of an offshore wind project in Calavite Passage for a potential capacity of 1 GW. — **Ashley Erika O. Jose**

FULL STORY

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OUTLIER

Investors tepid on BPI amid nod on merger with Robinsons Bank

THE share price of Bank of the Philippine Islands (BPI) moved sideways last week after shareholders approved its proposed merger with Robinsons Bank in a move seen to boost the former's revenues and market presence.

A total of 11.84 million BPI shares worth P1.32 billion were traded from Jan. 16 to 20, data from the Philippine Stock Exchange (PSE) show.

The Ayala-led bank's share price went down by 0.1% week on week, finishing at P109.90 apiece on Friday from its P110-per-share close the previous week. Year to date, however, the stock has risen by 7.7%.

"The merger was seen as a bullish move for both companies as the two companies can unlock various synergies. However, we think this is a good move for Robinsons Bank," Mercantile Securities Corp. Head Trader Jeff Radley C. See said in an e-mail interview.

Regina Capital Development Corp. Head of Sales Luis A Limlingan said in a separate e-mail that the market anticipated the approval of BPI's merger with Robinsons Bank days ahead, which led to its rally above P108.

"A day after the PR (press release) was released, BPI rallied by almost 3%, implying that the investing public generally viewed the merger positively," he said.

On Jan. 17, the Ayala group's banking arm secured shareholders' approval of its merger with Robinsons Bank, with the former as the surviving entity.

BPI President and Chief Executive Officer Jose Teodoro K. Limcaoco said on Tuesday that the merger is expected to boost BPI's customer and deposit base, and tap into the Filipino-Chinese market, which other banks have an advantage over BPI.

The Ayala-Gokongwei tie-up is expected to boost BPI's bottom line this year as well.

Mr. Limcaoco said that Robinsons Bank is estimated to contribute up to 7% to BPI's revenues and add 5% to 6% to its net income. He forecast BPI's bottom line to have reached around P41 billion in 2022, and around P43 billion this year, with Robinsons Bank's contribution to be around P2 billion.

BPI reported a third-quarter net income of P10.14 billion, up by 77.3% from P5.72 billion in the same quarter in 2021.

In the nine months to September last year, BPI's net income grew by 74% to P30.70 billion from P17.64 billion in the same period in 2021.

However, Regina Capital's Mr. Limlingan warned of other factors that could affect the local bourse, and BPI directly.

"As always, investors should keep their tabs on how the BSP (Bangko Sentral ng Pilipinas) will react to the upcoming Fed's policy meeting. This is because a sharp unexpected increase in our local benchmark rate could potentially dampen loan demand and strain the paying capacity of BPI's borrowers," Mr. Limlingan said.

For the week, analysts are looking out for profit taking on BPI's stock as it is currently trading at a 52-week high.

Mercantile Securities' Mr. See placed BPI's support levels at P100-P105 and resistance levels at P115-P125.

Meanwhile, Mr. Limlingan placed the bank's support and resistance levels at P106.20 and P115.40, respectively.

"On the technical front, BPI's already at a premium to its historical key price levels. Therefore, profit taking may take place in the next few days," he said. — **Bernadette Therese M. Gadon**

Isuzu on 'wait-and-see' mode over bringing in electric vehicles

ISUZU Philippines Corp. is taking a "wait-and-see" stance on introducing electric vehicles (EVs) into the local market, a company official said, citing factors such as support infrastructure and regulation.

Isuzu Philippines Assistant Division Head for Sales Robert D. Carlos said the company is supportive of EVs being launched in the country but wishes to see further developments that will help increase consumer adoption such as the installation of more charging stations.

"We support EVs. But for now, we are observing. We are 'wait-and-see' for now. Creating a law is one thing. Implementation is another thing. We need to see if there is infrastructure being laid out, like the charging stations," Mr. Carlos said on the sidelines of a company event in Manila City last week.

According to Mr. Carlos, Isuzu Philippines has been receiving inquiries from customers on EVs, particularly in the truck segment.

"For our clients, there are inquiries for trucks," Mr. Carlos said, adding that no figures are involved in the queries. "They are just asking if there are any plans for EVs in case the government really imposes and they are forced to get EVs for trucks."

Mr. Carlos disclosed that the automaker is already preparing for EVs and its introduction to the Philippine market.

"Isuzu is already preparing for EVs. The implementation in the Philippines is just the question. We want to check that the Philippines is ready for EVs. Not only infrastructure but government support as well like incentives and tax," Mr. Carlos said.

Mr. Carlos said this as President Ferdinand R. Marcos, Jr. signed Executive Order (EO) No. 12 on Jan. 13, which temporarily reduced the most favored nation tariff rates on completely built-up units of imported EVs and imported parts and components for five years.

The EO imposes zero tariff for imported EVs across segments such as passenger cars, buses, minibuses, vans, trucks, motorcycles, tricycles, scooters and bicycles for five years. However, the EO excluded hybrid-type EVs.

The EO also reduced the tariff on certain imported EV parts and components to one percent from five percent for five years.

The law is expected to complement Republic Act No. 11697 or the EV Industry Development Act (EVIDA), which mandates the government and companies to meet a 5% quota on their vehicle fleets. — **Revin Mikhael D. Ochave**

FULL STORY

Read the full story by scanning the QR code with your smartphone or by typing the link <https://bit.ly/3H165XI>

Tax court rejects software firm's refund claim

THE Court of Tax Appeals has rejected the refund claim of Avaloq Group AG's Philippine regional headquarters worth P3.2 million representing its excess value-added tax (VAT) traced to zero-rated sales for the first and second quarters of 2017.

In a 23-page decision dated Jan. 9 and made public on Jan. 11, the tax court's Special Third Division said the firm failed to prove that its sales qualified for a VAT zero rating.

"The petitioner's sales cannot qualify as subject to 0% VAT under the 1997 National Internal Revenue Code (NIRC) since it was never established that the place of performance of the subject services was in the Philippines to non-resident foreign corporations not engaged in business in the Philippines," Associate Justice Maria Belen M. Ringpis-Liban said in the ruling.

"It is a claimant's burden to prove the factual basis of a claim for refund or tax credit."

Avaloq, the petitioner, is a Swiss firm that provides cloud software to banks worldwide. Its office is based in Makati City and is licensed by the Securities and Exchange Commission.

The firm generated gross receipts in the amount of P53.06 million in 2017 and accumulated input VAT for the first and second quarters worth P3.2 million. It claimed that its services were rendered in the Philippines to non-resident foreign clients and were paid for in accepted foreign currencies.

Under the NIRC, zero-rated sales are sales made by VAT-registered taxpayers that do not translate to any output tax. Receipts must have the term "zero-rated" on them to qualify for a 0% VAT rating.

The tax court agreed with the Bureau of Internal Revenue's finding that Avaloq failed to provide enough documentation to substantiate its refund claim.

"Although petitioner is the regional operation headquarters of Avaloq Group AG (head office), it is still necessary on its part to prove that its services were performed in the Philippines," it said.

"In cases filed before this court, party-litigants must prove every minute aspect of their case." — **John Victor D. Ordoñez**