

# Earnings, tamed prices seen to lift stocks in 2023

CORPORATE earnings growth and expectations that inflation will ease after hitting its peak in the first quarter will drive the Philippine stock market's growth in 2023, analysts said.

"Overall, we're bullish for 2023 in terms of valuation for the PSEi (Philippine Stock Exchange index). I think there are a lot of aspects to sway investors to start buying. We're looking at earnings growth driven by real estate, conglomerates, and financials, so practically the majority of the sectors will perform," Michael Gerard D.

Enriquez, president and chief investment officer of Sun Life Investment Management and Trust Corp., said during the *BusinessWorld* Insights forum on Tuesday.

Mr. Enriquez said that the stock market's attractiveness to investors will hinge on key economic data.

If inflation starts to peak, then the Bangko Sentral ng Pilipinas' (BSP) policy rate is likely nearing its terminal value soon, he said, adding that he is expecting a terminal rate near 6.25% or a hike of another 50 basis points (bps).

"That would bring the PSEi to be attractive again when rates start to normalize," Mr. Enriquez said.

In an earlier statement, the BSP said that inflation likely settled within the 8.5% to 9.3% range in February. If realized, this would mark the 11<sup>th</sup> consecutive month that inflation would exceed the BSP's target range.

Mr. Enriquez described inflation as a game changer for the equities market as it is a leading indicator that investors are looking out for.

"Probably in March, we will start to see a decline in inflation

towards mid of this year. Probably we'll see the BSP starting to be more dovish on their rhetoric. That is something where the market will move higher," he said.

The central bank hiked borrowing costs by 50 bps on Feb. 16, bringing the key policy rate to its near 16-year high of 6%. After delivering a total of 400 bps since May 2022, monetary authorities are set to review the policy rate on March 23.

"If we help improve local investor participation, then disruptions created by the global market will be addressed," Mr. Enriquez said.

Mr. Enriquez placed the PSEi's end-2023 base target at 7,843.77, while in a bull market, it could end the year at 10,257.75. The benchmark index declined by 43.14 points or 0.65% to close at 6,556.20 on Tuesday.

Meanwhile, financials and power are among the sectors that are seen to lead this year's growth.

"I think the most popular stocks right now are the banks," COL Financial Group, Inc. First Vice-President April Lynn C. Lee-Tan said.

Ms. Lee-Tan said that power companies are expected to grow in 2023.

"For power, definitely positive given our tight supply situation and the economy is still growing, so that is good," she added.

Separately, Philstocks Financial, Inc. estimated in a report the PSEi to end within the 7,350 to 8,050 levels or up by 11.9% to 22.6% from its end-2022 close of 6,566.39.

Philstocks expects corporate earnings growth "to be driven by good revenues as spending in the economy is seen to be supported by healthy disposable incomes. This could be tempered, however, by inflation, which is expected to remain elevated this year." — **Ashley Erika O. Jose**

## INSIGHTS

### Fewer companies are listing due to regulatory requirements — analyst

COMPANIES are hesitant about holding an initial public offering (IPO) due to the tough regulatory requirements set by the Philippine Stock Exchange, Inc. (PSE), an analyst said.

During *BusinessWorld* Insights on the stock market's outlook, April Lynn Lee-Tan, COL Financial Group, Inc. chief equity strategist, told forum participants on Tuesday that interest in going public is high, but companies are put off by regulatory requirements.

"We're not seeing more companies list. I think the regulatory requirements are quite difficult," Ms. Lee-Tan said.

She said companies that are keen to list would need to undergo auditing from big firms, shelling out a large amount of money in the process.

"Right now, a lot of companies would like to list, but one of the requirements for them is to be audited by big audit firms," she said, adding that the process could cost them "millions of pesos."

"And it's also very expensive for companies to be listed. This is one of the issues that are facing companies that would want to list," she added.

Additionally, she said that companies are not initially in favor of the valuation given to them by the market and how it

would compare with existing listings.

She said investors would prefer investing in companies with lower single-digit price-earnings (P/E) ratios than a company with double digits. However, companies are not willing to compromise due to the lower valuation, she said.

The PSE earlier announced that it would host a series of masterclasses aimed at equipping companies with the necessary resources for a potential IPO.

Its Learn IPO Strategies and Tactics (LIST) class is exclusively for companies engaging in the PSE's listing program.

"PSE LIST was designed for companies that may start the paperwork on their listing applications anytime," Ramon S. Monzon, PSE president and chief executive officer, said in a press release.

"We want the officers of these companies to be better equipped during the IPO application process by getting pertinent information directly from the regulators," he added.

The PSE said that more than 40 companies are registered with its Listing Engagement and Assistance Program that are considered eligible and are prepared to conduct an IPO. — **Adrian H. Halili**



BRADY BELLINI/ UNSPLASH

### Alternergy secures height clearance for 100-MW Tanay wind power project

ALTERNERGY Holdings Corp. said its subsidiary Alternergy Tanay Wind Corp. will now proceed with the development of its 100-megawatt (MW) Tanay wind power after securing height clearance for the project.

"This is a major permitting clearance for our Tanay Wind Power Project. With the height clearance from CAAP (Civil Aviation Authority of the Philippines), the project development can proceed," Gerry P. Magbanua, president of Alternergy, said in a media release.

The renewable energy company placed the elevations of its wind power project in Rizal's Tanay town at 300 to 600 meters above sea level.

Alternergy said the project site is adjacent to its 54-MW Pililla, Rizal wind farm, which started operations in 2015.

"We are very pleased that finally we have the go signal that all the wind turbines generators to be installed by our Tanay Wind Power Project will not in any way create interference with the aviation navigational path and will ensure safety operations," Knud Hedeager, director and co-founder of Alternergy, said.

He said the clearance "went through a painstaking and thorough process of technical studies and consultations with government aviation authorities with inputs from international and local aviation experts."

Alternergy is targeting to develop up to 1,370 MW of renewable energy sources such as onshore and offshore wind, solar, and run-of-river hydro-power projects. — **Ashley Erika O. Jose**



## Power Maintenance Updates

by **MERALCO** ADVISORY

The following are scheduled power interruptions necessary for the regular maintenance and upgrade of our power distribution facilities, to ensure the delivery of safe and reliable electricity to your areas. Rest assured that Meralco is doing everything to quickly restore your electricity according to schedule.

**SUNDAY, MARCH 5, 2023**

**BULACAN (BOCAUE AND BALAGTAS)**

BETWEEN 12:00NN AND 5:00PM – PORTION OF CIRCUIT SAOG 412SAO  
Intercity Ricemillers Industrial Compound in Bgy. Wakas, Bocaue; and Bgy. San Juan, Balagtas.

REASON: Line maintenance work inside Intercity Ricemillers Industrial Compound in Bgy. Wakas, Bocaue; and Bgy. San Juan, Balagtas in Bulacan.

**MONDAY TO TUESDAY, MARCH 6 – 7, 2023**

**VALENZUELA CITY (PASO DE BLAS AND PARADA)**

BETWEEN 11:00PM (MON., 03/06/23) AND 4:00AM (TUE., 03/07/23) – PORTION OF CIRCUIT VEINTE REALES 413VNR  
Portion of F. Lagdameo St from Parada Road to and including Fortune Village Phase 4.

REASON: Upgrading of facilities in Fortune Village Phase 4, Bgy. Paso De Blas, Valenzuela City.

**TUESDAY, MARCH 7, 2023**

**BULACAN (SAN JOSE DEL MONTE CITY)**

BETWEEN 10:00AM AND 3:00PM – PORTION OF CIRCUIT SAN JOSE 412SJ  
Portion of Palmera Northwinds 7 Subd. and Wildwood Park Subd. in Bgy. Santo Cristo.

REASON: Replacement of pole in Palmera Northwinds 7 Subd., Bgy. Santo Cristo, San Jose Del Monte City, Bulacan.

**LAGUNA (CALAMBA CITY)**

BETWEEN 10:00AM AND 3:00PM – PORTION OF CIRCUIT CANLUBANG 47XE  
Portion of Bucal Bypass Road from Calamba – Los Baños National Highway to near Forward Cafe & Bar including Lakeview Heights Subd., Carmel Valley Subd. and Gemsville Subd. in Bgys. La Mesa and Bucal.

REASON: Installation and retirement of facilities, and line reconducting work along Bucal Bypass Road in Bgys. La Mesa and Bucal in Calamba City, Laguna.

**WEDNESDAY, MARCH 8, 2023**

**LAGUNA (SAN PABLO CITY; RIZAL; AND NAGCARLAN)**

BETWEEN 9:30AM AND 9:59AM AND THEN BETWEEN 1:01PM AND 1:30PM – PORTION OF CIRCUIT SAN PABLO II 42WJ  
Portion of San Pablo – Rizal – Nagcarlan – Liliw National Road from Bgy. San Diego to Bgy. Sto. Angel in San Pablo City.  
Portion of San Lorenzo Barangay Road from San Pablo – Rizal – Nagcarlan – Liliw National Road in Bgy. Sto. Angel to and including Dolores Road in Bgys. San Lorenzo, Sta. Catalina and San Buenaventura in San Pablo City.  
Portion of San Pablo – Rizal – Nagcarlan – Liliw National Road from Bgy. Antipolo to and including Bgys. Poblacion, Laguna, Paule 1, Pook, Tala, Talaga and Tuy in Rizal.  
Portion of San Pablo – Rizal – Nagcarlan – Liliw National Road from Bgy. Malaya to and including Bgys. Abo, Bambang, Banago, Buboy, Bukal, Palayan, San Francisco, Silangan Ilaya, Silangan Napapatid, Talangan and Taytay in Nagcarlan.

BETWEEN 10:00AM AND 1:00PM – PORTION OF CIRCUIT SAN PABLO II 42WJ  
Portion of San Pablo – Rizal – Nagcarlan – Liliw National Road from Sta. Isabel Seventh-day Adventist Church to and including Buncayo Subd., Sta. Isabel Compound and Purok 1, 2 & 3 in Bgy. Sta. Isabel, San Pablo City.

REASON: Relocation of facilities affected by DPWH project along San Pablo – Rizal – Nagcarlan – Liliw National Road in Bgy. San Vicente, San Pablo City, Laguna.

**WEDNESDAY TO THURSDAY, MARCH 8 - 9, 2023**

**PARAÑAQUE CITY (MOONWALK)**

BETWEEN 11:00PM (WED., 03/08/23) AND 4:00AM (THU., 03/09/23) – PORTION OF CIRCUIT BF-PARAÑAQUE 425WU  
Portion of Armstrong Ave. from E. Rodriguez Ave. to and including Swigger, S. Carpenters, Cooper and John Glenn Jr. Sts.; La Casas 100 Subd., Mariano Centerpoint Townhomes, Scarlet Homes, Eribera Court Subd. and Christina Village.  
Portion of Daang Bata St. from E. Rodriguez Ave. to and including Cherry Homes, San Juan, San Nicolas, St. Teresa and Sto. Niño Sts. in San Agustin Village.

REASON: Relocation of facilities along John Glenn Jr. St. in Bgy. Moonwalk, Parañaque City.

**THURSDAY, MARCH 9, 2023**

**QUEZON CITY (NOVALICHES)**

BETWEEN 9:00AM AND 9:30AM – PORTION OF CIRCUIT COMMONWEALTH 412COM  
Portion of Iris St. from Dahlia Ave. to near Aster St. in West Fairview Park Subd., Bgy. Fairview.  
Portion of Carnation and Daffodils Sts. from Iris St. to near Daisy St. in West Fairview Park Subd., Bgy. Fairview.  
Portion of Aster St. from Iris St. to Daisy St. in West Fairview Park Subd., Bgy. Fairview.  
Portion of Pitimini St. from Aster St. to and including Rosal St. in West Fairview Park Subd., Bgy. Fairview.

BETWEEN 10:00AM AND 10:30AM – PORTION OF CIRCUIT COMMONWEALTH 412COM

Portion of Walnut St. from Dahlia Ave. to near Cedar St. in West Fairview Park Subd., Bgy. Fairview.

BETWEEN 11:00AM AND 11:30AM – PORTION OF CIRCUIT COMMONWEALTH 412COM  
The whole of Greenview Executive Village Phases 1 and 2 in Bgy. Sauyo.

REASON: Line reconstruction work along Dahlia Ave. in Bgys. Fairview and Sauyo in Novaliches, Quezon City.

**CAVITE (ALFONSO)**

BETWEEN 10:00AM AND 3:00PM – PORTION OF CIRCUIT TAGAYTAY WEST 312TGW  
Portion of Grant and Filmore Sts. from Eisenhower St. to and including Wilson, Coolidge, Harding, Taft, Truman, T. Roosevelt, McKinley, Cleveland, Arthur, Lincoln, Buchanan, Hoover, A. Johnson and Dawes Sts.; and Washington Ave. in Royale Tagaytay Estates Subd., Bgy. Buck Estate.  
Along Wallace Bend, Wilson, Humphrey Bend and Fairbanks Bend from Curtis to and including Dallas, Agnew, Quayle, Morton, Wheeler, Mondale, Hobart, Breckinridge, Berkeley, Hamlin, Garner, Marshall, Sherman, Stevenson Bend, Rockefeller Bend, Tompkins Bend, Gore, Hendricks, Calhoun and King Bend Sts. in Royale Tagaytay Estates Subd., Bgy. Buck Estate.  
Portion of Lincoln and L. Johnson Sts. from Tyler to and including Ford, Reagan, Hoover, Kennedy, Bush, Clinton, F. Roosevelt, Carter, Buchanan, Pierce and Polk Sts. in Royale Tagaytay Estates Subd., Bgy. Buck Estate.

REASON: Replacement of poles and line reconducting work inside Royale Tagaytay Estates Subd. in Bgy. Buck Estate, Alfonso, Cavite.

**THURSDAY TO FRIDAY, MARCH 9 – 10, 2023**

**LAGUNA (CALAMBA CITY)**

BETWEEN 11:00PM (THU., 03/09/23) AND 4:00AM (FRI., 03/10/23) – PORTION OF CIRCUIT CANLUBANG 45XE  
Portion of Pan – Philippine Highway (National Highway) from Toyota Calamba to near Makiling Drive including, Glenwood Park Subd., Olivarez Homes Calamba, Purok 2 & 6; Evertex St.; Bureau of Jail Management & Penology – CALABARZON, Mercury Drug, National University Sports Academy Compound, Starbucks, Makiling Medical Clinic & Diagnostic Center, Mitsubishi Cars – Calamba, Ford Calamba, CAYC Gasoline Station, Calamba City Jail, Makiling Conference Center, Anihan Technical School, Titanium Star Foods Corp. and Dimension-All Inc. Calamba Yard in Bgys. Real, Tulo and Turbina.  
Portion of Carmelray Industrial Park 2 including Prime Pack Technologies Inc., Deepwell #10 and Waterpump in Bgy. Tulo.

REASON: Replacement of poles, line reconducting work and installation of facilities along Pan – Philippine Highway (National Highway) in Bgys. Tulo and Turbina in Calamba City, Laguna.

**SATURDAY TO MONDAY, MARCH 11 - 13, 2023**

**CAVITE (DASMARINAS CITY; GEN. TRIAS CITY; AND IMUS CITY)**

BETWEEN 11:30PM AND 11:59PM (SAT., 03/11/23) AND THEN BETWEEN 3:01AM AND 4:00AM (MON., 03/13/23) – THE WHOLE OF CIRCUITS ABUBOT 38XZ AND 39XZ  
Portion of Gen. Emilio Aguinaldo Highway from Salitran – Salawag Road to and including Eurotiles; Southfields Executive Village, South Plains Executive Village, Arcotica Subd., San Lorenzo Village, Don Gregorio Heights Subd., Villa Remedios Subd., Fiesta Subd. Homes Subd., Amaris Homes Dasma Subd., Crescent Hills Village, Villa Catalina Subd., Dasmariñas Executive Village, Southwood Villas, Via Verde Subd., Villa Luisa Subd., Mandarin Homes 3 and Metropolitan Homes; Magsaysay Institute of Shipping and Catimban Rice Mill in Bgys. Buroi, Salitran 2, Sampaloc 1, San Agustin 1, 2 and 3 in Dasmariñas City.  
Along Salitran – Salawag Road from Gen. Emilio Aguinaldo Highway to and including UPECHO Housing Project, Raintree Prime Residences Subd., Raintree West Subd., The Orchard Subd., The Green Meadows Subd., Andreville Executive Home Subd., Garden Grove Subd., Mango Ville Subd., Crest Subd., Sunny Crest Village, Cresta Bonita Subd., Summerwind Village, Garden Grove I & II Subds. and South Meridian Homes; and The Orchard Golf & Country Club in Bgys. Salitran and Salawag in Dasmariñas City.  
Portion of Governor's Drive from Gen. Emilio Aguinaldo Highway to Governor Ferrer Drive in Bgy. Langkaan, Dasmariñas City.  
Portion of Langkaan Road from Governor's Drive to and including Bgy. Langkaan II, Dasmariñas City; Villa Elena, Pamela Homes, Woodtown Residences Subd., Woodtown Highlands Subd., Village Park Subd., Cedar Wood Residences Subd., Woodtown Residences Subd. and West Beverly Hills Subd. in Bgy. Langkaan, Dasmariñas City.  
Portion of Gov. Ferrer Drive from Governor's Drive to near Gen. Trias National Road including General Uno Subd., Meridian Place Subd., Kaia Homes and Paseo Heneral Dos Subd.; Sitio Bagong Kalsada and Sitio Kaynituhan in Bgys. Pinagtipunan, Tapia, Pasong Kawayan 1 & 2, Buenavista I - III, Manggahan, Pasong Kawayan I & II and San Francisco in Gen. Trias City.

BETWEEN 11:30PM AND 11:59PM (SAT., 03/11/23) AND THEN BETWEEN 1:01AM AND 1:30AM (SUN., 03/12/23) AND THEN BETWEEN 1:30AM AND 1:59AM AND THEN BETWEEN 3:01AM AND 3:30AM (MON., 03/13/23) – THE WHOLE OF CIRCUIT ABUBOT 37XZ  
Portion of Gov. D. Mangubat Ave. (Pasong Lawin Road) and South Congressional Road (DBB Highway) from Gen. Emilio Aguinaldo Highway to and including Victoria Reyes Property Subd., Tierra Verde Residences Subd., Hauskon Homes La Salle Subd., Student Village, Villa Isabel Village, Manuelaville Subd., Dexterville Royale Subd., Summerwind IV Subd. and Southcrest Village; and Southern Luzon College of Business; Bgys. Sta. Fe, Sta. Cristina I & II, San Simon, San Rogue, San Francisco I & II, Buroi Main, Buroi I - III, San Andres I & II, Pag-asan, San Mateo, San Nicolas I & II, Fatima I and Luzviminda II in Dasmariñas City.

BETWEEN 12:01AM AND 1:00AM (SUN., 03/12/23) AND THEN BETWEEN 3:01AM AND 4:00AM (MON., 03/13/23) – PORTION OF CIRCUIT DASMARINAS 64DM – ABUBOT 61XZ – SMC YAMAMURA – IMUS 62WK  
San Miguel Corp. – Yamamura in Bgy. Anabu II-F, Imus City.

REASON: Installation of poles and line reconducting work along Gen. Emilio Aguinaldo Highway in Dasmariñas City, Cavite.

Register now to receive FREE texts about our Power Maintenance Schedules!

Text MERALCO <space> ON <space> your Service ID Number (which can be found in your bill) to:

Smart/Talk 'n Text	717-16211
Sun	0925-77-16211
Globe/TM	0917-55-16211

For more updates, follow us on Facebook and Twitter.

facebook /meralco
 @meralco

For emergencies, call: 16211

