

Philippine Stock Exchange index (PSEi)

6,214.68

▲ 33.62 PTS.

▲ 0.54%

MONDAY, SEPTEMBER 4, 2023

BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P625.00 +P16.00 +2.63%	ACEN ACEN Corp. P5.10 +P0.04 +0.79%	AEV Aboitiz Equity Ventures, Inc. P47.65 +P0.50 +1.06%	AGI Alliance Global Group, Inc. P12.50 +P0.02 +0.16%	ALI Ayala Land, Inc. P28.60 +P0.55 +1.96%	AP Aboitiz Power Corp. P35.45 ---	BDO BDO Unibank, Inc. P139.50 -P0.60 -0.43%	BPI Bank of the Philippine Islands P105.80 -P1.20 -1.12%	CNVRG Converge ICT Solutions, Inc. P8.08 +P0.08 +1%	DMC DMCI Holdings, Inc. P10.22 +P0.34 +3.44%
EMI Emperador, Inc. P20.95 +P0.10 +0.48%	GLO Globe Telecom, Inc. P1,796.00 -P5.00 -0.28%	GTCAP GT Capital Holdings, Inc. P572.00 -P0.50 -0.09%	ICT International Container Terminal Services, Inc. P206.00 ---	JFC Jollibee Foods Corp. P238.80 -P1.20 -0.5%	JGS JG Summit Holdings, Inc. P36.80 +P0.40 +1.1%	LTG LT Group, Inc. P9.01 ---	MBT Metropolitan Bank & Trust Co. P55.90 +P0.50 +0.9%	MER Manila Electric Co. P344.00 -P1.00 -0.29%	MONDE Monde Nissin Corp. P7.19 +P0.28 +4.05%
MPI Metro Pacific Investments Corp. P5.16 -P0.01 -0.19%	PGOLD Puregold Price Club, Inc. P27.85 +P0.10 +0.36%	SCC Semirara Mining and Power Corp. P31.45 +P0.35 +1.13%	SM SM Investments Corp. P820.00 ---	SMC San Miguel Corp. P105.30 -P0.20 -0.19%	SMPH SM Prime Holdings, Inc. P30.45 +P0.55 +1.84%	TEL PLDT Inc. P1,190.00 +P14.00 +1.19%	UBP Union Bank of the Philippines P70.30 +P2.00 +2.93%	URC Universal Robina Corp. P114.10 -P0.90 -0.78%	WLCON Wilcon Depot, Inc. P21.90 ---

SEC to align with Asian markets on short-selling

THE SECURITIES and Exchange Commission (SEC) is aligning the country's short-selling environment with other markets in Asia to boost the local equities market.

"We are pushing to align the short selling environment with the major Asian markets, which has the potential to promote liquidity, stabilize the market, protect investors, and further unlock the value of shares of Philippine corporations," SEC Chairperson Emilio B. Aquino said in a statement on Monday.

The commission said it had looked at the adoption or non-adoption of existing practices in other markets to advance short-selling in the Philippines.

Short-selling — or betting on the decline of a stock's price to make a profit — is allowed in other

Southeast Asian countries such as Singapore, Hong Kong, Malaysia, Thailand, and Indonesia.

The SEC said it is looking at requiring the submission of a regular report on activities relating to short-selling and securities borrowing and lending (SBL), and their compliance with existing rules and policies to guide future policies.

"We will balance our role as regulator and market innovator, imposing the necessary restrictions and safeguards while ensuring that they will not stifle investors and trading participants from fully taking advantage of this trading strategy," Mr. Aquino said.

Short-selling happens when an investor sells a security that he or she does not own, the SEC explained. It is consummated



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by the delivery of a borrowed security, "with a commitment to return the borrowed security or its equivalent on a determined or determinable future date."

In 2018, the SEC approved the guidelines of the Philippine Stock Exchange (PSE) on short-selling transactions. The rules mandate that only the PSE index and exchange-traded funds are

eligible for short-selling. Companies should also maintain a ratio of short interest to outstanding shares of at least 10%.

The SEC also approved the Capital Markets Integrity Corp. (CMIC) implementing guidelines on SBL and short-selling in 2019, which cover the recording of SBL and short-selling transactions on trading participants' books and records. The guidelines call for trading participants to ascertain transacting parties have entered into the necessary borrowing arrangements prior to entering a short sale transaction.

Meanwhile, the SEC said in a separate statement that there is a need for digital transformation to improve the ease of doing business in the country.

"Over the years, we have adopted — and we continue to

explore more — innovations in the way we receive, process and approve applications for company registration and corporate filings, as well as in the way we offer our other services to the public," Mr. Aquino said during a seminar in Davao City on Aug. 30.

The SEC said it is focused on digitalizing and streamlining its internal systems and direct interfaces with the transacting public and boosting digital external links with partner agencies and the private sector.

"Our digital transformation has been calibrated and tempered to the requirements of the transacting public and stakeholders," Mr. Aquino said. "We need to adjust to our customers." — **Revin Mikhael D. Ochave**

Meralco switches on substation at Arca South estate in Taguig

MANILA ELECTRIC Co. (Meralco) has energized a 115-kilovolt (kV) to 34.5-kV gas-insulated switchgear substation that will provide power supply to Ayala Land, Inc.'s Arca South estate and nearby communities in Taguig City.

In a media release on Monday, the company said it invested P597 million for the new substation, which has an initial capacity of 83 megavolt amperes (MVA).

The substation will house three transformer banks with a combined capacity of 249 MVA that will support the energy requirements of the area.

"The opportunity to participate in the master planning of Ayala estates has allowed Meralco to serve more customers and further cement our commitment to keep the lights on," said Ronnie L. Apercho, executive vice-president and chief operating officer of Meralco.

"As a testament to that, this newly energized smart substation in Arca South Taguig will provide safe, adequate, and reliable capacity to serve the existing and future power requirements of this particular Ayala Land development, and the adjacent communities in the area," he added.

According to Meralco, some of the establishments that will benefit include AC Health's Healthway Cancer Care Hospital, Ayala Malls Arca South, Alveo Veranda, Avida Towers Vireo, Landers

Superstore Arca South, Maharlika Village, Puregold FTI Taguig, Sunshine Mall Plaza, Taguig Pateros Hospital, and Technological University of the Philippines-Taguig.

Robert S. Lao, Ayala Land senior vice-president and group head for Ayala Land Estates, said that the substation represents the company's "dedication to sustainable urban development."

"It is a cornerstone of progress, enabling us to power homes, businesses, and innovations that will drive Arca South's growth and development," he said.

About a hundred projects of Ayala Land and its subsidiary, Makati Development Corp., including One Ayala and Seda Manila Bay, have been energized by Meralco.

"We share a common goal which is to uplift the lives of our people and we encourage the active participation and engagement of the private sector in the present economic programs," Meralco Chairman and Chief Executive Officer Manuel V. Pangilinan said.

Meralco's controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Sheldeen Joy Talavera**

Generika Drugstore targets 1,000 stores by 2025

AYALA HEALTHCARE Holdings, Inc.'s (AC Health) Generika Drugstore is looking at expanding its store network to 1,000 by 2025, from its current network of 750 outlets.

"This will be in Visayas and Mindanao because the need is also as big there. What we are banking on are the franchisors from Visayas and Mindanao. We will try to open where we can," Generika President Josette Adrienne A. Abarca said in an interview on Friday.

"We try to make sure that around 10% of our store network will be company-owned. So out of the 1,000, around 100 will be company-owned," she said, adding that most of the new drugstores will be through franchises.

To date, the drugstore has around 750 stores in its network nationwide, which was just around 521 stores in 2015 before it became part of AC Health.

According to Ms. Abarca, the franchise package of a Generika

drugstore costs around P800,000. It is a member of the Philippine Franchising Association.

However, she said drugstores like Generika face a lack of skilled workers to support their network expansion.

"It is a requirement for every drugstore to have one pharmacist. So if you will open more stores, of course, you will need more pharmacists," she said.

She added the shortage has become a problem as some pharmacy graduates tend to go

abroad, just like the Filipino nurses.

"Meanwhile, others who would go to a medical profession do not take pharmacy, so we need to keep up with the demand for pharmacists," she said.

To address this, Ms. Abarca said the Department of Health has been partnering with companies like AC Health and educational institutions to put up scholarship programs to encourage more students to enroll. — **Justine Irish D. Tabile**

ICTSI's Baltic port now linked to South Korea, China

THE BUSINESS unit of International Container Terminal Services, Inc. (ICTSI) at the Port of Gdynia in Poland is now connected to Chinese and South Korean ports as it received the first direct call of Mediterranean Shipping Co.'s (MSC) SWAN service on Aug. 23.

In a statement on Monday, ICTSI said its Baltic Container Terminal (BCT) received MSC's first direct call of the SWAN service marked by the arrival of the 318-meter box ship KURE, which discharged 1,320 containers and will take almost 2,000 containers on the return journey.

The SWAN service, restored by MSC in May, connects ports in Europe and the Far East and offers a direct connection to Chinese and Korean ports.

According to ICTSI, the recently revised port rotation is Qingdao - Busan - Ningbo - Yantian - Tanjung Pelepas - Antwerp - Gdynia - Gdańsk - Klaipėda - Bremerhaven - King Abdullah Port - Singapore - Qingdao, with



the addition of Busan allowing a direct connection between the port of Gdynia and South Korea.

"Further direct calls to Gdynia, in addition to the already existing connections to North America and India, open up new prospects for the development of container transport for customers in Po-

land and the extension of the intermodal offer to new markets, including Ukraine and other Central European countries," BCT Chief Executive Officer Wojciech Szymulewicz said.

Meanwhile, ICTSI said MSC DOMNA X, which is also operating the SWAN service and

sailing directly from the Far East, also called on BCT on Aug. 28.

"I would like to congratulate MSC and the Port of Gdynia for this historic moment in which we inaugurate the first-ever direct container connection with Chinese and Korean ports. This milestone redefines the status of BCT and the entire Port of Gdynia. We are changing its role from the current feeder port to a full-fledged maritime import and export gateway," Mr. Szymulewicz said.

In May 2003, ICTSI was awarded a 20-year concession by the Port Authority of Gdynia for the development, operation, and management of the container terminal in Pomerania, Gdynia in Poland. ICTSI bought Baltycki Terminal Kontenerowy Sp. z o.o., which had held the lease to the terminal.

Shares of ICTSI at the local bourse closed unchanged on Monday at P206 apiece. — **Revin Mikhael D. Ochave**

Securities clearing firm migrates to shortened settlement cycle, aligns with foreign markets

SECURITIES CLEARING Corp. of the Philippines (SCCP) has migrated to the shortened settlement cycle in a bid to boost the domestic capital market.

"Aside from aligning the settlement cycle with major international markets, we expect that market participants will soon experience the benefits of operating in a T+2 (transaction plus two days) environment,"

SCCP President and Chief Executive Officer (CEO) Ramon S. Monzon said on Monday.

SCCP secured the approval of the Securities and Exchange Commission on Aug. 10 for its request to migrate to the T+2 settlement cycle on Aug. 24.

According to the firm, the shift to the T+2 cycle aligns the Philippines with international markets such as the United

States, most European Union member states, and the major markets in the Asia-Pacific region.

It added that the T+2 cycle lowers the risks of unsettled trades under a T+3 regime and encourages more efficiencies in the local capital market.

SCCP is a wholly owned subsidiary of local bourse operator Philippine Stock

Exchange, Inc. (PSE). Mr. Monzon concurrently serves as PSE president and CEO.

"On Aug. 29, SCCP settled two batches of trades where Batch 1 comprised of the last T+3 trades executed on Aug. 23 and Batch 2 comprised of the first T+2 trades which were executed on Aug. 24. All transactions were settled before their

respective settlement deadlines," SCCP said.

"Subsequent settlements until Sept. 4 were done before 1:00 p.m., the extended settlement deadline that is in effect until Sept. 11. Starting Sept. 12, the settlement deadline will revert to the 12:00 noon regular deadline," it added. — **Revin Mikhael D. Ochave**