

Philippine Stock Exchange index (PSEi) 6,241.69 ▲ 16.69 PTS. ▲ 0.26% WEDNESDAY, SEPTEMBER 6, 2023
BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P620.00 -P8.00 -1.27%	ACEN ACEN Corp. P5.05 -P0.01 -0.2%	AEV Aboitiz Equity Ventures, Inc. P47.70 +P0.20 +0.42%	AGI Alliance Global Group, Inc. P12.80 +P0.10 +0.79%	ALI Ayala Land, Inc. P28.35 -P0.25 -0.87%	AP Aboitiz Power Corp. P35.00 -P0.05 -0.14%	BDO BDO Unibank, Inc. P137.70 -P0.90 -0.65%	BPI Bank of the Philippine Islands P105.00 +P0.80 +0.77%	CNVRG Converge ICT Solutions, Inc. P8.33 +P0.03 +0.36%	DMC DMCI Holdings, Inc. P10.36 +P0.02 +0.19%
EMI Emperador, Inc. P21.00 +P0.10 +0.48%	GLO Globe Telecom, Inc. P1,790.00 -P6.00 -0.33%	GTCAP GT Capital Holdings, Inc. P575.00 ---	ICT International Container Terminal Services, Inc. P205.40 +P0.40 +0.2%	JFC Jollibee Foods Corp. P237.00 +P0.80 +0.34%	JGS JG Summit Holdings, Inc. P38.00 +P0.80 +2.15%	LTG LT Group, Inc. P9.08 -P0.04 -0.44%	MBT Metropolitan Bank & Trust Co. P55.50 +P0.10 +0.18%	MER Manila Electric Co. P345.00 ---	MONDE Monde Nissin Corp. P7.60 +P0.10 +1.33%
MPI Metro Pacific Investments Corp. P5.00 -P0.10 -1.96%	PGOLD Puregold Price Club, Inc. P28.95 +P0.95 +3.39%	SCC Semirara Mining and Power Corp. P32.25 -P0.10 -0.31%	SM SM Investments Corp. P856.00 +P16.00 +1.9%	SMC San Miguel Corp. P105.40 -P0.40 -0.38%	SMPH SM Prime Holdings, Inc. P29.80 +P0.05 +0.17%	TEL PLDT Inc. P1,201.00 -P1.00 -0.08%	UBP Union Bank of the Philippines P71.70 +P0.70 +0.99%	URC Universal Robina Corp. P116.90 -P1.00 -0.85%	WLCON Wilcon Depot, Inc. P21.90 -P0.10 -0.45%

Ruling on Makati-Taguig case hits PHL Infradev subway project

PHILIPPINE Infradev Holdings, Inc. said the alignment of the planned \$3.7-billion Makati City subway is no longer feasible after the recent decision of the Supreme Court (SC) mandating some areas covered by the project to be under Taguig City's jurisdiction.

"Under the joint venture (JV) agreement executed between the Makati City government and the company, the depot and a few stations of the Makati City subway system will be in the affected areas. Also, the alignment of the subway will no longer be feasible," Philippine Infradev said in a stock exchange disclosure on Wednesday.

Philippine Infradev said that it sent an intent notice to the Makati City government to pro-

pose discussions after the change in law with the SC decision.

"Please be informed that pursuant to the recent SC decision, some areas previously within the jurisdiction of Makati City were found to be within the jurisdiction of Taguig City instead," the company said.

"We will advise the Philippine Stock Exchange and the Securities and Exchange Commission for any further material developments on the matter," it added.

In October 2018, the Makati City government awarded the project to Philippine Infradev, followed by the project's groundbreaking ceremony in December 2018.

The SC previously ruled that Fort Bonifacio and the Enlisted Men's Barrios or the so-called

"EMBO" barangays are under the jurisdiction of Taguig City.

The 10-kilometer project, which has 10 stations, was projected to be fully operational by 2025. It aims to link Ayala Ave. to the area of Ospital ng Makati through about a 15-minute trip.

In a separate statement, transport advocacy network The Passenger Forum (TPF) said the Taguig City government should be included in the JV between the Makati City government and Philippine Infradev.

"Commuters are really looking forward to having a subway in the heart of the busiest district in the country. If this requires including Taguig into the project, so be it. If this necessitates another JVA (joint venture agreement) with

Taguig, Infradev should do it and do it fast," TPF Convener Primo V. Morillo said.

"Infradev's disclosure mentions something about their intent to start discussions with the LGU (local government unit) of Makati in light of the SC decision to grant some former Makati territories to Taguig City. We hope that they will find a workable solution as this is a very important mass transportation project and about 700,000 passengers are expected to ride and benefit from this subway on a daily basis," he added.

According to Mr. Morillo, negotiating with the Taguig City government also opens the possibility of an expansion to BGC.

— **Revin Mikhael D. Ochave**

SEC targets to strictly follow 45-day processing for IPOs

THE Securities and Exchange Commission (SEC) will strictly adhere to the 45-day processing of initial public offerings (IPOs) as it aims to boost the country's capital market.

"We are looking at being stricter about our 45-day processing for IPOs because we want to make it easier and we want to streamline the structure and process for IPOs in the future," SEC Commissioner Kelvin Lester K. Lee said during a recent media roundtable in Makati City.

"There are minimal IPOs right now because of the interest rate environment, but we are foreseeing that IPOs will be a lot once that settles. We want to make sure

that companies are ready for it, and we want to make sure that processing is much faster than before," he added.

According to Mr. Lee, the previous average processing time was "a bit beyond the 45-day period" due to exchanges in documents that prolonged the process.

"The average before, as what I understand, is a bit beyond the 45 days. Usually, that is because, from the experience of our departments... there is often a lot of exchange of documentation. The process of IPOs is getting longer as a result. We want to make it streamlined, we want to make it faster," Mr. Lee said.

— **Revin Mikhael D. Ochave**

FULL STORY



Read the full story by scanning the QR code or by typing the link <tinyurl.com/2u85bdbe>

RRP,
from SI/1

The Monetary Board hiked borrowing costs by 425 basis points (bps) to bring the key rate to 6.25% from May 2022 to March 2023.

The response lag, also known as impact lag, is the time it takes for monetary policy to affect the economy once they have been implemented.

Mr. Dakila also said the influence of the BSP on market operations has been

limited for a long time, since the RRP facility had a previous ceiling of P305 billion which is the amount that the central bank can hold in terms of volume of government securities.

"For a long time, the volume (for the RRP facility) is only fixed. Our influence on the market is limited. If we want to mop up liquidity, there is only a fixed

amount. What we did was to introduce other instruments such as the TDF and the BSP bills, but the ON RRP rate will be adjusted daily," he said.

However, since mid-July, the BSP started to accept all offers for the RRP facility, and the volume has been raised from P305 billion to more than P500 billion.

Lara Romina E. Ganapin, director of the BSP's Department of Economic Research, said the central bank shifted to a variable rate auction format due to "available collateral" which it did not have previously.

"Because of some operations that we did during the pandemic, we were able to have enough collateral to pursue these

reforms for the RRP facility," Ms. Ganapin said.

BSP Senior Assistant Governor Illuminada T. Sicat noted that even if the pandemic had not happened, the BSP is authorized by the BSP Charter to purchase and sell government securities. — **Keisha B. Ta-asan**

SM Foundation welcomes over 400 new SM scholars

SM Foundation, the social good arm of the SM group, recently awarded college scholarships to 470 freshmen students, forging its commitment to supporting youth in breaking the intergenerational cycle of poverty through education.

To mark the beginning of the students' journey as SM scholars, the foundation staged the LIMITLESS, the online awarding of the SM College scholarship program on September 2, 2023.

During the ceremony, Linda Atayde, SM Foundation Executive Director for Education emphasized education's transformative power, reaffirming the SM group's commitment to empowering young students to dream big to spread social good in their communities.

"Education is the beacon of hope that illuminates the path towards progress and breaks the chains of poverty. Through education, we can achieve greatness and rise above the constraints that may surround us," Atayde said.

Moreover, the SM College Scholarship program was established in 1993 through the vision of SM group founder, Mr. Henry Sy Sr.

Since its inception, the foundation has provided financial and holistic support that encompasses mentorship, and a wide array of workshops aimed at nurturing the personal and professional growth of over 5,000 scholars throughout the country.




SMFI SAVP for Education Eleanor Lansang welcomes the freshmen scholar during a contract signing event.



SM Foundation capped the LIMITLESS with an interactive learning session with SMEDD Corp. President Chico Sy, SM Prime VP for Market Research and Planning Ronald Tumao, and SCMC Regional Accounting Manager and SM Scholar alumna Grace Ortega.

Exports,
from SI/1

"I think at the end of the year it will have an improvement even if it is coming at a high base and despite the many supply chain disruptions. It will surpass 2022 business level but not so much," Mr. Ortiz-Luis said in a phone interview.

For 2022, exports rose by 5.6% to \$78.84 billion from a year earlier, while

imports grew by 17.3% to \$137.16 billion. This brought the full-year trade balance to a record \$58.32-billion deficit.

ING's Mr. Mapa said exports may contract by yearend as demand fades.

The lower risk of a recession in the US may help support further recovery in exports, Mr. Ricafort said.

"The US dollar/peso (exchange rate) being among nine-month highs would help make Philippine exports cheaper or more price competitive from the point of view of international buyers, a factor that could help support further pickup in exports," he said.

Pledges,
from SI/1

Mr. Marcos also met with executives of PT WIR Asia Tbk, described as the first metaverse company in Indonesia. WIR's subsidiary PT Mata Nilai Republik is planning to invest \$20 million in the Philippines in the next five years.

The President also met with executives of satellite company Pasifik Satelit Nusantara (PSN). PSN last year signed a memorandum of understanding (MOU) with WIT Philippines, Inc., which would involve the launch of a satellite by December that would help improve digital connectivity in the country.

Mr. Marcos' business meetings were led by the Department of Trade and Industry (DTI) through the Philippine Trade and Investment Center-Jakarta.

"The meetings were a follow-up to the President's state visit to Indonesia, aimed to forge strategic linkages and partnerships between the Philippines and Indonesia in key sectors, such as agriculture, specifically animal vaccine manufacturing, digital technology, and innovation," the DTI said in a statement.

Separately, the Palace said the Philippine private sector had signed a deal with its Southeast Asian counterparts to improve ties in agriculture and small business development, as

the region seeks to promote economic integration.

The memorandum of understanding signed by members of the ASEAN-Business Advisory Council (BAC) aims to jointly conduct studies and mentorship opportunities for potential agriculture, agribusiness technology, food security, agri-preneurship business models and value chain development among small, medium, and large farmers, enterprises, and government entities.

The development of trade and investment opportunities in various agricultural commodities including rubber, rice, corn, fruits, vegetables, and other agricultural services is expected under the joint cooperation, the DTI said.

Separate MOUs were signed for each cooperation with Thailand, Brunei, Singapore, Laos, Cambodia, Vietnam, Myanmar, and Indonesia through their respective ASEAN-BAC representatives.

The Philippines was represented by ASEAN-BAC Philippines Chairman Jose Ma. Concepcion III, a member of Mr. Marcos' Private Sector Advisory Council.

"All member states also agreed to jointly promote effective strategies in addressing climate change and ensure a sustainable agribusiness environment," the Palace said.

Speaking at the ASEAN-BAC roundtable dialogue, Mr. Marcos said the Philippines seeks to deepen economic ties with ASEAN countries through the Regional Comprehensive Economic Partnership (RCEP).

"It is a catalyst that is seen to bring in even more collaboration amongst ASEAN member states," he said. "We are positive that RCEP will further deepen economic integration and significantly contribute to the economic growth of the region."

RCEP, which covers nearly a third of the global population and about 30% of its global gross domestic product, took effect locally on June 2. Participating countries include the members of ASEAN, Australia, China, Japan, New Zealand, and South Korea.

The trade deal is heavily supported by China, whose trade with member countries, according to a May 2022 analysis from China Briefing, accounted for 30.4% of Beijing's total foreign trade value.

Critics of RCEP have already warned that the trade deal would only make the Philippines heavily reliant on imports from China and prevent the Southeast Asian nation from pursuing trade diversification. — **K.A.T. Atienza**