DMCI Mining expects record nickel ore shipments

DMCI Mining Corp. is on track to surpass last year's nickel ore shipments, its president said, as the company recorded robust production in 2023 while also targeting to start operating a new mine site by December.

"We're very pleased that we will have a historical year in terms of shipments this year and that will help offset the lower prices because [we've recorded] volume gain," DMCI Mining President Tulsi Das C. Reyes said in a media briefing on Friday.

His optimism comes as the mining firm's subsidiary, Zambales Diversified Metals Corp. (ZDMC), produced more than one million tons of nickel ore in the first six months.

"Kung mataas 'yung volume *mo, bababa 'yung* cost per ton *mo* (If your volume is high, your cost per ton will go down)," he added.

Company data show its nickel ore production stood at 1.12 million wet metric tons (WMT) in the January-to-June period, nearly double the 567,000 million WMT a year earlier.

First-half output is also higher than the 1.03 million WMT produced during the full-year 2022.

Meanwhile, shipments reached 1.06 million WMT, equivalent to 73% of the total sales volume of 1.45 million WMT.

"We attribute our strong performance to improved operational efficiency and permit timing," Mr. Reyes said.

"Shortly after [ZDMC] was granted an ECC (environmental compliance certificate) amendment, we worked on securing the auxiliary permits, local manpower and heavy equipment needed to boost our production capacity," he said.

In January, ZDMC was granted an amended ECC that allowed it to produce two million WMT of nickel ore from the previously permitted one million WMT.

DMCI Mining has said that it is eyeing to ship out 1.5 WMT of nickel ore this year.

Meanwhile, Mr. Reyes said that the company is looking to open a mine in Zambales which is targeted to be operational by December this year, and another mine by the second quarter of next year.

DMCI Mining is currently securing a tree-cutting permit for an area inside ZDMC that is likely to produce 20 million tons of nickel ore, he said.

"I strongly believe that we have a very good chance to get this permit before year-end," he said. "Once we get the tree-cutting permit, we can already mine."

The new mine site will be operated by another subsidiary, Zambales Chromite Metals Corp. It was not operating in 2019 due to the lack of permits to commence.

Mr. Reyes did not disclose the location of the other mine prospect.

He said he was bullish about ending the year with good results amid the projected higher selling prices with the closures of some mining operations in Surigao.

"With Surigao shutting down or closing for the season in October, we feel that prices will go high because the supply is naturally decreased," he said.

"So I'm very positive for the outlook for the last quarter of this year and the first quarter of next year, for me, personally, because our mine sites normally operate when Surigao closes," he added.

DMCI Mining is the mining subsidiary of Consunji-led listed holding firm DMCI Holdings, Inc. — **Sheldeen Joy Talavera**

SEC advises against investing in unlicensed Eatcited, Amelia Mall

THE Securities and Exchange Commission (SEC) warned the public against investing in Eatcited Pasalubong Center and Amelia Mall Online as these are not authorized to solicit investments.

In two separate advisories posted on its website, the corporate regulator said that Eatcited and Amelia Mall are operating without the necessary license to solicit, accept, or take investments from the public.

According to the SEC, Eatcited and its representatives are enticing the public to invest in its wholesale and retail food product services. The entity allegedly promises a guaranteed 5% earnings per month for a minimum investment of P20,000 and a guaranteed 10% earnings per month for a maximum investment of P500,000.

Eatcited, located in Tayabas, Quezon province, is registered with the Department of Trade and Industry as a sole proprietorship.

"As appearing in its social media posts, Eatcited Pasalubong Center claims that it is looking for partners/silent investors for a short- or long-term contract with the possibility of earning money up to 120% for a period of 12 months," the SEC said.

"The scheme employed by Eatcited Pasalubong Center has the characteristics of a Ponzi scheme where money from new investors are used in paying fake profits to prior investors and is designed mainly to favor its top recruiters and prior risk takers and is detrimental to subsequent members in case of scarcity of new investors," it added.

Meanwhile, the SEC said Amelia Mall Online/AriaMall/Amelia-Mall Philippines, Inc. allegedly offers a part-time job by placing orders online with a promise of receiving a commission, which could only be withdrawn upon payment of a tax charge.

The corporate regulator added that the certificate of registration being shown by Amelia Mall to the public is bogus, as the commission's records showed that the entity is not registered as a corporation, partnership, or one-person corporation. — **Revin Mikhael D. Ochave**

AbaCore to invest in 15-hectare Batangas property

ABACORE CAPITAL Holdings, Inc. is investing in a 15-hectare property at Simlong, Batangas as the listed firm aims to increase its investment properties.

In a stock exchange disclosure on Monday, AbaCore said the location of the property is contiguous to the company's current properties in Simlong. The investment was approved by its board on Sept. 22.

According to the company, the target investment property is "at a discount of around P225 million to the most recent appraised value."

"The investment will result in the increase in investment properties of the corporation and a replenishment of the inventory of its assets, in line with the previously adopted principle of the board to replace assets sold with new assets even in other areas," the company said.

In a separate statement, AbaCore said it would repurchase up to P45 million of its common stock upon the board's approval to finalize details of the company's buyback program.

The buyback program will run from October this year until September 2025. Guild Securities, Inc. will serve as the broker for the program.

To repurchase shares, AbaCore will spend the remaining funds after allocating for operational expenditures, capital expenditures, a 10% annual dividend, taxes, and payment of advances from related parties.

"We are pursuing this program as we believe our stock has strong fundamentals. We look forward to providing value to our shareholders and instilling confidence in our company's future," AbaCore President, Chairman, and Chief Executive Officer Raul B. de Mesa said.

Meanwhile, AbaCore's board also approved a business development incentive program that seeks to diversify the company's operations and generate "regular" cash flows from its investment properties.

"The business development incentive program aims to ensure that AbaCore will continue to adapt to various evolving trends within the markets it operates in," Mr. De Mesa said.

"While investing in properties will remain a core part of our operations, we acknowledge there is untapped potential coming from business ventures we could enter in the future with local and foreign partners," he added.

AbaCore is a listed holding company that has interests in sectors such as tourism, real estate, financial services, and energy. It recorded P384.6 million in net income as of August, a reversal of the P15.5 million net loss in the first half of last year.

On Monday, shares of AbaCore at the local bourse rose two centavos or 1.8% to finish at P1.13 each. — **Revin Mikhael D. Ochave**

Vitarich plans to expand its farm product plants

LISTED Vitarich Corp. is planning to expand its network of farm product plants through partnerships, its top official said on Monday.

"We are actually in the middle of planning for our road map, and we are identifying the areas for growth... possibly [in] North Luzon," Vitarich President and Chief Executive Officer Ricardo Manuel M. Sarmiento said in an interview with ANC.

Mr. Sarmiento added that the company's planned manufacturing site would "not necessarily" be company-owned as it eyes partnering with local businesses.

"Part of our strategy is to partner with other businessmen, especially localized in the region. That usually is a good mix," he said. He did not give out further details on the company's expansion plans.

The company currently has two feed mill facilities and a poultry dressing plant in Central Luzon, a feed mill and a dressing plant in Davao, and another feed mill in Iloilo. — **Adrian H. Halili**

FULL STORY

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PHILIPPINE STAR/WALTER BOLLOZOS

THE OUTLOOK for the Philippine economy remains cloudy due to elevated inflation and high interest rates.

Forecast,
from S1/1

"A fuller picture of the effect will emerge in coming months, depending on the evolution of global prices and government policies (an export ban on rice in India, the world's largest rice exporter, contributed significantly to the increase in rice prices in Asia)," it said.

The debt watcher also noted that the El Niño weather pattern may likely persist until 2024, which will lead to weaker agricultural activity in the region and potentially higher food prices.

Headline inflation quickened for the first time in seven months in August to 5.3% from 4.7% in July. Meanwhile, core inflation further eased to 6.1% year on year in August from 6.7% in July.

"The recent rise in oil and food prices hasn't yet led to a renewed worsening of external deficit trends in the Asian economies that ran current account deficits in 2022: India, New Zealand, the Philippines, and Thailand. Earlier declines in oil and commodity prices helped to reduce those deficits," S&P said.

In the first semester, the country's current account deficit stood at $8.2 billion (-4% of GDP), 32.2% lower than the $12.1-billion deficit (-6.1% of GDP) in the same period last year.

The BSP projects the current account deficit to reach $11.1 billion (-2.5% of GDP) for this year, before narrowing to $10.3 billion (-2.1% of GDP) in 2024.

"In New Zealand, the Philippines, and Thailand, rising tourism revenues are also making a difference. However, the new rise in oil and food prices will put pressure on the external deficit data in coming months," the credit rater said.

Bank of the Philippine Islands (BPI) Lead Economist Emilio S. Neri, Jr. said the Philippines cannot rule out the debt watcher's lower growth outlook for this year.

"We are a bit more optimistic than S&P though: while we think that making up for public sector underspending in the second quarter will be an uphill climb, we are likely to see improvements in government spending in the second half of 2023 to bring growth to the 5.5% to 6% range," Mr. Neri said in a Viber message.

Aside from higher interest rates, he noted that growth has also been dampened by persistent inflation, government underspending and possible erosion of investor confidence due to geopolitical issues.

George N. Manzano, an economist at the University of Asia and the Pacific, said it will not be easy for the Philippines to achieve its 6-7% GDP growth target this year.

"The economy has to grow by 6.6-6.7% in the second half to hit the lower bound 6% government target," he said.

"At the rate that inflation is increasing, with the food and energy prices, it may hamper demand and investment, especially if the BSP will hike interest rates further in the year. Thus, the burden will be on government spending to spur growth," he added.

Last week, the BSP kept its key interest rate for a fourth straight meeting at 6.25%. From May 2022 to March 2023, the Monetary Board raised borrowing costs by 425 basis points (bps).

In the report, S&P expects the BSP's policy rate to reach 6.5% this year. This assumes that the Monetary Board may still hike by 25 bps in the fourth quarter.

By end-2024, S&P expects the Monetary Board to cut its key rate to 5.75%.

The credit watcher also noted that they do not see any policy easing in the near term due to challenges in inflation and uncertainties from the US Federal Reserve.

"Most Asia-Pacific central banks consider the recent currency weakening as manageable but given renewed increases in global energy and food prices, they would be reluctant to see large currency depreciation stoke so-called imported inflation," it said.

BSP Governor Eli M. Remolona, Jr. earlier said that the Monetary Board may raise policy rates again at its next meetings on Nov. 16 and Dec. 14 if inflationary pressures persist.