

Philippine Stock Exchange index (PSEi)

5,989.27

▲ 15.49 PTS.

▲ 0.25%

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## PSEi MEMBER STOCKS

<b>AC</b> Ayala Corp. P616.00 +P10.50 +1.73%	<b>ACEN</b> ACEN Corp. P5.38 +P0.08 +1.51%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P45.70 -P0.10 -0.22%	<b>AGI</b> Alliance Global Group, Inc. P10.76 +P0.16 +1.51%	<b>ALI</b> Ayala Land, Inc. P27.35 -P0.50 -1.8%	<b>BDO</b> BDO Unibank, Inc. P128.00 +P0.50 +0.39%	<b>BLOOM</b> Blossom Resorts Corp. P9.28 +P0.17 +1.87%	<b>BPI</b> Bank of the Philippine Islands P99.05 -P1.45 -1.44%	<b>CNPF</b> Century Pacific Food, Inc. P28.65 +P0.65 +2.32%	<b>CNVRG</b> Converge ICT Solutions, Inc. P8.43 +P0.06 +0.72%
<b>DMC</b> DMCI Holdings, Inc. P9.18 +P0.01 +0.11%	<b>EMI</b> Emperador, Inc. P20.80 ---	<b>GLO</b> Globe Telecom, Inc. P1,762.00 +P2.00 +0.11%	<b>GTCAP</b> GT Capital Holdings, Inc. P528.00 -P21.00 -3.83%	<b>ICT</b> International Container Terminal Services, Inc. P205.00 +P3.80 +1.89%	<b>JFC</b> Jollibee Foods Corp. P209.00 +P4.00 +1.95%	<b>JGS</b> JG Summit Holdings, Inc. P35.95 -P0.80 -2.18%	<b>LTG</b> LT Group, Inc. P8.79 -P0.06 -0.68%	<b>MBT</b> Metropolitan Bank & Trust Co. P52.00 -P0.30 -0.57%	<b>MER</b> Manila Electric Co. P355.00 ---
<b>MONDE</b> Monde Nissin Corp. P7.90 -P0.30 -3.66%	<b>NIKL</b> Nickel Asia Corp. P5.48 +P0.03 +0.55%	<b>PGOLD</b> Puregold Price Club, Inc. P27.60 +P0.50 +1.85%	<b>SCC</b> Semirara Mining and Power Corp. P29.00 ---	<b>SM</b> SM Investments Corp. P805.00 +P4.00 +0.5%	<b>SMC</b> San Miguel Corp. P103.00 -P2.10 -2%	<b>SMPH</b> SM Prime Holdings, Inc. P30.40 +P0.40 +1.33%	<b>TEL</b> PLDT Inc. P1,239.00 +P29.00 +2.4%	<b>URC</b> Universal Robina Corp. P110.10 +P0.80 +0.73%	<b>WLCON</b> Wilcon Depot, Inc. P20.40 +P0.60 +3.03%

## Two to three initial public offerings likely next year

THE Philippine Stock Exchange (PSE) could see two to three initial public offerings (IPOs) next year, the top official of an investment house said.

"Realistically, I see about two to three IPOs," BDO Capital and Investment Corp. President Eduardo V. Francisco told *BusinessWorld* in a recent roundtable.

"Five IPOs are already optimistic because the first half will be muted if rates are still high. If the rates don't go down, no one would do an IPO... Those might all come in the second half of next year," Mr. Francisco added.

Three companies conducted IPOs this year, namely Alternergy Holdings Corp. in March, Upson

International Corp. in April, and Repower Energy Development Corp. in July.

This is well below the PSE's target of 14 IPOs this year amid unfavorable market conditions.

The PSE index closed at 5,989.27 on Nov. 3, down by 577.12 points or 8.79% from its Dec. 29 finish of 6,566.39.

Persistently elevated inflation has caused the Bangko Sentral ng Pilipinas (BSP) to keep its benchmark rates high.

In its first policy adjustment since March, the BSP on Oct. 26 raised its key rate by 25 basis points (bps) to a 16-year high of 6.5% in an "urgent" move to anchor inflation expectations.

Philippine headline inflation accelerated for a second straight month to 6.1% in September. This brought the nine-month average to 6.6%, still above the BSP's 5.8% forecast and 2-4% target for the year.

Mr. Francisco said possible IPOs by next year include Maynilad Water Services, Inc., Citicore Renewable Energy Corp., and the local subsidiary of Australian-Canadian mining firm OceanaGold Corp.

"For Citicore, it has a chance because there is demand from institutional investors. There are investors who might invest there regardless of the yield because they are looking at long-

term pay rather than dividend yield," he said.

"Maynilad's IPO has a chance. It is required by law. For OceanaGold, it is also required by law and also they are very profitable, so there is a chance that it would push through," he added.

Maynilad has to list on the local bourse by 2026 as part of the terms of its franchise and revised concession agreement with the government, Metro Pacific Investments Corp. (MPIC) Chairman, President, and Chief Executive Officer Manuel V. Pangilinan said in September.

Maynilad is managed by a joint venture among MPIC, DMCI Holdings, Inc., and Maru-



beni Corp. The water concessionaire provides water and wastewater service for Metro Manila's west zone and nearby areas.

OceanaGold is also mandated to list its local unit, OceanaGold Philippines, Inc. (OGPI), on the PSE under its 25-year Financial or Technical Assistance Agreement (FTAA) with the government.

OGPI operates the Didipio gold and copper mine in Nueva Vizcaya. OceanaGold announced in July 2021 that its FTAA with the government had been renewed.

Meanwhile, Citicore Renewable Energy President and Chief Executive Officer Oliver Y. Tan said in September that the company is aiming to go public by next year and is already preparing its registration statement. — **Revin Mikhael D. Ochave**

## Globe's attributable income down by 27% in Q3

GLOBE TELECOM, INC. posted an attributable comprehensive net income of P4.97 billion in the third quarter (Q3), down by 27% from P6.81 billion a year ago, amid higher non-operating charges for the period, it said on Sunday.

Globe recorded consolidated revenues of P44.27 billion in the quarter, a 3.2% increase from P42.88 billion a year ago, amid strong service revenues, its financial statement showed.

Service revenues, totaling P40.66 billion, accounted for the majority of the company's third-quarter top line, rising by 4% year on year from P39.1 billion.

Meanwhile, its non-service revenues declined by 5% to P3.61 billion from P3.80 billion previously.

"Our third quarter results show that our telecom business performance is very much aligned to the guidance we have set. On the other hand, our pivot to a techco business is showing signs of momentum. We are happy that more of the non-telco businesses

are contributing to the Group's overall business growth and resilience," Ernest L. Cu, president and chief executive officer of Globe, said in a statement.

Higher expenses pulled down the company's bottom line in the period. Costs and expenses climbed by 4.2% to P38.87 billion in the third quarter, up from P37.30 billion a year ago.

"We will continue to look for opportunities to thrive amidst the macroeconomic challenges and competition. We believe that our renewed focus on innovation, collaboration, sustainability and service, backed by our unwavering commitment to network excellence are the imperatives that will keep us ahead and will pave the way for a digitally inclusive and prosperous Philippines," Mr. Cu said.

For the first nine months, Globe's attributable comprehensive net profit fell by 27.1% to P19.29 billion from P26.46 billion in the same period last year.

Its consolidated revenues stood at P133.79 billion in the period, 2.8% higher than the previous year's P130.20 billion.

Services revenues made up bulk of the total at P121.1 billion, up by 2.7% from P117.96 billion last year and an "all-time high," Globe said.

"This remarkable performance was mainly fueled by the strong contributions from its mobile, corporate data and non-telco services, which fully offset the anticipated decline in home broadband," it added.

Non-service revenues increased by 4% to P12.73 billion in the nine-month period from P12.24 billion previously.

Meanwhile, the company invested about P54 billion in capital expenditures (capex) in the first nine months, down 27% year on year.

Most of its capex was used for data requirements to ensure reliable connectivity access, Globe said.

"Moreover, Globe built 833 new cell sites, and upgraded 5,395 mobile sites to LTE as of September 2023, to ensure seamless connectivity, high-speed data transmission, and consistent service availability across the country. The company also deployed around 175 thousand fiber-to-the-home lines, notably lower than last year's rollout to maximize the utilization of its existing fiber inventory and this year's reduction in capex," it said.

"With Globe's relentless pursuit of expanding its 5G technology nationwide, the Company has deployed 716 new 5G sites across the Philippines, increasing its 5G outdoor coverage to 97.67% of the National Capital Region and 92.06% of key cities in Visayas and Mindanao. Globe likewise logged 5.2 million 5G devices in its 5G network for the month of September 2023," the company added.

Globe's shares went up by P2 or 0.11% to close at P1,762 apiece on Friday. — **A.E.O. Jose**

## OUTLIER

## Wilcon Depot shares inch higher despite lackluster earnings

SHARES in Wilcon Depot, Inc. went up last week despite its weak third-quarter financial performance due to softer demand for home improvement and construction.

Data from the Philippine Stock Exchange (PSE) showed a total of 6.56 million Wilcon shares worth P130.14 million were traded on Oct. 31 and Nov. 3, making it the 16<sup>th</sup> most actively traded stock during the two-day trading week.

The market was closed for public holidays on Oct. 30, Nov. 1, and Nov. 2.

Shares of the home improvement and construction supply retailer rose 3% week on week to end at P20.40 apiece on Friday from its P19.80 closing price on Oct. 27.

However, for the year so far, Wilcon's stock is down by 30.8%.

Wilcon earlier reported that its net income reached P907.98 million in the third quarter, down by 17.8% from P1.10 billion in the same period last year.

For the first nine months, the company's earnings declined by 7.9% year on year to P2.73 billion from P2.96 billion.

Meanwhile, gross revenues for the quarter inched up by 0.5% to P3.48 billion. For the first nine months, revenues increased by 6.6% to P10.25 billion from P9.62 billion in 2022.

Analysts attributed the "lackluster" earnings of Wilcon to its higher operating expenses compared to its sales in the third quarter.

The jump in operating expenses was mainly due to expansion-related expenses as Wilcon opened eight stores since the fourth quarter of 2022. Lance U. Soledad, re-

search associate at China Bank Securities Corp., said in an e-mail.

Lower advertising and promotions from Wilcon's suppliers also led to lower net and other income, I.B. Gimenez Securities, Inc. Research Head Joylin F. Telagen said in an e-mail.

Mr. Soledad said the market saw a "substantial selloff" before Wilcon's reported its third-quarter earnings as investors braced for weak corporate financial results.

Despite Wilcon's slightly better performance last week, it remained on a downturn due to the shortened trading period, Ms. Telagen said.

"If there is surprise news that may improve the company's performance and align to investors' objectives, then trade," she said.

"Due to disappointed earnings and trading within the downtrend area, I think it's better to set an alert. If it exits the downtrend channel with an attractive risk-reward ratio, then trade," Ms. Telagen added.

She placed Wilcon's support and resistance levels at P19 and P22.25, respectively.

Meanwhile, China Bank Securities' Mr. Soledad placed the stock's support and resistance at P19 and P21.90, respectively.

"We think that the stock price recovery for [Wilcon] may be protracted for so long as... it continues to see elevated costs — especially as expansion-related expenses are likely to continue weighing on profitability — as it targets to continue growing its store network despite prevailing soft demand conditions," he said. — **B.T.M. Gadon**

SM's 85<sup>th</sup> Mall opens in Batangas on October 27

SM Prime Holdings recently opened SM City Sto. Tomas, its 85<sup>th</sup> supermall and the 4<sup>th</sup> in the province of Batangas which nestled against the majestic backdrop of Mt. Makiling. Shown in photo are: Batangas Governor Hermilando Mandanas, (3<sup>rd</sup> from left) with Sto. Tomas City Mayor Atty. Jhun Marasigan and wife Elizabeth (center), Sto. Tomas City Vice Mayor Catherine Perez (3<sup>rd</sup> from right) and Vicar General Msgr. Ruben Dimaculangan (4<sup>th</sup> from left). They were joined by SM officials (from L-R) SM Engineering Design and Development Corporation President Hans Sy Jr., SM Supermalls' President Steven T. Tan, SM Prime Holdings Inc. President Jeffrey C. Lim, and SM Retail Executive Director Herson Sy.



## Gaming revenues now back at pre-pandemic levels, PAGCOR says

THE COUNTRY'S gaming industry has returned to pre-pandemic levels and is on track to continue growing until the end of the year, the Philippine Amusement and Gaming Corporation (PAGCOR) said.

"One year into the term of President Ferdinand [R.] Marcos, Jr., our gross gaming revenues have returned to near the levels of 2019, which was the year PAGCOR achieved its all-time high for Philippine gross gaming revenue (GGR) levels," PAGCOR Chairman and Chief Executive Officer Alejandro H. Tengco said in a statement on Sunday.

"Not bad considering that many of our traditional high rollers and junkets have not fully returned, but our domestic players and the influx of new tourists have filled the void," he added.

PAGCOR, SI/3