

Philippine Stock Exchange index (PSEi)

6,629.64 ▲ 27.12 PTS. ▲ 0.41%

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PSEi MEMBER STOCKS

Table listing 20 PSEi member stocks including AC, ACEN, AEV, AGI, ALI, BDO, BLOOM, BPI, CNPF, CNVRG, DMC, EMI, GLO, GTCAP, ICT, JFC, JGS, LTG, MBT, MER, MONDE, NIKL, PGOLD, SCC, SM, SMC, SMPH, TEL, URC, and WLCON with their respective prices and changes.

PSE told to explain trading halts much sooner

By Revin Mikhael D. Ochave Reporter

THE Philippine Stock Exchange (PSE) should promptly disclose the cause of trading halts to ensure confidence in local financial markets, analysts said at the weekend after the bourse halted trading for two hours on Jan. 3 due to a technical glitch.

said in a via Viber message. The PSE should have explained the glitch “much sooner.” “They should have explained the situation much sooner. Timely disclosure of information is essential to financial markets, and this is something we have to keep in mind if we want to ensure confidence in our local stock market,” he added.

its process of authenticating all accounts. This affected at least a third of trading participants. The main index closed 0.8% lower. “The technical problem encountered was the inability of at least one-third of the trading participants to connect to PSE’s front-end order management system and for some of these the trading participants, the inability to send orders to the trading system,” the PSE said.

The PSE said the issue happened in one of the four silos in the system, which experienced stalled processes given the iterative authentication steps. The bourse and front-end order management system developer have implemented a design optimization on the mobile trading application and were working on further enhancements to prevent the issue from happening again, it added.

products, systems, and services for the investing public,” the market operator said. Any disruption in the local bourse does not look good “especially from the point of view of international professional fund managers,” Michael L. Ricafort, chief economist at Rizal Commercial Banking Corp. said in a Viber message.

assessment for investing in the local stock market.” “The reliability, security, and integrity of the local stock market trading system and overall infrastructure would also determine the level of international investor confidence,” he added.

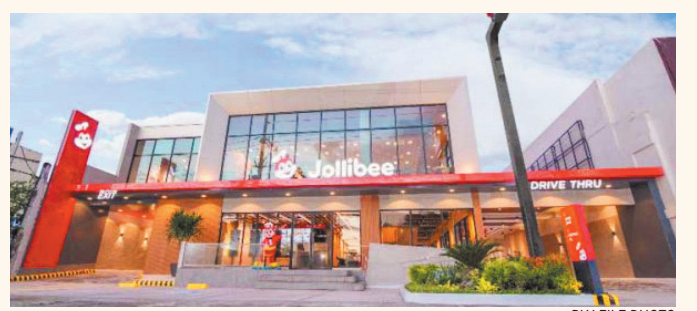
JLL expects more property conversions this year

By Sheldeen Joy Talavera Reporter

MORE Philippine real estate may be converted into housing and retail spaces this year as property developers repurpose out-of-date buildings, according to JLL. “With many buildings now out of date — if not yet out of use — and others simply failing to generate suitable yields, conversions are increasingly on the cards,” Walid Goudiard, JLL head of project and development services, said in an e-mailed reply to questions last week.

ferent forms” depending on location. “Even for those sectors which are currently out of favor, we still see a place for global diversified portfolios.” In a report, JLL said the conversion of existing office real estate into housing in the Asia-Pacific region is driven by high demand for urban living. “We will see easing interest rates — estimated Q3 onwards — and construction costs should trend down in 2024,” JLL Philippines head of capital markets P. Ryan Isip said.

Juan Paolo E. Colet, managing director at China Bank Capital Corp. expects the residential and retail segments to perform well this year. “Potential tailwinds for residential properties are lower borrowing costs, higher remittances from overseas Filipinos, and continued economic expansion,” he said in a Viber message. “Meantime, malls and other retail real estate will benefit from increased foot traffic due to lower inflation and more experience-based offerings to attract consumers,” he added.



OUTLIER Jollibee share price up after plan to boost Tim Ho Wan capital

slowling inflation, Manuel Antonio M. Castro, an equity analyst at Regina Capital Development Corp., said in a separate e-mail. “Jollibee’s international business still has a lot of room for growth and existing stores have been able to register strong year-on-year growth rates. Philippine inflation eased to 3.9% in December, the slowest in 22 months.

3 gencos to supply Meralco’s 1,800-MW power requirement

THREE generation companies (gencos) are set to supply the 1,800-megawatt (MW) power requirement of Manila Electric Co. (Meralco), the distribution utility said. In a statement at the weekend, Meralco said it had received bids from four of six generation companies that expressed interest to participate in the competitive selection process. Of the four bidders, GNPower Dingenin Ltd. Co., Mariveles Power Generation Corp., and Excellent Energy Resources, Inc. (EERI) submitted the lowest bids for the baseload requirement. GNPower offered a total levelized cost of electricity rate of P6.8580 per kilowatt-hour (kWh) for 300 MW of the total requirement. GNPower, a partnership among Aboitiz Power Corp. through unit Thema Power, Inc., ACEN Corp., and Power Partners Ltd. Co., owns a 1,336-MW coal-fired power plant in Mariveles, Bataan. Mariveles Power offered to supply another 300 MW at P6.9971 per kWh. Excellent Energy, meanwhile, put in the bid for the biggest 1,200-MW supply at P7.1094 per kWh. Mariveles Power and Excellent Energy are units of San Miguel Global Power Holdings Corp., the energy arm of San Miguel Corp. — Sheldeen Joy Talavera

DMCI Power to finish 12-MW Antique wind farm by yearend

DMCI Power Corp. seeks to complete its 12-megawatt (MW) onshore wind project on Semirara Island in Antique province by yearend, its top official said. The company, a unit of DMCI Holdings, Inc., has invested \$1 million per megawatt for the construction of its first renewable energy project, DMCI Holdings Chairman and President Isidro A. Consunji told a news briefing last week. “The potential [of the onshore wind farm] is more than 100 MW.” DMCI Power has said the wind corridors between Luzon and Panay, which include the Semirara and Cuyo islands, were found to have abundant wind power density and speed for a utility-scale wind project. DMCI Power is also set to put up a 4-MW solar farm in Masbate and is awaiting approval from the Energy Regulatory Commission (ERC). The company would soon seek approval for a power supply agreement DMCI Power President Antonino E. Gatdula, Jr. said. The company is seeking to supply power to the Masbate Electric Cooperative, Inc. Mr. Consunji said the capital expenditure per MW for both wind and solar projects is about the same. But wind power has a plant utilization rate of at least 30% compared with 17% for solar. Meanwhile, DMCI Holdings is eyeing a leisure property development in Los Baños, Laguna as part of its expansion plans, Mr. Consunji said. The listed Philippine company might develop a 40-hectare property in the province south of Manila, the capital, he said. “We are designing a property overlooking the Laguna de Bay on the Mount Makiling side,” he said. “It is 40 hectares. It will have a condotel and villas. We have decided on a low-density development so that it is forested.” “We will only develop less than 15% of that because we want it to be forested,” he added. Mr. Consunji said the project would be a joint venture with the owners of the Enchanted Kingdom theme park, with DMCI Project Developers Inc. (DMCI Homes) serving as the developer. Mr. Consunji said the company’s move into leisure is part of efforts to create different offerings for various market segments. “There’s a saturation point. You have to create different formats, differ-

By Mariedel Irish U. Catilogo Researcher

INVESTORS bought shares of Jollibee Food Corp. (JFC) last week after the Philippine fast-food chain said it would boost its capital commitment in the Tim Ho Wan brand. A total of 2.55 million shares worth P650.46 million were traded on Jan. 2 to 5, making Jollibee the eighth most active stock on the local bourse. The share price rose by 2.6% week on week to close at P258 each on Friday. Financial markets were closed on Jan. 1 in celebration of the New Year. “We believe that the reason behind JFC’s activity this week was due to hopes that its growth will continue this year amid its international expansion,” Mikhail Philippe Q. Plopenio, research and engagement officer at Philstocks Financial, Inc. said in an e-mail. Jollibee has said it would boost its capital commitment to Titan Dining LP, the private equity fund that owns the Tim Ho Wan brand and stores, to S\$414 million (\$313.2 million) to fund its expansion. In a disclosure to the Philippine Stock Exchange, the Philippine fast-food giant also said the participating interest of unit Jollibee Worldwide Pte. Ltd. in Titan would rise to 92% from 90% through the purchase of a 2% interest in another limited partner in the fund for S\$77 million. Market players have started buying Jollibee shares amid

slowing inflation, Manuel Antonio M. Castro, an equity analyst at Regina Capital Development Corp., said in a separate e-mail. “Jollibee’s international business still has a lot of room for growth and existing stores have been able to register strong year-on-year growth rates. Philippine inflation eased to 3.9% in December, the slowest in 22 months. Jollibee has two joint ventures with Titan for Tim Ho Wan in China and Tiong Bahru Bakery and Common Man Coffee Roasters in the Philippines. There are 78 Tim Ho Wan stores in Asia, nine of which are in the Philippines. Mr. Plopenio said investors should be wary of Jollibee’s operational plans particularly in China, which faces economic challenges this year. “JFC is currently operating globally with its presence scattered into different parts of the world,” he said. “Market players should be aware of the developments on where JFC’s operations are located. It could be economic indicators or geopolitical factors.” Jollibee’s net attributable income went up by 13.6% to P2.43 billion in the third quarter from a year earlier. Revenue rose by 8.4% to P61.71 billion. “For end-2023, we’re expecting the bottom line to finish in the mid-teens,” Mr. Castro said. Mr. Castro placed Jollibee’s support level at P250 and resistance at P262. Mr. Plopenio pegged support and resistance levels at P252.80 and P263.20, respectively.

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