

Philippine Stock Exchange index (PSEi)

6,622.01

▼ 8.67 PTS.

▼ 0.13%

TUESDAY, JANUARY 30, 2024

BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P660.00 -P1.00 -0.15%	ACEN ACEN Corp. P4.30 +P0.12 +2.87%	AEV Aboltiz Equity Ventures, Inc. P47.95 -P0.05 -0.1%	AGI Alliance Global Group, Inc. P11.32 +P0.02 +0.18%	ALI Ayala Land, Inc. P33.00 -P0.50 -1.49%	BDO BDO Unibank, Inc. P143.40 -P1.50 -1.04%	BLOOM Bloomerry Resorts Corp. P10.74 -P0.06 -0.56%	BPI Bank of the Philippine Islands P110.40 -P1.60 -1.43%	CNPF Century Pacific Food, Inc. P32.00 -P0.10 -0.31%	CNVRG Converge ICT Solutions, Inc. P9.25 +P0.05 +0.54%
DMC DMCI Holdings, Inc. P10.70 +P0.10 +0.94%	EMI Emperador, Inc. P20.50 -P0.15 -0.73%	GLO Globe Telecom, Inc. P1,728.00 +P28.00 +1.65%	GTCAP GT Capital Holdings, Inc. P659.00 +P26.00 +4.11%	ICT International Container Terminal Services, Inc. P239.40 +P3.40 +1.44%	JFC Jollibee Foods Corp. P259.00 -P5.00 -1.89%	JGS JG Summit Holdings, Inc. P39.10 +P1.60 +4.27%	LTG LT Group, Inc. P9.50 ---	MBT Metropolitan Bank & Trust Co. P56.10 -P0.40 -0.71%	MER Manila Electric Co. P368.00 -P8.00 -2.13%
MONDE Monde Nissin Corp. P8.68 +P0.34 +4.08%	NIKL Nickel Asia Corp. P4.83 +P0.09 +1.9%	PGOLD Puregold Price Club, Inc. P28.40 -P0.05 -0.18%	SCC Semirara Mining and Power Corp. P31.80 -P0.05 -0.16%	SM SM Investments Corp. P923.00 +P1.00 +0.11%	SMC San Miguel Corp. P108.10 -P3.10 -2.79%	SMPH SM Prime Holdings, Inc. P33.70 ---	TEL PLDT Inc. P1,275.00 -P9.00 -0.7%	URC Universal Robina Corp. P112.50 -P0.50 -0.44%	WLCON Wilcon Depot, Inc. P21.65 -P0.25 -1.14%

Telcos seek support to boost broadband services

By Luisa Maria Jacinta C. Jocson
Reporter

THE Philippine broadband market is expanding beyond the perceived duopoly, but there is a need for increased support to enhance service efficiency and reduce costs, according to industry players.

Globe Chief Sustainability and Corporate Communications Officer Maria Yolanda C. Crisanto responded to a recent World Bank study characterizing the market as an “effective duopoly with two large telcos,” saying that the ‘duopoly’ label “disregards certain players that have already made a dent in the market.”

“Looking at revenue data it cited, the study inaccurately compared Globe’s total 2022 revenues of P158 billion with a pure broadband competitor’s P34 billion. This fails to take into account that Globe offers a full suite of services including mobile, broadband, and a host of digital solutions from its non-telco business,” she said in an e-mail.

The World Bank study said that “Globe and PLDT Inc./Smart are vertically integrated.”

“They own international connectivity, backbone, middle- and last-mile

networks and have the majority subscriber share. Over 500 providers acting as retailers rely on wholesale infrastructure, either from the duopoly or market challengers,” it noted.

The government should promote pro-competition policy reforms and encourage investments to help enhance broadband infrastructure and narrow the digital divide in the country, the study also said.

The study cited data showing that in 2022, PLDT’s revenues reached P205 billion, Globe recorded P175 billion, and Converge ICT Solutions, Inc. earned just P34 billion.

Ms. Crisanto noted that Globe’s broadband revenue alone in 2022 was P27.1 billion.

For its part, the PLDT group highlighted its commitment to enhancing services despite challenges.

“Amid macroeconomic challenges and heightened competition in the telco landscape in the Philippines, PLDT and its wireless arm Smart Communications, Inc. remain steadfast in their commitment to support the steady rise in network traffic and deliver leveled-up services to their customers nationwide,” the group said in a statement.

This is achieved through “continuously investing in enhancing and ex-

panding the Group’s integrated fixed and wireless networks, enabling improved customer experience,” it added.

As of end-September, PLDT’s fiber infrastructure is at over 1.1 million kilometers and supports some 6.15 million fiber ports, covering 18,000 barangays nationwide. Meanwhile, Smart’s mobile network covers 97% of the country’s population with 3G, 4G/LTE and 5G services, it added.

In September, Globe also announced that it had built about 356 new 5G sites, which resulted in 5G outdoor coverage of 97.44% in the National Capital Region and 91% in parts of Visayas and Mindanao.

“Both firms are the market leaders in the broadband sector, but it does not mean that they can effectively control the market and regulatory environment in the sector,” Terry L. Ridon, a public investment analyst and convener of InfraWatch PH, said in an e-mail.

“Converge has been implementing its own growth strategy despite the market leadership of both Globe and PLDT/Smart,” he added.

Meanwhile, Ms. Crisanto said that Globe supports the

World Bank’s call for further support from the government to “address infrastructure challenges inhibiting the equitable delivery of connectivity across the country.”

“Telcos have been relentlessly investing in infrastructure, including capex-intensive submarine cables to link the islands across the archipelago and reach underserved areas. But with over 100 million people to connect, telcos cannot do it alone,” she said.

PLDT said it is also a primary challenge for Philippine telcos to keep products affordable and maintain a network across the archipelago.

“The PLDT group continues to optimize its network striving to make its operations more efficient, in order to keep leveling up the experience of customers while at the same time offering value-for-money fixed broadband and wireless products and services,” it added.

World Bank data showed that among Association of Southeast Asian Nations (ASEAN), the Philippines is the least favorable on policy environment for affordable broadband and is among the slowest in the world in promoting reforms to make it more affordable.

FULL STORY



Read the full story by scanning the QR code or by typing the link <t.ly/UwDG>

Manulife

Single Pricing Investment Funds of Variable Life Insurance Contracts

Fund	Unit Price			
	Current Week	January 29, 2024	Previous Week	January 22, 2024
Peso Secure Fund	1.720	1.720	1.720	1.720
Peso Diversified Value Fund	1.901	1.901	1.890	1.890
Peso Growth Fund	2.904	2.904	2.826	2.826
Peso Dynamic Allocation Fund	1.014	1.014	1.001	1.001
Peso Target Distribution Fund	0.759	0.759	0.754	0.754
Peso Cash Fund	1.080	1.080	1.080	1.080
Peso Wealth Optimizer 2026 Fund	0.943	0.943	0.932	0.932
Peso Wealth Optimizer 2031 Fund	0.905	0.905	0.888	0.888
Peso Wealth Optimizer 2036 Fund	0.893	0.893	0.872	0.872
Powerhouse Fund	0.857	0.857	0.833	0.833
Emper Fund	0.871	0.871	0.848	0.848
USD Secure Fund	1.500	1.500	1.499	1.499
USD Asia Pacific Bond Fund	1.043	1.043	1.044	1.044
USD Global Target Income Fund	0.732	0.732	0.728	0.728
USD ASEAN Growth Fund	1.515	1.515	1.529	1.529
USD Asia Pacific Property Income Fund	0.711	0.711	0.713	0.713
PHP Asia Pacific Property Income Fund	0.746	0.746	0.745	0.745
PHP Tiger Growth Fund	0.502	0.502	0.486	0.486
USD Tiger Growth Fund	0.419	0.419	0.407	0.407
PHP Global Preferred Securities Income Fund	0.932	0.932	0.915	0.915
USD Global Preferred Securities Income Fund	0.783	0.783	0.773	0.773
PHP US Growth Fund	1.260	1.260	1.228	1.228
USD US Growth Fund	1.048	1.048	1.027	1.027
PHP Global Health Fund	1.145	1.145	1.142	1.142
USD Global Health Fund	1.069	1.069	1.072	1.072
PHP Global Multi-Asset Income Fund	1.087	1.087	1.069	1.069
USD Global Multi-Asset Income Fund	1.008	1.008	0.997	0.997
PHP Global Market Leaders Fund	1.253	1.253	1.223	1.223
USD Global Market Leaders Fund	1.220	1.220	1.197	1.197

These investment funds are specific to variable life insurance contracts and are not considered mutual funds. Life insurance products are regulated by the Insurance Commission.

Cebu Pacific expects to complete purchase of aircraft by first half

BUDGET CARRIER Cebu Pacific, operated by Cebu Air, Inc., expects to complete its aircraft purchase by the first half of the year, its president said on Tuesday.

“I think what we had initially said was maybe by the first quarter, but then first half was our latest guidance,” Alexander G. Lao, Cebu Pacific president and chief commercial officer told reporters.

The budget carrier earlier said that it plans to order over 100 narrow-body aircraft from Boeing or Airbus, worth roughly \$12 billion.

“The process is really going back and forth with the key suppliers. It’s not just Airbus and Boeing, but it’s also the engine manufacturers; because, clearly, we have to make an engine selection with those aircraft,” Mr. Lao said.

“We expect to hopefully come to a decision by the first

half. Before the first half of the year ends. So, the process is ongoing [but] there is no hard deadline. It is not like we’re chasing,” he added.

Cebu Pacific currently operates a fleet of 73 Airbus and ATR aircraft, which it earlier said will double with its planned order of more aircraft in 2024.

In 2023, the company’s listed operator Cebu Air said it would lower its fleet growth rate for 2024 as engine maker Pratt & Whitney (P&W) inspects A320/321 NEO aircraft engines worldwide following suspected issues.

About 10 to 20 aircraft are currently parked for maintenance due to the P&W issue, Mr. Lao said.

“Consumers won’t necessarily feel it. We have 14 aircraft coming this year plus the 2 damp [leases]. We expect to grow our capacity by 8%. We

have to do that on an opportunistic basis,” Mr. Lao said.

Last year, the budget carrier inked an agreement with Bulgaria Air, the national carrier of the Republic of Bulgaria, for two Airbus 320X aircraft, which service domestic routes such as Cebu and Davao starting January to May.

This move is in line with the company’s anticipation of increased passenger demand this year.

Mr. Lao however did not provide Cebu Pacific’s passenger forecast for the year other than describing it as: “we will certainly be above 2022 numbers by a lot. 2023 will be slightly below pre-COVID.”

The company recorded a passenger count of 14.85 million in 2022 from 3.41 million in 2021. In 2019, Cebu Pacific recorded a total of 22.5 million passengers. — **Ashley Erika O. Jose**

Golden ABC sets sights on up to 100 new stores in 2024

GOLDEN ABC, Inc. (GABC) said it plans to open 50 to 100 new stores this year, citing business opportunities amid geopolitical tensions.

“A lot of the expansion would be outside Metro Manila, and we will go where the opportunity brings us,” GABC Chairman and Chief Executive Officer Bernie Liu told reporters on Jan. 28.

“I don’t have the exact number, but we should be looking at maintaining 50

to 100 new stores hopefully for the whole group,” he added.

GABC is the home of fashion brands such as Penshoppe, OXGN, Memo, Regatta, ForMe, and BOCU. The company has over 1000 stores and over one million square feet of retail space.

Mr. Liu said that GABC is identifying opportunities while keeping a close watch on geopolitical tensions, including the increasing tensions between the Philippines and China.

“The tension in China, the election in the US, the war in the Middle East, all of that we’ll just have to monitor things closely,” he noted.

“But I am an optimist, and I believe that the Philippines is well situated to be able to take advantage of the opportunities,” he added.

There is a strong demand for GABC products, he said, adding that the recent Christmas period was a good season for retailers. — **Revin Mikhael D. Ochave**

ERC sets hearings for new rates in SPUG areas

THE Energy Regulatory Commission (ERC) is set to conduct public hearings on the proposed new rates filed by the National Power Corp. (NPC) for the areas served by its Small Power Utilities Group (SPUG).

The commission will conduct hearings from March to October to seek approval for the proposed new subsidized approved generation rates (SAGRs) for consumers in off-grid areas, the ERC said in a statement on Monday.

The proposed new SAGR rate of P8.5982 per kilowatt-hour (kWh) for residential and P10.0488 per kWh for commercial/industrial will be implemented in Occidental and Oriental Mindoro, Marinduque, Palawan, Catanduanes, Masbate, Romblon, and Tablas, up from the currently effective P7.39 per kWh.

From the current P8.2582 per kWh, new rates of P9.7068 per kWh for residential and P11.0128 per kWh are also proposed to be imposed in Camotes, Siquijor, and Bantayan.

The provinces of Basilan, Sulu, and Tawi-Tawi, currently charged P7.0215 per kWh, are now proposed to pay P8.4465 per kWh for residential and P9.6106 per kWh for commercial/industrial.

Under Republic Act No. 9136 or the Electric Power Industry Reform Act of 2001 (EPIRA), the NPC is mandated to provide power generation and its associated power delivery systems in areas not connected to the transmission lines through SPUG.

ERC Chairperson Monalisa C. Dimalanta said that SAGR for the 14 first-wave areas was approved in 2005, while for the remaining small areas, it was approved in 2011.

“This was adjusted by ERC just for excise tax in 2021,” she said in a Viber message, referring to the hike in excise tax for fuel as prescribed in the Tax Reform for Acceleration and Inclusion Law.

The increase took effect in the first billing period of the year 2022.

“So effectively, the price based on costs collected from off-grid consumers has not been adjusted since 2005/2011, and the deficiency has been made up by the UCME (universal charge for missionary electrification) collected from on-grid consumers,” Ms. Dimalanta said.

EPIRA authorizes the collection of UCME to fund NPC’s operations, including those of its SPUG, which serves remote areas not connected to the grid.

Asked if this could lead to lower UCME charges, she said: “That’s how the rate design works — that is the likely result.”

In an order dated April 29, 2022, the ERC denied the petition filed by the NPC for the adjustment of SAGR, citing the “rise of fuel cost” as one of the reasons.

The ERC, however, directed the NPC to file a new petition for the necessary adjustments, highlighting that “the new petition must result from a proper study and assessment of the existing SAGR of the SPUG areas, taking into account economic development.” — **Sheldeen Joy Talavera**

Manulife

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Peso Bond Fund	2.939	2.939	2.940	2.940
Peso Stable Fund	2.891	2.891	2.874	2.874
Peso Equity Fund	2.178	2.178	2.119	2.119
Peso Balanced Fund	1.041	1.041	1.028	1.028
Peso Target Income Fund	0.777	0.777	0.771	0.771
U.S. Dollar Bond Fund	2.152	2.152	2.150	2.150

Fund	Unit Offer Price			
	Current Week	January 29, 2024	Previous Week	January 22, 2024
Peso Bond Fund	2.984	2.984	2.985	2.985
Peso Stable Fund	2.935	2.935	2.918	2.918
Peso Equity Fund	2.211	2.211	2.151	2.151
Peso Balanced Fund	1.057	1.057	1.044	1.044
Peso Target Income Fund	0.789	0.789	0.783	0.783
U.S. Dollar Bond Fund	2.185	2.185	2.183	2.183

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