

Philippine Stock Exchange index (PSEi)

6,686.09

▲12.59 PTS.

▲0.18%

FRIDAY, JANUARY 26, 2024

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P675.00 -P5.00 -0.74%	ACEN ACEN Corp. P4.18 -P0.08 -1.88%	AEV Aboitiz Equity Ventures, Inc. P48.60 -P0.50 -1.02%	AGI Alliance Global Group, Inc. P11.32 -P0.18 -1.57%	ALI Ayala Land, Inc. P34.00 -P0.15 -0.44%	BDO BDO Unibank, Inc. P144.80 +P0.90 +0.63%	BLOOM Bloomerry Resorts Corp. P10.98 -P0.42 -3.68%	BPI Bank of the Philippine Islands P113.70 +P2.50 +2.25%	CNPF Century Pacific Food, Inc. P32.00 -P0.95 -2.88%	CNVRG Converge ICT Solutions, Inc. P9.25 +P0.19 +2.1%
DMC DMCI Holdings, Inc. P10.50 -P0.18 -1.69%	EMI Emperador, Inc. P20.70 -P0.10 -0.48%	GLO Globe Telecom, Inc. P1,720.00 -P28.00 -1.6%	GTCAP GT Capital Holdings, Inc. P655.50 +P0.50 +0.08%	ICT International Container Terminal Services, Inc. P236.00 -P5.00 -2.07%	JFC Jollibee Foods Corp. P274.60 +P4.40 +1.63%	JGS JG Summit Holdings, Inc. P38.05 ---	LTG LT Group, Inc. P9.50 +P0.20 +2.15%	MBT Metropolitan Bank & Trust Co. P57.80 +P0.30 +0.52%	MER Manila Electric Co. P377.40 -P2.60 -0.68%
MONDE Monde Nissin Corp. P8.43 -P0.17 -1.98%	NIKL Nickel Asia Corp. P4.83 +P0.04 +0.84%	PGOLD Puregold Price Club, Inc. P28.55 +P0.05 +0.18%	SCC Semirara Mining and Power Corp. P31.85 -P0.15 -0.47%	SM SM Investments Corp. P925.00 +P21.00 +2.32%	SMC San Miguel Corp. P111.50 -P1.20 -1.06%	SMPH SM Prime Holdings, Inc. P33.70 +P0.10 +0.3%	TEL PLDT Inc. P1,294.00 +P6.00 +0.47%	URC Universal Robina Corp. P112.50 -P2.30 -2%	WLCON Wilcon Depot, Inc. P21.90 +P0.10 +0.46%

Analysts: Renewables unlikely to surpass coal by '25

By Sheldeen Joy Talavera
Reporter

RENEWABLES surpassing coal as the Philippines' top energy source by 2025 may face challenges in power generation capacity, financing, and land acquisition, according to analysts.

"Intermittent wind-solar cannot and will not be able to replace or substitute coal generation unless we embrace and endure large-scale daily blackout," Bienvenido S. Oplás, Jr., president of Minimal

Government Thinkers, said in a Viber message last week.

The International Energy Agency (IEA) has projected that renewable energy is poised to surpass coal as the top source of global power supply by 2025.

"Renewables are expected to generate more than one-third of the world's electricity in 2025, overtaking coal as the largest source of supply," the IEA said in its annual report on the electricity market.

The share of renewables in power generation is expected to increase to 37% in 2026 from 30% in 2023, "with the growth largely supported by the expansion of

ever-cheaper solar PV (photovoltaic)," the report also said.

Citing data from the Department of Energy (DoE), Mr. Oplás said that the combined power generation of wind and solar was 2,582 gigawatt-hours (GWh) or 2.6% of the total generation of 111,516 GWh in 2022, while coal accounted for 66,430 GWh or 57.7% of the total.

Mr. Oplás also noted the need for a significant addition to renewable capacity to meet economic growth and avoid frequent blackouts.

"Challenges to renewables especially intermittent wind-solar is that the Philippines is growing

fast economically... We need at least 7-8 TWh (terawatt-hours)/year addition in 2024-2026... otherwise we cannot grow (GDP) 6% or more yearly as we will have frequent rotational blackout as demand keeps rising and supply is not catching up," Mr. Oplás said.

Erel B. Narida, president of the Renewable Energy Association of the Philippines, said that with only a few takers in the recent green energy auction (GEA), it is "something that you would look into" due to the "financial sensitivity because of the rate."

"There's only a few that really have the financial muscle to do

that and with that, you require foreign direct investments for that," he said.

During the second round of the GEA conducted last year, the DoE offered a total capacity of 11,600 megawatts (MW), but only 3,440 MW of renewable energy capacity was auctioned off.

The GEA program aims to promote renewable energy as a primary source of energy through competitive selection.

"The most challenging in the development is actually land acquisition, that's one thing that really hinders some of the development," Mr. Narida said.

Terry L. Ridon, a public analyst and convener of think tank InfraWatch PH, said that developing economies such as the Philippines "are not under obligation" to make binding commitments to climate and renewable energy goals, unlike developed nations with their "massive industrialization."

"At our current stage of economic development and limited land areas for food production, the nation cannot yet dispense with baseload technologies such as coal, oil, and gas, without incurring significant energy costs detrimental to the public," he said in a Viber message.

OUTLIER

Profit taking lifts Razon-led Bloomerry Resorts share price

BLOOMERRY RESORTS Corp. was the twelfth most actively traded stock last week as investors took profit and expressed optimism ahead of the opening of a new property in the country.

A total of P654.56 million worth of 60.45 million shares exchanged hands at the local bourse from Jan. 22 to 26, according to data from the Philippine Stock Exchange (PSE).

The Razon-led leading integrated resort developer and operator's shares finished at P10.98 apiece on Friday, marking an 8.7% increase week on week. Year to date, the stock's price has risen by 11.6%.

"While there appears to be no material news flows on Bloomerry last week, we think the stock's positive price action can be partly attributed to strong foreign interest, as net foreign buying this week amounted to P269 million," Rastine Mackie D. Mercado, China Bank Securities Corp. research director, said in an e-mail.

Mr. Mercado also said that investors' optimism ahead of the opening of its new property, Solaire Resort North, within the first half of this year added to the stock's active trading.

Bloomerry saw net foreign buying in four out of five trading sessions last week, with net foreign buying of shares amounting to P269.32 million from Jan. 22 to 26, according to PSE market data.

In a separate report, Bloomerry said that Solaire Resort North in Quezon City is set for completion by March, marking its second casino resort in the Philippines. The company anticipates that the opening of the property will strengthen its market position in the country.

Construction of the casino was interrupted in March 2020 due to coronavirus disease-related lockdowns, causing delays in the delivery of

materials needed for the property.

Apart from Solaire Resort North, Bloomerry's other properties include Solaire Resort Entertainment City in Parañaque City and Jeju Sun Hotel & Casino in Korea.

"Overall market sentiment help rally Bloomerry. Investors are also anticipating the opening of Solaire Resort North this coming March 2024 that would help push revenue upwards for Bloomerry," Jeff Radley C. See, an analyst at Mercantile Securities Corp., said in a Viber message.

"We think that Bloomerry might hit P50 billion for the end of 2023," Mr. See added.

For the first nine months of 2023, Bloomerry recorded a 106% jump in consolidated net income to P8.27 billion, and consolidated net revenue surged 32.4% to P36.11 billion. — **Lourdes O. Pilar**

FULL STORY

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Viability issues stall Ayala hospital arm's bid for P9.49-B project

THE Ayala group's hospital brand is facing challenges in bidding for the P9.49-billion Philippine General Hospital (PGH) cancer center due to concerns about economic viability, an official said.

"No movement right now because when we looked at the terms of reference, it is quite difficult to

make it really viable," Jaime E. Ysmael, Healthway Medical Network chief executive officer, told reporters last week.

"The government is now studying if they can modify the terms," he added.

Healthway Medical Network is the hospitals and clinics arm of

Ayala Healthcare Holdings, Inc. (AC Health). — **Revin Mikhael D. Ochave**

FULL STORY

Read the full story by scanning the QR code with your smartphone or by typing the link <lt;/y/VJvib>

Jollibee opens 100th N. American branch

LISTED fast-food giant Jollibee Foods Corp. (JFC) now has 100 stores in North America after opening a branch on Jan. 25 in the city of Surrey, British Columbia, Canada, the company's president said.

Over the weekend, JFC announced the opening of the new Jollibee branch at the Strawberry Hill Shopping Center. This marks the second branch in Surrey.

"The launch of our 100th store in North America is a crucial milestone for us, demonstrating the strength of our Jollibee North America team," JFC President and Chief Executive Officer Ernesto Tanmantiong said.

He also expressed optimism for the future, saying, "We hope you will continue to cheer us on as we open the next 100 stores in North America and achieve our vision of becoming among the top five restaurant companies in the world."

Highlighting the company's accelerated push in North America, JFC noted the recent store opening as a part of its strategic expansion

plans in the world's largest quick-service restaurant market.

The Canadian expansion follows the recent inauguration of a Jollibee branch in Sterling Heights, Michigan, United States, on Jan. 12, marking the company's first entry into the state.

JFC encompasses eight wholly owned brands, including Jollibee, Chowking, Greenwich, Red Ribbon, Mang Inasal, Yonghe King, Hong Zhuang Yuan, and Smashburger. It also operates four franchised brands — Burger King, Panda Express, Yoshinoya in the Philippines, and Tim Ho Wan in certain territories in China.

The group also owns 80% of The Coffee Bean & Tea Leaf; 60% in the SuperFoods Group that owns Vietnamese coffee brand Highlands Coffee; and 51% of Taiwanese bubble tea brand Milksha.

Shares of JFC were last traded on Jan. 26 at P274.60 apiece. — **Revin Mikhael D. Ochave**

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