

Philippine Stock Exchange index (PSEi)

6,913.21

▲ 10.06 PTS.

▲ 0.14%

FRIDAY, FEBRUARY 23, 2024

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P710.00 -P11.00 -1.53%	ACEN ACEN Corp. P4.21 -P0.07 -1.64%	AEV Aboitiz Equity Ventures, Inc. P48.20 +P0.85 +1.8%	AGI Alliance Global Group, Inc. P10.78 -P0.10 -0.92%	ALI Ayala Land, Inc. P37.20 +P0.85 +2.34%	BDO BDO Unibank, Inc. P153.60 -P1.40 -0.9%	BLOOM Blossom Resorts Corp. P11.40 -P0.18 -1.55%	BPI Bank of the Philippine Islands P120.00 +P1.00 +0.84%	CNPF Century Pacific Food, Inc. P34.70 -P0.20 -0.57%	CNVRG Converge ICT Solutions, Inc. P9.78 -P0.04 -0.41%
DMC DMCI Holdings, Inc. P10.86 +P0.04 +0.37%	EMI Emperador, Inc. P19.64 +P0.02 +0.1%	GLO Globe Telecom, Inc. P1,740.00 -P23.00 -1.3%	GTCAP GT Capital Holdings, Inc. P730.00 +P12.00 +1.67%	ICT International Container Terminal Services, Inc. P279.00 +P2.80 +1.01%	JFC Jollibee Foods Corp. P264.20 +P6.00 +2.32%	JGS JG Summit Holdings, Inc. P39.60 ---	LTG LT Group, Inc. P9.58 +P0.16 +1.7%	MBT Metropolitan Bank & Trust Co. P61.20 +P1.15 +1.92%	MER Manila Electric Co. P369.00 +P4.00 +1.1%
MONDE Monde Nissin Corp. P10.24 -P0.10 -0.97%	NIKL Nickel Asia Corp. P4.60 -P0.02 -0.43%	PGOLD Puregold Price Club, Inc. P27.95 +P0.05 +0.18%	SCC Semirara Mining and Power Corp. P32.55 +P0.60 +1.88%	SM SM Investments Corp. P908.00 -P7.50 -0.82%	SMC San Miguel Corp. P106.30 +P0.30 +0.28%	SMPH SM Prime Holdings, Inc. P33.20 -P0.30 -0.9%	TEL PLDT Inc. P1,290.00 -P8.00 -0.62%	URC Universal Robina Corp. P114.00 +P1.00 +0.88%	WLCON Wilcon Depot, Inc. P22.50 ---

Meralco plans over P100B for ‘critical projects’

THE MANILA Electric Company (Meralco) announced on Sunday an investment plan of over P100 billion through 2030, mainly to fund critical projects under its long-term sustainability strategy. “[The company] commits over P100 billion in capital expenditures to initiatives that not only enhance our infrastructure but also align with the government’s vision for a sustainable future,” Meralco Executive Vice-President and Chief Operating Officer Ronnie L. Aperocho said in an e-mailed statement to reporters.

The capital injection will fund “critical projects” to improve Meralco’s distribution network, the company said. The objective is to make the distribution network “smarter and more resilient in the face of the increasing challenges posed by climate change,” the power distributor also said. “Key initiatives include enhancing grid reliability, reducing system loss, transitioning to natural ester oil for distribution transformers, implementing energy efficiency solutions, and expanding electric vehicle fleets

and infrastructure,” Meralco added. The company said that its long-term sustainability strategy aims to reduce total emissions by 20% by 2030, encompassing both direct emissions from on-site activities and indirect emissions from power supply procurement. Meralco is also expanding its renewable energy efforts with MGen Renewable Energy, Inc. (MGreen), a subsidiary of Meralco PowerGen Corp., to fast-track solar and wind energy projects, it added. “Core to our long-term sustainability strategy are twin com-

mitments to secure 1,500 MW (megawatts) of renewable energy supply contracts and to develop 1,500 MW of attributable green energy generation capacity,” Meralco First Vice-President and Chief Sustainability Officer Raymond B. Ravelo said. MGreen has invested P15.9 billion in SP New Energy Corp. (SPNEC) to develop solar and battery energy storage systems (BESS) projects. SPNEC, through its subsidiary Terra Solar Philippines, Inc., is constructing what is said to be the world’s largest solar

project, scheduled to be completed by 2027. The P200-billion Terra Solar project in Nueva Ecija and Bulacan consists of 3,500 MW of solar panels and 4,000 megawatt-hours of BESS. Manuel V. Pangilinan, chairman and chief executive officer of Meralco, said that the company aims to “accelerate its transition to green energy” by leveraging “next-generation technologies” such as nuclear energy and BESS. “As we pursue our decarbonization strategies, we envision a thriving society with access to

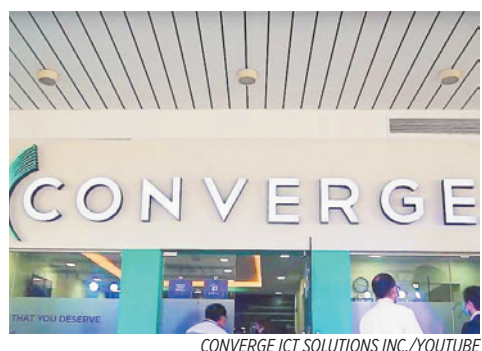
education, clean water, quality healthcare, dignified livelihoods, and disaster preparedness — all in alignment with the United Nations’ Sustainable Development Goals,” he said. Meralco’s controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT Inc. Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has an interest in *BusinessWorld* through the Philippine Star Group, which it controls. — **Sheldeen Joy Talavera**

SEC warns vs investing in DigiVault Trading, Altstrade

THE SECURITIES and Exchange Commission (SEC) has warned the public against investing in DigiVault Trading and Altstrade, saying these entities are not registered to solicit investments. In two separate advisories on its website, the commission said that DigiVault Trading and Altstrade do not have the license to offer and sell securities. DigiVault Trading allegedly offers six investment packages that promise returns ranging from 15% to 357%, depending on the investment amount and duration. The investment plans range from P50 up to P500,000 and offer potential profits within periods of five to 75 days.

An investor could also earn a 5% to 25% direct referral bonus, depending on the plan. “DigiVault Trading has not secured prior enforcement and investor protection department registration and/or license to solicit investments from the commission as prescribed under Section 8 and 28 of the Securities Regulation Code (SRC),” the SEC said. The SEC also said that Altstrade allegedly offers investments worth P1,000, promising to earn 30% up to 500% within a seven-day to two-month lock-in period. The entity also promises that an investor will earn a 10% direct and 1% indirect referral commission from the second to the 10th level.

“The public is hereby informed that Altstrade is not registered and is not authorized to offer, solicit, sell, or distribute any investment/securities to the public,” the SEC said. “Such activities require a secondary license from the commission and the securities or investment product should likewise be registered with the SEC before they can be offered or sold to the public under Sections 8 and 12 of the SRC,” it added. *BusinessWorld* sought comments from the two entities but has yet to receive a response as of the deadline. — **Revin Mikhael D. Ochoa**



Converge ICT set to enter pay TV market

LISTED fiber internet provider Converge ICT Solutions, Inc. is investing up to P150 million to launch its pay television (TV) segment this year, the company’s chief executive officer (CEO) said. “Actually, we have a direct to home franchise already. We need to open that soon,” Converge CEO Dennis Anthony H. Uy told reporters last week. The services will be fully rolled out this year, according to the company. Testing has commenced in Pampanga. “Pay TV is going in a different direction, regardless of where you are, we should serve you. This is satellite because we have many islands that are not reachable,” Mr. Uy said. The services are aimed at underserved areas, he added. “For the pay TV, we plan to [cover] those areas that are not within the reach of fiber, we need to serve them through satellite.” The services will be offered at price points ranging from about P99 to P299. “But it is a bundled package of pay TV. Netflix will be separate. We will announce soon,” Mr. Uy said. The investment cost for the project ranges between P100 million and P150 million. The investment is already included in the company’s capital expenditure for the year, which is “more or less” P15 billion, he said. — **Ashley Erika O. Jose**

CTA affirms decision granting part of PGPCI’s refund claim

THE COURT of Tax Appeals (CTA) has upheld its decision to grant Philippine Geothermal Production Co., Inc.’s (PGPCI) refund claim in the amount of P23.27 million representing its excess input value-added tax (VAT) traced to zero-rated sales for the first three quarters of 2016. In a decision dated Feb. 20, the tribunal said the PGPCI did not need to directly trace its input tax to 0% VAT for it to seek a valid refund. “The Tax Code does not require the input tax to be directly attributable to zero-rated sales to be refundable or creditable,” CTA Associ-

ate Justice Maria Rowena Modesto-San Pedro said in the ruling. The commissioner of internal revenue (CIR) argued that the tribunal should have denied its claim since PGPCI failed to prove that its input taxes were directly traced to zero-rated sales. Under the Tax Code, zero-rated sales are transactions made by VAT-registered taxpayers that do not translate to any output tax. The term “zero-rated sale” must be written on the company’s official receipts. The CTA said no provision in the law requires

OUTLIER

Metrobank’s financial results drive trading

INVESTORS took positions on Metropolitan Bank and Trust Co.’s (Metrobank) stock last week after the release of its full-year 2023 earnings results. Data from the Philippine Stock Exchange showed the Ty-led Metrobank trading P1.09 billion worth of 18.25 million shares from Feb. 19 to 23, making it the seventh most actively traded issue last week. It went up by 1.9% at P61.20 apiece last Friday from P60.05 on Thursday. On a week-on-week basis, Metrobank rose by 3.6% from its closing price of P59.05 per share on Feb. 16. Year to date, the bank’s share price was up by 19.3%. Luis A. Limlingan, head of sales at Regina Capital Development Corp., said in a Viber message that Metrobank’s dividends and robust financial performance drove the heightened trading activity last week. “Metrobank’s revenue outlook is promising due to its diversified income streams and strong operational performance. With continued economic recovery and sustained business momentum, supported by resilient consumer demand and favorable interest rate environment, Metrobank is well-positioned to maintain revenue growth trajectory,” Mr. Limlingan said. “Furthermore, the bank’s strategic initiatives to enhance digital capabilities and expand market presence are expected to drive revenue generation in the upcoming quarters,” added Mr. Limlingan. Philippine National Bank Equity Research department Head Jonathan J. Latuja also said in an e-mail that revenue earnings added to Metrobank’s active trading last week, which was relatively favorable. “Metrobank’s net income increased 29% year on year to P42.2 billion in 2023. Net interest income rose by 23% to P105 billion, on the back of 8% growth in gross loans and 34 bps improvement in net interest margin to 3.9%. Total revenues were up but at a slower pace of 19% since

noninterest income only grew by 6%,” Mr. Latuja said. Metrobank reported a 28.9% increase in its attributable earnings to P42.24 billion during 2023, surpassing the P32.78 billion in the previous year, driven by asset expansion, higher margins, improved efficiency levels, and better asset quality. This resulted in a return on equity of 12.5%, higher than 10.3% in 2022. Total consolidated assets expanded by 9.2% to P3.1 trillion in 2023, maintaining its status as the country’s second-largest private commercial bank. The bank’s strong profitability and substantial capital base motivated the directors to approve a total cash dividend of P5 per share for the year. The regular dividend was raised from P1.60 to P3 per share to be paid out semiannually at P1.50 per share. Additionally, a special cash dividend of P2 per share was declared. The bank’s net interest income grew by 22.7% due to higher loan demand and a better net interest margin of 3.9%. Gross loans rose by 7.6% year on year, with consumer portfolio increasing by 15.9% on strong discretionary spending, outpacing the 5.5% rise in commercial loans. Meanwhile, total deposits grew by 7.3% from the previous year to P2.4 trillion with low-cost current and savings accounts amounting to more than 60% or P1.4 trillion. The bank’s full-year gross revenue increased 43.3% to P100.54 billion from P70.18 billion recorded in the year 2022. Data from the Philippine Statistics Authority showed that the country’s gross domestic product grew by 5.6% in 2023, much slower than the 7.6% expansion in 2022. The economic growth is below government target of 6-7% for the year but still maintaining the position of being one of the best-performing economies in Asia. Mr. Limlingan expects the stock support level is situated at P59.40 per share, while its resistance sits at P62.50 per share. — **Lourdes O. Pilar**

Movate eyeing additional delivery centers

DIGITAL TECHNOLOGY services company Movate, Inc. is planning to build additional delivery centers in the Philippines, mainly in emerging cities, a company official said. “We think we are looking for the emerging cities as we look to expand and grow. In order to get to 6,000 people, we need to find the next location,” Aaron Fender, executive vice-president and chief delivery officer of Movate’s digital CX business, said in an interview last week. The company opened its third delivery center in Antipolo City last week. Movate’s three delivery hubs in the country are all located in Metro Manila, Mr. Fender said, adding that it is eyeing to put up delivery hubs outside the country’s capital. “Basically, with the clients we serve and the offerings we have and given that we have very innovative offerings, platform-led, we believe that will drive the growth for us,” Movate Chief Executive Officer Sunil Mittal said.

To date, the company has over 3,000 employees in the country, Mr. Mittal said, adding that in the next three years, it hopes to double its current workforce to 6,000. Movate, formerly CSS Corp., has operations in the US, Europe, Asia Pacific, and Africa. The company’s clients include telecommunications, gaming, media and entertainment, and mobility. “The Philippines is a very important geography in our growth journey. A lot of demand for the country in the US, it was clear that we had to expand in the Philippines,” Mr. Mittal said. Aside from expanding outside Metro Manila, Mr. Mittal said the company may also scale up its newest delivery center, located in East Gate Business Center. “We want to scale here itself, in this building. That is the immediate next step. Based on the business demand, either we will expand here or we will pick up some other city in the Philippines for sure,” Mr. Mittal said. — **Ashley Erika O. Jose**