Philippine Stock Exchange index (PSEi) 6,450.04 ▲45.07 PTS. ▲0.7%

WEDNESDAY, APRIL 17, 2024 BusinessWorld

PSEi MEMBER STOCKS

AC	Ayala Corp.	P593.50	+P8.50	+1.45%
ACEN	ACEN Corp.	P3.20	+P0.10	+3.23%
AEV	Aboitiz Equity Ventures, Inc.	P40.10	+P1.10	+2.82%
AGI	Alliance Global Group, Inc.	P9.59	+P0.09	+0.95%
ALI	Ayala Land, Inc.	P26.95	-P0.25	-0.92%
BDO	BDO Unibank, Inc.	P150.00	+P3.60	+2.46%
BLOOM	Bloomberry Resorts Corp.	P10.10	+P0.10	+1%
BPI	Bank of the Philippine Islands	P118.00	+P2.50	+2.16%
CNPF	Century Pacific Food, Inc.	P36.50	+P0.50	+1.39%
CNVRG	Converge ICT Solutions, Inc.	P8.75	-P0.25	-2.78%
DMC	DMCI Holdings, Inc.	P10.80	+P0.08	+0.75%
EMI	Emperador, Inc.	P18.34	+P0.16	+0.88%
GLO	Globe Telecom, Inc.	P1,720.00	-P4.00	-0.23%
GTCAP	GT Capital Holdings, Inc.	P590.00	-P35.00	-5.6%
ICT	International Container Terminal Services, Inc.	P315.00	+P0.80	+0.25%
JFC	Jollibee Foods Corp.	P223.60	+P2.60	+1.18%
JGS	JG Summit Holdings, Inc.	P29.20	-P0.25	-0.85%
LTG	LT Group, Inc.	P9.60	+P0.18	+1.91%
MBT	Metropolitan Bank & Trust Co.	P66.00	+P1.70	+2.64%
MER	Manila Electric Co.	P360.00	+P14.20	+4.11%
MONDE	Monde Nissin Corp.	P10.30	+P0.08	+0.78%
NIKL	Nickel Asia Corp.	P3.98	+P0.01	+0.25%
PGOLD	Puregold Price Club, Inc.	P24.15	+P0.05	+0.21%
SCC	Semirara Mining and Power Corp.	P29.90	+P1.15	+4%
SM	SM Investments Corp.	P938.00	+P6.00	+0.64%
SMC	San Miguel Corp.	P106.00	+P6.00	+6%
SMPH	SM Prime Holdings, Inc.	P28.25	-P1.05	-3.58%
TEL	PLDT Inc.	P1,300.00	+P14.00	+1.09%
URC	Universal Robina Corp.	P96.00	——	
WLCON	Wilcon Depot, Inc.	P16.18	-P0.42	-2.53%

No more minimum commission for stockbrokers

UNSPLASH

THE Securities and Exchange Commission (SEC) announced on Wednesday a decision to remove the minimum commission that stockbrokers may charge their customers, aiming to stimulate activity within the capital market.

"The new rule allows brokers to set their own commission schedule for transactions with their customers, without the limitations of a prescribed regulatory minimum commission," the SEC said in a statement, citing its Memorandum Circular No. 7 issued on April 16.

Before this circular, the SEC had issued a resolution in 1977 setting a broker's commission rate at 1.5%, while guidelines from the Philippine Stock Exchange (PSE) mandated a minimum commission ranging from 0.25% to 0.05% of the value of a trade transaction.

"Lower transaction costs are vital in encouraging the public to invest their money in the stock market. The removal of the minimum stockbroker's commission seeks to address this, and hopefully bring out more retail investors and spur trading activity," SEC Chairperson Emilio B. Aquino said.

"The SEC will continue to review existing rules and regulations to see areas where we can make improvements to achieve our goal of boosting the capital market," he added.

The regulator noted that the removal of the minimum commission considered the rise of online trading platforms, which allows for more cost-efficient transactions.

"It also takes cues from other neighboring jurisdictions, which do not prescribe a minimum stockbroker's commission. The new rule likewise seeks to empower the investing public to engage the services of a broker of their choice based on cost preference," the SEC said.

Sought for comment, China Bank Capital Corp. Managing Director Juan Paolo E. Colet said in a Viber message that the new rule increases competition.

"The liberalization of brokerage commissions is a significant reform that will create more competition among PSE trading participants and should help reduce the cost of investing in listed equities. It may also lead to more active trading and better liquidity in certain stocks," he said.

COL Financial Group, Inc. Chief Equity Strategist April Lynn Lee-Tan said: "Clients can't expect good service if commissions drop. Maybe some services that were free before like research reports will no longer be free, or brokers that provide better service can charge higher rates."

"As to whether or not this will boost volumes, it's a bit secondary, because if market conditions are poor, even if commissions are zero, volumes will not pick up," she added. — **Revin Mikhael D. Ochave**

Filinvest REIT eyes acquisitions to bolster portfolio

THE GOTIANUN family's Filinvest REIT Corp. on Wednesday announced plans for potential property acquisitions.

"Our sponsor, Filinvest Land, Inc. (FLI) alone, has about 532,000 square meters (sq.m.) of office and retail gross leasable area (GLA) in key central business districts that are potential acquisitions for Filinvest REIT in the near to medium term," Filinvest REIT President and Chief Executive Officer Maricel Brion-Lirio said during the company's virtual annual stockholders meeting.

"Potential acquisitions can also come from the pipeline of assets that are owned by our sponsor's parent company, Filinvest Development Corp. (FDC)," she added.

Filinvest REIT is the real estate investment trust of FLI.

Ms. Lirio said that Filinvest REIT will focus both on increasing the occupancy of its current portfolio as well as acquiring assets from other Filinvest companies via property-for-share swap deals.

"There are several identified assets but are dependent on a favorable exchange price to enable a property-for-share swap that is dividend-accretive for Filinvest REIT investors," she added.

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She also noted that six properties have secured Excellence in Design for Greater Efficiency certifications. These include Vector One, Vector Two, Plaza A, Plaza D, Filinvest One, Filinvest Two, and Filinvest Three.

"We will continue to step up our efforts to reduce Filinvest REIT's environmental footprint. We believe that it's an important commitment on our part to contribute to the conservation of the environment...," she said.

In 2023, Filinvest REIT logged a P1.74 billion net income, a turnaround from the P660.75 million net loss the prior year. Its revenues fell by 7.7% to P2.99 billion.

The company ended 2023 with an average occupancy rate of 83%. New leases reached 20,139 sq.m. including 4,512 sq.m. of new traditional tenants.

Filinvest REIT has 17 fully operational Grade A office buildings and over 330,400 sq.m. of GLA.

"In terms of tenant retention, 31,835 sq.m. or 77% of 41,110 sq.m. of expiring leases in 2023 were renewed," she said.

"This led to a significant improvement in weighted average lease expiry to 6.91 years as renewals and new leases for the year have set in, plus the addition of Crimson Boracay to the portfolio. The Crimson Boracay lot, which comprises 9% of the total gross leasable area, has a 40-year lease," she added.

On Wednesday, Filinvest REIT shares fell by 1.72% or five centavos to P2.85 apiece. FLI stocks were unchanged at 67 centavos each. FDC shares were also unchanged at P5.67 per share. — **Revin Mikhael D. Ochave**

SPNEC says net income reaches P5.7 billion

SP NEW Energy Corp. (SPNEC) posted a P5.7-billion attributable net income for 2023 driven by expansion of assets, the company announced on Wednesday.

The company recorded a net loss of P40.41 million over a six-month period in 2022, SPNEC said in its regulatory filing.

SPNEC changed the fiscal year-end from June 30 to Dec. 31 during its 2022 annual stockholders' meeting.

"This marks SPNEC's first financial report following the entry of Pangilinan-led Manila Electric Co. (Meralco) in the company," the company said in a statement.

"The numbers reflect the growth resulting from Meralco's investment in SPNEC, as it gears up to build the P200-billion Terra Solar project," it added.

SPNEC's total revenues from contracts with customers stood at P635.45 million. Broken down, sales of electricity reached P619.25 million while sales of installed services were at P16.2 million.

As of end-2023, the company said that its assets increased to P51.2 billion, up from P5.8 billion a year ago. Its equity also rose to P42.4 billion from P5.8 billion previously.

In December of last year, MGen Renewable Energy (MGreen) completed its P15.9-billion investment, resulting in a 50.5% voting interest in SPNEC.

MGreen has also acquired additional 2.17 billion shares of SPNEC from Solar Philippines Power Project Holdings, Inc. in January for P2.5 billion.

MGreen is the renewable energy development arm of Meralco Powergen Corp., a wholly owned subsidiary of Meralco.

SPNEC is developing the Terra Solar project in Nueva Ecija and Bulacan which consists of 3,500 megawatts of solar panels and 4,000 megawatt-hours of battery storage system.

The first phase of the project is scheduled to be delivered by the first quarter of 2026.

It has secured over 3,000 hectares for its projects, most of which have already been converted to industrial use.

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**

Motion to lift cease-and-desist order vs MFT Group denied — regulator

THE cease-and-desist order (CDO) issued against Maria Francesca F. Tan (MFT) Group of Companies, Inc. and Foundry Ventures I, Inc. has been made permanent, the Securities and Exchange Commission (SEC) announced on Wednesday.

The Commission En Banc denied the omnibus motion filed by the MFT Group due to lack of merit, the SEC said in a statement.

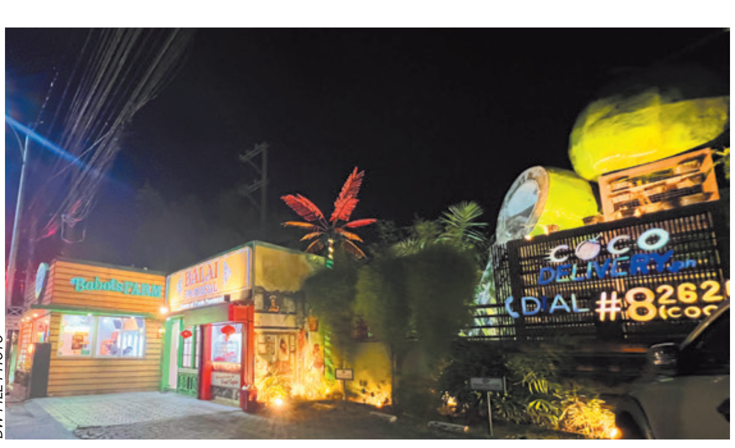
It also denied the motion to lift the CDO filed by Foundry Ventures for lack of merit, it added.

"Under the resolution, the CDO against the MFT Group and Foundry Ventures was declared permanent with respect to the execution and issuance of new loan agreements and checks/promissory notes, which are securities in the form of investment contracts and/or evidence of indebtedness, without the necessary secondary license from the SEC," it said.

The CDO was issued on Jan. 16 after the MFT Group, which later on transitioned to Foundry Ventures, was found to have engaged in the unlawful solicitation, offer, and/or sale of securities in the form of investment contracts without the necessary license from the SEC.

"The MFT Group organized public events where it solicited investments supposedly for start-up companies in exchange for a guaranteed return ranging from 12% to 18% per annum. For this purpose, the MFT Group issued postdated checks but the amounts indicated therein were not paid," the SEC said.

"While registered as corporations, MFT Group of Companies and Foundry Ventures have not secured the required secondary license in the form of an approved registration statement and a permit to sell securities to the public, as required under Section 8 of the Securities Regulation Code (SRC), in relation to Section 3 of the 2015 SRC Implementing Rules and Regulations," it added. — **Revin Mikhael D. Ochave**



BW FILE PHOTO

Fruitas raises P200 million via private placement

LISTED food and beverage store operator Fruitas Holdings, Inc. has concluded its first private placement of corporate notes, raising P200 million.

The proceeds will be allocated for working capital requirements and general corporate purposes, Fruitas said in a stock exchange disclosure on Wednesday.

The corporate notes were issued to qualified individual or institutional buyers, with no more than 19 primary institutional lenders participating, the company added.

The issuance had a full take-up of the maximum amount set by Fruitas. It was arranged by RCBC Capital Corp.

"This notes issuance provides a new financing source which will empower House of Fruitas to expand its product offerings and access a broader customer base," Fruitas President and Chief Executive Officer Lester C. Yu said.

In 2023, Fruitas saw a 37% increase in its consolidated net income to P113 million as revenues soared by 37% to an all-time high of P2.47 billion.

Fruitas has 817 stores as of end-2023. Its brands include Fruitas! Fresh from Babot's Farm, Buko Loco, Balai Pandesal, Buko ni Fruitas, De Original Jamaican Pattie, Johnn Lemon, Juice Avenue, Black Pearl, Friends Fries, Sabroso Lechon, Ling Nam, and Fly Kitchen.

On Wednesday, Fruitas shares rose by 3.9% or three centavos to 80 centavos apiece. — **Revin Mikhael D. Ochave**