Philippine Stock Exchange index (PSEi) 6,628.75 ▲53.87 PTS. ▲0.81%

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PSEi MEMBER STOCKS

AC	Ayala Corp.	P591.00	-P4.00	-0.67%
ACEN	ACEN Corp.	P3.78	+P0.10	+2.72%
AEV	Aboitiz Equity Ventures, Inc.	P40.15	+P0.15	+0.37%
AGI	Alliance Global Group, Inc.	P9.90	+P0.22	+2.27%
ALI	Ayala Land, Inc.	P28.55	+P0.10	+0.35%
BDO	BDO Unibank, Inc.	P144.00	-P1.60	-1.1%
BLOOM	Bloomberry Resorts Corp.	P10.10	+P0.30	+3.06%
BPI	Bank of the Philippine Islands	P125.00	+P1.30	+1.05%
CNPF	Century Pacific Food, Inc.	P36.95	+P0.85	+2.35%
CNVRG	Converge ICT Solutions, Inc.	P9.04	+P0.06	+0.67%
DMC	DMCI Holdings, Inc.	P10.86	-P0.08	-0.73%
EMI	Emperador, Inc.	P19.08	-P0.02	-0.1%
GLO	Globe Telecom, Inc.	P1,750.00	+P20.00	+1.16%
GTCAP	GT Capital Holdings, Inc.	P609.00	+P9.00	+1.5%
ICT	International Container Terminal Services, Inc.	P326.40	-P3.20	-0.97%
JFC	Jollibee Foods Corp.	P239.00	+P4.00	+1.7%
JGS	JG Summit Holdings, Inc.	P35.00	+P2.05	+6.22%
LTG	LT Group, Inc.	P9.90	+P0.19	+1.96%
MBT	Metropolitan Bank & Trust Co.	P69.50	+P0.20	+0.29%
MER	Manila Electric Co.	P368.40	+P13.40	+3.77%
MONDE	Monde Nissin Corp.	P10.90	+P0.52	+5.01%
NIKL	Nickel Asia Corp.	P4.03	——	
PGOLD	Puregold Price Club, Inc.	P23.55	-P0.10	-0.42%
SCC	Semirara Mining and Power Corp.	P32.50	+P0.25	+0.78%
SM	SM Investments Corp.	P955.00	+P7.50	+0.79%
SMC	San Miguel Corp.	P106.00	+P3.60	+3.52%
SMPH	SM Prime Holdings, Inc.	P28.35	+P0.10	+0.35%
TEL	PLDT Inc.	P1,366.00	+P16.00	+1.19%
URC	Universal Robina Corp.	P96.50	+P3.10	+3.32%
WLCON	Wilcon Depot, Inc.	P15.86	+P0.08	+0.51%

SM Prime targets two China mall openings by 2025

LISTED property developer SM Prime Holdings, Inc. continues its mall expansion in China with two planned openings by 2025, the president of its malls unit said.

The scheduled openings next year will be in Fujian Province, comprising phase 4 of SM Xiamen and a mall project in Haicheng town, said Steven T. Tan, president of SM Prime's mall unit SM Supermalls.

He also said that another mall project is slated for opening by 2026.

"We still see a lot of potential for our China malls," Mr. Tan said during a briefing last week.

SM started construction of SM Xiamen Phase 4 in February 2021, with a total investment of 1.148 billion yuan, according to the company's website. The project is planned to have five 15 to 19-storey towers connected by a five-storey podium.

SM Xiamen Phase 4 has a total construction area of over 260,000 square meters (sq.m.), including an office area of nearly 120,000 sq.m., a commercial area of over 30,000 sq.m., and 1,643 parking spaces.

Mr. Tan said the company is bullish on Fujian's prospects despite China's economic slowdown.

"We still believe in the China market. China is so big and Fujian is not really that greatly affected and most of our anchor projects are in Fujian," he said.

"We still believe in the prospect of China and, therefore, we will still continue to expand our footprint in China," he added.

Meanwhile, SM Prime President Jeffrey C. Lim said that the company is not focused on land banking efforts in China as it is only developing existing properties.

"Our developments will basically focus on the Fujian province area. These are existing properties. We have existing malls. We just have to improve the efficiency and productivity of these malls," he said.

"We have to develop them because Fujian province is a market where we are doing very well in China," he added.

Based on its website, SM's malls in China include SM Xiamen (Phases 1, 2, and 3), SM City Chengdu, SM City Chongqing, SM City Tianjin, SM City Suzhou, SM City Yangzhou, SM City Zibo, and SM City Jinjiang.

Back home, SM Prime is eyeing to open four malls this year that will add over 440,000 sq.m. of gross floor area to the company's mall portfolio. The new openings are in Caloocan, San Fernando (La Union), Laoag, and Cebu.

SM Prime earmarked P100 billion for its capital expenditure budget this year.

Shares of SM Prime were last traded on April 26 at P28.35 per share. — **Revin Mikhael D. Ochave**

MPTC says barrierless toll system to cost up to P10 billion

METRO Pacific Tollways Corp. (MPTC) said it plans to allocate up to P10 billion for the implementation of a barrierless toll system.

"This could range from P8 billion to P10 billion — all in all, the major components, removal of the roadside, information at the back office, vehicle classification," MPTC President and Chief Executive Officer Rogelio L. Singson told reporters last week.

The first stage of the barrierless tollways will be the implementation of cashless transactions, followed by the interoperability or the introduction of the unified radio frequency identification (RFID) wallet system along expressways.

The Toll Regulatory Board (TRB) aims to implement the unified wallet system by July. However, Mr. Singson said that both MPTC and San Miguel Corp. will only be able to implement an interoperable wallet by October.

"At the latest, by October this year, SMC and MPTC will establish an interoperable wallet, utilizing a single ID. This initiative has received full support from the government. Before transitioning to a barrierless system, we require the government's support," he said.

Easytrip is used on MPTC's North Luzon Expressway, Subic–Clark–Tarlac Expressway, Manila–Cavite Expressway, and Cavite–Laguna Expressway.

Meanwhile, Autosweep is used on the San Miguel group's Skyway, South Luzon Expressway, NAIA Expressway, Southern Tagalog Arterial Road Tollway, and Tarlac-Pangasinan-La Union Expressway. Autosweep is also used on the Villar group's Muntinlupa Cavite Expressway.

MPTC is the tollways unit of Metro Pacific Investments Corp., one of three key Philippine units of Hong Kong-based First Pacific Co. Ltd., the others being Philex Mining Corp. and PLDT, Inc.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**

ENEX to seek partners for gas exploration contract

AYALA-LED ENEX Energy Corp. said it will seek partners for its natural gas service contract once the company resumes exploration within the Palawan Basin.

"We continue to explore bringing in the right partner or sponsor to undertake the exploration and development activities once it is possible to do so," ENEX Chairman Eric T. Francia said during the company's annual stockholders' meeting last week.

ENEX, formerly ACE Enexor, Inc., is a unit of listed company ACEN Corp. It explores for crude oil and natural gas.

In 2023, ACEN Corp. announced that the Department of Energy (DoE) granted a declaration of force majeure for its unit's drilling operations within SC 55.

It said the DoE agreed to allow the request of its subsidiary, Palawan55 Exploration and Production Corp., for a force majeure relief due to the "operational and financial risks" associated with drilling operations in the West Philippine Sea.

Petroleum SC 55 is a deep-water block in the southwest Palawan Basin covering an area of 9,880 square kilometers.

The SC 55 in Palawan is estimated to have some 2.2 trillion cubic feet of natural gas, the Energy department said.

Mr. Francia said the country must develop its indigenous energy resources as its only indigenous commercial source of natural gas, the Malampaya gas field is expected to have a declining output.

"The use of (LNG) had begun in order to address the declining output of Malampaya gas. Reliance on imported LNG, however, has put an upward pressure on the cost of fuel and therefore the cost of gas power," Mr. Francia said.

Further, the company said it is still keen on building a liquefied natural gas (LNG) fired plant in Batangas.

The company's investee company, the Batangas Clean Energy is currently developing a 1,100 megawatt combined cycle gas turbine project Batangas.

For now the project is awaiting a competitive selection process to secure an offtake contract for the project, Mr. Francia said. — **Ashley Erika O. Jose**

FDC plans transformations to achieve growth target

FILINVEST Development Corp. (FDC) said it will focus on implementing strategic transformations across its various businesses to achieve an annual earnings growth of at least 20% over the next five years.

"We are driven to continue this trajectory to grow earnings by an average of at least 20% annually. We must push for transformation across the group to drive quality and attain faster earnings growth to achieve this target in the next five years," FDC President and Chief Executive Officer Rhoda A. Huang said during the company's virtual annual stockholders meeting last week.

"This means a healthy balance sheet of higher return on invested capital and revenue growth. We believe we are positioned well to achieve this," she added.

She also said that FDC will optimize its portfolio to support businesses in areas such as capital allocation, business development, and initiatives to accelerate value creation.

"We will drive synergies and management systems. As a cohesive group, our portfolio companies can leverage on key platforms that will drive operational excellence and improve ways of working so that our businesses can focus on business building," she said.

"We will future-proof talent and the organization toward diverse, high-performing, and highly engaged employees ready to achieve our goals and face future challenges," she added.

The conglomerate has earmarked between P20 billion and P25 billion for its capital expenditure budget this year, of which 60% would go to real estate, 15% to renewable energy, 15% to hospitality, and 10% to other businesses.

The conglomerate has business interests in the real estate sector through Filinvest Land, Inc. and Filinvest Alabang. It is also in the power and hospitality sectors through FDC Utilities, Inc. and Filinvest Hospitality Corp., respectively.

The holding company is also engaged in the banking sector through the East West Banking Corp., as well as in the sugar and infrastructure segments.

FDC recorded a 58% increase in its attributable net income to P8.9 billion in 2023 from P5.7 billion the previous year, led by higher revenues across its business segments.

The conglomerate saw a 31% jump in its total revenues and other income to P92.8 billion last year from P71.1 billion in 2022.

FDC shares were last traded on April 26 at P5.70 per share. — **Revin Mikhael D. Ochave**

OUTLIER

Cemex shares down after DMCI acquisition

SHARES in Cemex Holdings Philippines, Inc. were volatile last week amid panic selling prior to DMCI Holdings, Inc.'s announcement of its acquisition of Cemex Asian South East Corp. (CASEC).

Data from the Philippine Stock Exchange (PSE) showed a total of 403.63 million shares worth P652.81 million were traded from April 22 to 26.

Shares closed at P1.36 apiece last Friday, falling 37% from its P2.16 close on April 19.

Year to date, the stock has surged by 44.7%.

Jervin De Celis, equity trader at Timson Securities, Inc., said in an e-mail that the stock had been experiencing volatility since Monday as players were clueless why the stock fell to P1.68 apiece.

"This fueled the speculation that there might have been issues with the deal between DMCI and Cemex Asian South East Corp., which owns 89% of Cemex. That speculation caused panic selling in the stock for two days before it bounced back on Wednesday and continued its ascent to [P1.90] on Thursday before any disclosures were published on PSE EDGE," he said, referring to the disclosure system of the local bourse.

"[Last] week, an official statement confirmed the Cemex acquisition," Jemimah Ryla R. Alfonso, an equity analyst at Regina Capital Development Corp., said in a separate e-mail interview. "However, this time around, the speculated acquisition price is lower than what was previously expected, leading to a decline in Cemex's stock price [last] Friday."

In a disclosure on Thursday, Cemex announced that DMCI, Dacon Corp., and Semirara Mining and Power Corp. would be acquiring CASEC, the majority owner of Cemex, in a share purchase agreement for $305.6 million.

"This acquisition will give DMCI another stream of revenue and will complement its property, construction, and infrastructure segment," Mr. De Celis said.

Jemimah Ryla R. Alfonso, an equity analyst at Regina Capital Development Corp., said in a separate e-mail that Cemex could provide DMCI with the capacity it needs as it eyes to expand its cement business.

Cemex's operations are expected to continue as usual prior to the closing of the transaction expected within the year.

The company's revenues reached P17.32 billion last year, 15.8% down from P20.57 billion in 2022.

Cemex's attributable net loss doubled to P2.02 billion last year from P1.01-billion loss in 2022.

Mr. De Celis said he does not expect the volatility to continue this week as players digest the disclosure by DMC.

"Future announcements such as Tender offers, and regulatory hurdles are developments to watch out for," he added.

Mr. De Celis placed his potential short term support level at P1.23 to P1.25. He added that panic selling and uncertainties regarding tender offers make it difficult to plot a resistance level for the stock.

Ms. Alfonso placed the support level at P1.23 and the resistance at P1.40. — **Karis Kasarinlan Paolo D. Mendoza**

Loan deal for NAIA upgrade expected this year

SY-LED conglomerate SM Investments Corp. (SMIC) said it is preparing the funding for the New NAIA Infrastructure Corp. for the modernization of the Ninoy Aquino International Airport (NAIA).

"There's no problem [with the discussion.] I think they have the substance and we believe that we have to improve NAIA. So, we are helping," SMIC Vice-Chair Teresita Sy-Coson told reporters last week.

The group has already secured funds for the NAIA project from Sy-led BDO Unibank, Inc., according to SMC President Ramon S. Ang.

"They are [going to take over] by September, right? I do not know about the government timeline but after that we can work together," Ms. Coson said.

In March, the group led by SMC — the New NAIA Infrastructure Corp., formerly called SMC SAP & Co. Consortium — signed the P170.6-billion concession agreement to operate, maintain, and upgrade NAIA.

The group, consisting of SMC, RMM Asian Logistics, Inc., RLW Aviation Development, Inc., and Incheon International Airport Corp., will take over the airport operations by September.

Ms. Coson said SMIC is not interested in acquiring shares in the consortium.

"No, we are just a bank. Just a lender," she said.

The New NAIA Infrastructure is planning to build a new passenger terminal building with a total capacity of 35 million passengers per year as part of its commitment to decongest the airport.

The group won the NAIA offering the highest bid for the project at about 82.1% of NAIA revenues to the government.

Aside from the revenue share, the winning bidder is also required to pay an up-front payment of P30 billion and P2 billion annually, according to the Transportation department. — **Ashley Erika O. Jose**