

Philippine Stock Exchange index (PSEi)

6,615.55

▼ 31 PTS.

▼ 0.46%

FRIDAY, MAY 3, 2024

BusinessWorld

PSEI MEMBER STOCKS

AC Ayala Corp. P596.00 -P5.00 -0.83%	ACEN ACEN Corp. P4.11 +P0.10 +2.49%	AEV Aboltiz Equity Ventures, Inc. P40.45 +P0.05 +0.12%	AGI Alliance Global Group, Inc. P9.76 -P0.07 -0.71%	ALI Ayala Land, Inc. P26.85 -P0.85 -3.07%	BDO BDO Unibank, Inc. P148.30 +P2.20 +1.51%	BLOOM Blossom Resorts Corp. P10.06 -P0.08 -0.79%	BPI Bank of the Philippine Islands P126.10 -P1.40 -1.1%	CNPF Century Pacific Food, Inc. P37.10 -P0.10 -0.27%	CNVRG Converge ICT Solutions, Inc. P8.76 -P0.40 -4.37%
DMC DMCI Holdings, Inc. P10.98 +P0.06 +0.55%	EMI Emperador, Inc. P18.88 -P0.10 -0.53%	GLO Globe Telecom, Inc. P1,760.00 +P23.00 +1.32%	GTCAP GT Capital Holdings, Inc. P634.50 -P2.50 -0.39%	ICT International Container Terminal Services, Inc. P342.00 -P6.00 -1.72%	JFC Jollibee Foods Corp. P219.00 -P7.00 -3.1%	JGS JG Summit Holdings, Inc. P31.95 -P0.15 -0.47%	LTG LT Group, Inc. P10.04 ---	MBT Metropolitan Bank & Trust Co. P71.60 -P0.30 -0.42%	MER Manila Electric Co. P365.00 ---
MONDE Monde Nissin Corp. P10.96 +P0.36 +3.4%	NIKL Nickel Asia Corp. P4.00 +P0.04 +1.01%	PGOLD Puregold Price Club, Inc. P22.80 -P0.20 -0.87%	SCC Semirara Mining and Power Corp. P32.75 +P0.25 +0.77%	SM SM Investments Corp. P942.00 +P6.00 +0.64%	SMC San Miguel Corp. P103.00 -P0.40 -0.39%	SMPH SM Prime Holdings, Inc. P27.40 -P0.55 -1.97%	TEL PLDT Inc. P1,340.00 +P6.00 +0.45%	URC Universal Robina Corp. P101.00 -P0.60 -0.59%	WLCON Wilcon Depot, Inc. P16.70 -P0.10 -0.6%

SEC to release cryptocurrency guidelines by the second half

THE Securities and Exchange Commission (SEC) said it plans to release the regulatory framework for cryptocurrency assets and trading by the latter part of the year.

"We have to come up with (a framework); we will issue it by the second half of this year," SEC Chairperson Emilio B. Aquino told reporters last week, referring to the timeline for the release of crypto asset guidelines.

The guidelines aim to regulate cryptocurrency trading in the country with the primary goal of safeguarding the interests of investors.

Mr. Aquino made this statement as the SEC intensified its crackdown on unregistered trading platforms.

On April 19, the commission requested the removal of Bi-

nance applications from the app markets of Apple and Google in the Philippines.

Binance is the world's largest cryptocurrency exchange in terms of daily trading volume.

Mr. Aquino noted that Apple and Google typically respond quickly to app blocking requests.

"I hope it's fast. We already experienced this with lending apps before. The response is quick. It's up to them (Google and Apple)," he said.

On the SEC's move against Binance, Mr. Aquino said that the regulator is just "doing its job."

"I know there are still some investors who we are not even stopping because they're going to it via virtual private networks.

They still can. But nobody gets to blame us. Maybe others might say that we didn't do anything to stop these apps," he said.

He reiterated that trading platforms should obtain the necessary licenses and registration before establishing an exchange for the buying and selling of securities, as mandated by Republic Act No. 8799, also known as the Securities Regulation Code (SRC).

"They have to secure the required licenses because the intention is to be able to run after them to exact their obligations. That is just where we are coming from. We're not singling out any of these platforms. That's our direction," he said.

Mr. Aquino added that the SEC has learned from the collapse of the Bahamas-based cryptocurrency exchange FTX in November 2022.

"It is different for us. Our laws just say that the sale and offering of securities made within the Philippines... That is the only capability we have. We cannot run after people outside," he said.

"We have learned from the experience of what happened to FTX. Many Americans were 'burned' there. But what's good about it is that they have the long-arm statute. If you make an offering to an American anywhere in the world, they can pursue legal action against you," he added. — **Revin Mikhael D. Ochave**

Aircraft maintenance demand seen growing in PHL

By **Sheldeen Joy Talavera**
Reporter

KUALA LUMPUR — Business jet maker Dassault Aviation said it sees increased demand for aircraft maintenance services in the Philippines due to strong growth in the business jet market.

"No doubt, the demand is growing, and I think it's related to the economy growing as well," Jean Kayanakis, senior vice-president for WorldWide Falcon Customer Service and Service Center Network for Dassault Aviation, said on the sidelines of an event launch in Kuala Lumpur, Malaysia last week.

The Philippines' gross domestic product (GDP) expanded by 5.6% in 2023. For 2024, the government is targeting 6-7% GDP growth.

Citing market reports, ExecuJet MRO Services said that there are more than 60 business jets in the Philippines.

Ivan Lim, ExecuJet's regional vice-president for Asia, said that aircraft utilization is expected to increase, which will require maintenance services.

"I think post-COVID, we have seen the numbers going up in terms of flights, in terms of usage of business jets in the region, so that is what is driving our growth," he said.

Asked if there are any plans to expand in the Philippines, he said, "it's something that we assess all the time when opportunity arises."

ExecuJet, a wholly owned subsidiary of Dassault Aviation, operates in Africa, Asia, Australasia, Europe, and the Middle East, where major repair and refurbishment activities are conducted.

Last week, ExecuJet formally inaugurated the largest business jet maintenance facility in Malaysia, located at Subang Airport in Kuala Lumpur.

The company said that the maintenance, repair, and overhaul (MRO) facility area is 149,500 square feet, more than twice the size of ExecuJet MRO Services Malaysia's previous operation.

The MRO facility, which can accommodate up to 15 medium and large business jets simultaneously, serves business jet operators from across Asia, including the Philippines.

It is partially powered by an 85 kilowatt-peak solar installation to further reduce electricity consumption from the power grid.

"With this brand new facility, we're able to support and attract people from the region. I mean, not only Malaysia, but I would suppose for Philippine growing business aviation activity, it's a kind of a hub, and that's what we want to offer with the support of Dassault Aviation as a major company," he said.

ExecuJet MRO Services Malaysia has received certification from the Civil Aviation Authority of the Philippines to service specific aircraft on the country's aircraft registry, including those from Bombardier, Gulfstream, and Dassault Aviation.

ExecuJet has been providing services to the Philippine market since 2014.

OUTLIER

Meralco shares down after profit taking

SHARES in Manila Electric Co. (Meralco) inched down following the heightened profit taking by investors amid first quarter earnings.

A total of 2.15 million Meralco shares worth P789.18 million were traded on the local market from April 29 to May 3, data from the Philippine Stock Exchange showed.

The power distribution company was the ninth most actively traded stock last week.

Shares in Meralco fell by 0.92% week on week to P365 per share on Friday from its P368.40 finish on April 26.

Year to date, the stock's price also went down by 8.5%.

Local financial markets were closed on May 1 for the holiday.

"Meralco was affected by the profit-taking after the market moved up substantially last week," equity trader at Diversified Securities, Inc. Aniceto K. Pangan said in an e-mail.

Globalinks Securities and Stocks, Inc. Trader Mark V. Santarina said in a Viber message that Meralco's share price fell a notch following its strong performance in the last week of April which set a high base.

"It's likely just riding the waves, but the good news is that we observed foreign buyers taking positions in the stock this week.

Its earnings report remained good news, but I think it's already priced in," Mr. Santarina said.

In the first quarter, Meralco's attributable net income to

the parent company amounted to P9.6 billion, up by 18.1% from P8.07 billion in the same period last year.

Meanwhile, its gross revenue went down by 1% to P104.55 billion in the first quarter.

Energy sales volume increased by 9% to 12,307 gigawatt-hours (GWh) mainly driven by the growth of the company's commercial, residential, and industrial segment.

Commercial sales volume increased by 11% to 4,678 GWh while the residential segment saw a 12% increase to 4,144 GWh, due to the "prolonged usage of cooling appliances at home as the dry spells associated with El Niño persisted."

Sales volume in the industrial segment improved by 3% to 3,448 GWh in the January-to-March period.

"The growth in our first quarter sales volume reflects the growing demand for power from across all customer segments with the improving economic prospects," Meralco Executive Vice-President and Chief Operating Officer Ronnie L. Aperocho said in a press release.

Analysts expressed optimism about the stock company following its plans to build micro modular nuclear power plants to provide energy in remote areas in the Philippines within the next four years. — **Mariedel Irish U. Catilogo**

FULL STORY



Read the full story by scanning the QR code or by typing the link
tinyurl.com/ynkm6cv2

Complaint filed vs Abra Mining

THE Securities and Exchange Commission (SEC) said it has filed a criminal complaint with the Department of Justice (DoJ) against Abra Mining and Industrial Corp., its directors, officers, transfer agent, and certain stockholders for alleged unauthorized and fraudulent trading of shares from 2015 to 2019.

The SEC charged the respondents with 441 counts of violations of Section 8 and 26 of Republic Act No. 8799 or the Securities Regulation Code (SRC), and Sections 61, 62, and 63 of Republic Act No. 11232 or the Revised Corporation Code (RCC), the commission said in an e-mailed statement over the weekend.

The commission filed its complaint-affidavit with the DoJ on May 3.

The SEC also asked the DOJ to institute civil and criminal forfeiture, including the accessory penalty of asset preservation, and other appropriate actions against the respondents under Republic Act No. 9160 or the Anti-Money Laundering Act.

According to the commission, the complaint stemmed from

discrepancies in the number of Abra Mining shares registered with the SEC for public offering, those listed in the Philippine Stock Exchange (PSE), and those lodged with the Philippine Depository and Trust Corp. (PDTTC).

In an April 8 decision, the SEC's Markets and Securities Regulation department imposed over P560 million worth of fines against the respondents after being found guilty of violating the SRC and RCC.

The commission also revoked the company's registration statement and certificate of permit to sell securities. At the same time, it disqualified the officers and directors from performing similar functions in SEC-supervised financial intermediaries and issuers of securities.

In March 2021, the PSE halted the company's trading after it was found selling stocks beyond the number of its listed shares.

The market operator recently initiated the involuntary delisting of Abra Mining from the local bourse following the violations found by the SEC. — **Revin Mikhael D. Ochave**

Meralco sees 5-6% growth in energy sales for 2024

MANILA Electric Co. (Meralco) expects its energy sales volume to grow by more than 5% by the end of the year, said a company official.

"We initially forecasted sales of 4.7% by yearend, but I think we're now looking at more than 5%, probably up to 6%," said Meralco First Vice-President Ferdinand O. Geluz during a briefing last week.

With the company's forecast for the second quarter, the

company is expecting to have "good first-half numbers," he also said.

"In fact, for April, we're seeing around at least 9% growth and maybe until June, we will grow between 6% [and] 8%. That gives us a good first half numbers."

For the third quarter, Meralco is still seeing growth but may be tempered by the La Niña weather event, Mr. Geluz said.

For the January-to-March period, Meralco reported energy sales of 12,307 gigawatt-hours (GWh), up by 9% from the 11,287 GWh in 2023, driven by higher demand from all customer segments.

The power distributor registered a net income of P9.6 billion, higher by 19% from the previous year.

Consolidated revenues were flat at P104.5 billion due to lower pass-through charges and energy

fees, reflecting lower fuel prices, compared with 2023.

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**

MPIC's CdO water company says supply cutoff meant to prompt action on unsettled accounts

THE Cagayan de Oro Bulk Water, Inc. (COBI), a unit of Metro Pacific Water, said that it intended to promptly resume supplying water to the Cagayan de Oro Water District (COWD) if it showed efforts to resolve issues over its unsettled accounts.

The decision to cut off water supply to COWD was a joint decision by COBI and Rio Verde Water Consortium, as they deemed it "the only way COWD would take the matter seriously," the company said in an e-mailed statement on Friday.

The company said the decision went through "painful deliberation, with the full intention of immediately restoring water supply as soon as COWD comes back to the

negotiating table and shows seriousness in resolving the issue."

The company issued the statement in response to Resolution No. 2024-723 passed by the 20th City Council of Cagayan de Oro (CdO), urging COBI and Metro Pacific Water to explain why they should not be declared persona non grata in the city following the decision to cut off the bulk water supply to COWD.

"We are surprised to learn that we are now being asked to explain why we should not be declared persona non grata when: (a) we are the ones who are exerting all efforts

to resolve the dispute amicably, and it is COWD which impeded discussions thru lack of representation, and (b) this decision to cut off supply to COWD was made together with Rio Verde, and (c) we invested heavily and is legally operating in CDO," it said.

COBI said that there was a meeting on April 30 "to come to an amicable settlement with COWD."

The meeting included representatives from the Local Water Utilities Administration, Metro Pacific Water, the Congressman's office, and COBI. — **Sheldeen Joy Talavera**

FULL STORY



Read the full story by scanning the QR code or by typing the link
tinyurl.com/5N8f6na