

Philippine Stock Exchange index (PSEi)

6,158.48

▼ 186.08 PTS.

▼ 2.93%

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BusinessWorld

PSEI MEMBER STOCKS

<b>AC</b> Ayala Corp. P565.00 -P19.50 -3.34%	<b>ACEN</b> ACEN Corp. P4.65 +P0.02 +0.43%	<b>AEV</b> Aboitiz Equity Ventures, Inc. P38.80 -P0.45 -1.15%	<b>AGI</b> Alliance Global Group, Inc. P8.91 +P0.02 +0.22%	<b>ALI</b> Ayala Land, Inc. P26.40 -P1.10 -4%	<b>BDO</b> BDO Unibank, Inc. P127.30 -P3.20 -2.45%	<b>BLOOM</b> Bloomerry Resorts Corp. P10.10 +P0.10 +1%	<b>BPI</b> Bank of the Philippine Islands P109.80 -P6.00 -5.18%	<b>CNPF</b> Century Pacific Food, Inc. P32.05 -P0.45 -1.38%	<b>CNVRG</b> Converge ICT Solutions, Inc. P10.60 -P0.36 -3.28%
<b>DMC</b> DMCI Holdings, Inc. P11.16 -P0.14 -1.24%	<b>EMI</b> Emperador, Inc. P18.90 +P0.18 +0.96%	<b>GLO</b> Globe Telecom, Inc. P1,928.00 -P65.00 -3.26%	<b>GTCAP</b> GT Capital Holdings, Inc. P554.00 -P14.00 -2.46%	<b>ICT</b> International Container Terminal Services, Inc. P316.00 -P18.60 -5.56%	<b>JFC</b> Jollibee Foods Corp. P211.00 -P6.20 -2.85%	<b>JGS</b> JG Summit Holdings, Inc. P25.50 -P1.50 -5.56%	<b>LTG</b> LT Group, Inc. P10.00 -P0.02 -0.2%	<b>MBT</b> Metropolitan Bank & Trust Co. P67.25 -P0.75 -1.1%	<b>MER</b> Manila Electric Co. P358.00 -P14.20 -3.82%
<b>MONDE</b> Monde Nissin Corp. P10.00 -P0.60 -5.66%	<b>NIKL</b> Nickel Asia Corp. P3.82 -P0.25 -6.14%	<b>PGOLD</b> Puregold Price Club, Inc. P24.85 +P0.10 +0.4%	<b>SCC</b> Semirara Mining and Power Corp. P32.75 +P0.35 +1.08%	<b>SM</b> SM Investments Corp. P836.00 -P12.00 -1.42%	<b>SMC</b> San Miguel Corp. P102.00 +P0.40 +0.39%	<b>SMPH</b> SM Prime Holdings, Inc. P25.70 -P0.95 -3.56%	<b>TEL</b> PLDT Inc. P1,350.00 -P65.00 -4.59%	<b>URC</b> Universal Robina Corp. P103.50 -P1.00 -0.96%	<b>WLCON</b> Wilcon Depot, Inc. P17.80 +P0.04 +0.23%

OUTLIER

## Stake sale deal, buybacks lift shares of Aboitiz Equity Ventures

By Andrea C. Abestano *Researcher*

ABOITIZ EQUITY VENTURES, Inc. (AEV) shares rose last week, backed by a modest rally spurred by a share-sale agreement and consecutive share buybacks.

Data from the Philippine Stock Exchange (PSE) showed that from June 18 to 21, 11.79 billion shares worth P458.61 billion were exchanged on the trading floor.

The holding company's stocks climbed 0.91% to P38.80 each on Friday from P38.45 on June 14. Year to date, the stock price has fallen by 13% from P44.60 on Dec. 29.

"AEV's stock movements this week were largely driven by flows, with a notable modest rally in the days following the disclosure of its 50% stake sale," Rastine Mackie D. Mercado, research director at China Bank Securities Corp., said in an e-mail.

On Monday last week, Aboitiz Equity Ventures disclosed a share sale deal with Ayala Land, Inc. (ALI). Ayala Land bought AEV and AboitizLand's 50% interest in Cebu District Property Enterprise, Inc.

The transaction involved 18.1 million shares at P100 apiece and gave Ayala Land full ownership of Cebu District Property.

"We think the move aims to capitalize on an improving outlook for its property business," Mr. Mercado said. He added that investors might view the stake sale as positive since AEV could use the proceeds to fund projects in the pipeline.

"[Despite] the initial positive sentiment, the market also perceived potential negative impacts on AEV's future earnings from this divestiture, leading to mixed reactions from investors," Mark Crismon V. Santarina, a trader at Globalinks Securities and Stocks, Inc. said in a Viber message.

"The divestiture may be strategic for resource reallocation but also raises questions about AEV's long-term growth in the Visayas region," he added.

AEV shares at P38.80 on Friday from P39.25 a day earlier, ending the stock's short-term rally.

Mr. Santarina attributed the price volatility to investors' concern about potential revenue losses from the Cebu District Property stake sale.

After the sale agreement, Aboitiz Equity Ventures held three consecutive share buybacks.

AEV used excess cash to buy 3.66 billion shares at P38.40 to P39.25 each. The company said in a separate disclosure on April 25 said the repurchase program aims to optimize the company's market position.

Both analysts said these transactions positively influenced market sentiment on the stock last week.

"[Buybacks] typically indicate that the company has a strong balance sheet and expects future growth, thus positively influencing investor sentiment and providing support to the stock price amid market fluctuations," Mr. Santarina said.

Mr. Mercado said "transactions related to its share buyback program may buoy investor sentiment as this reinforces confidence towards the stock given its first-quarter performance and positive business outlook over the balance of the year."

For January to March, Aboitiz Equity's net income attributable to its parent rose by 22.38% to P4.9 billion from a year earlier. Consolidated revenues fell by 8.98% to P69.1 billion.

Mr. Mercado pegged AEV's support and resistance levels at P38.30 and P39.70, respectively.

"Immediate support level is anticipated around P35, given recent buyback activities bolstering investor confidence," Mr. Santarina said. "The resistance level is expected near P42."

# MPTC eyes P30 billion in yearly revenue from Indonesia toll road

PANGILINAN-LED Metro Pacific Tollways Corp. (MPTC) expects to generate P30 billion in yearly revenue from its toll road contract in Indonesia, which is expected to be signed this week, according to its chairman.

"It is likely to be signed next week in Jakarta," MPTC Chairman Manuel V. Pangilinan told reporters on the sidelines of the company's inauguration of the Cavite C5 Link Sucat interchange last week. "They are in final documentation."

Jasamarga Transjawa Tol, a state-owned enterprise and the largest toll road operator in Indonesia, is bidding for the Trans-Java toll road in Indonesia.

The Trans-Java toll road is an expressway network that runs from the Port of Merak in Cilegon — the main link between Sumatra and Java — to Banyuwangi, the eastern end of Java and the main link between it and Bali.

Last year, MPTC said it expected to invest about \$600 million (P35.3 billion) to secure its bid for a portion

of the Trans-Java toll road. The company, along with Singapore's GIC Pte. Ltd., jointly bid for a 35% stake in the toll project.

Jasamarga manages the 676-kilometer section of the Trans-Java toll, serving between 700,000 and 800,000 vehicles daily.

Mr. Pangilinan said the company is expected to reach financial closing for the project three months after it signs the contract.

MPTC earlier said its Indonesian assets would be included in the planned joint venture with San Miguel Corp.

He said the closing of the Trans-Java toll road is considered the last remaining piece for its planned merger with San Miguel to move forward.

MPTC President and Chief Executive Officer Rogelio L. Singson said the traffic revenues from San Miguel's toll road assets in Manila are higher than MPTC. "But once we put in our Indonesia [revenue], it will be balanced," he said.



MANUEL V. PANGILINAN

San Miguel and MPIC wants to set up a joint venture company for their tollway units. The planned venture is said to have a starting EBITDA or earnings before interest, taxes, depreciation, and amortization of about P50 billion and is described as a potential candidate for listing on the Philippine Stock Exchange.

MPTC is the tollway 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**



## SN Aboitiz units sign energy deals with CAR

TWO units of the SN Aboitiz Power Group (SNAP) have signed a deal with the Regional Development Council of the Cordillera Administrative Region (CAR) to implement energy-funded projects.

SNAP-Benguet and SNAP-Magat signed a memorandum of agreement with the council for projects under the Energy department's Energy Regulation No. 1-94, the company said in a statement on Friday.

The regulation wants to ensure that host communities get a reasonable share of the profit from power plants operating in their area.

SNAP said the program gives the host community a one-centavo share for every kilowatt-hour of the total electricity sales of a power generating company.

Half of the share will be used in community electrification. A quarter of the share will be allocated for livelihood programs, while the other 25% will be earmarked for reforestation, watershed management, health, and environment enhancement initiatives.

SNAP is a joint venture of Norwegian company Scatec and Aboitiz Power Corp. It owns and operates the 112.5-megawatt (MW) Ambuklao and 140-MW Binga hydroelectric power plants in Benguet, and the 388-MW Magat hydroelectric power plant on the border of Isabela and Ifugao.

The company also owns and operates the 8.5-MW Maris hydro and the 24-MW Magat battery energy storage facility in Isabela. — **Sheldeen Joy Talavera**

## BFP, DILG, and SM Prime empower communities through 1<sup>st</sup> Fire Volunteers Assembly

In a demonstration of its commitment to community safety, the Bureau of Fire Protection (BFP) and the Department of Interior and Local Government (DILG) partnered with SM Prime to hold the inaugural Fire Volunteers Assembly at the Mall of Asia Arena on May 30, 2024. This event aimed to honor the dedication of fire volunteers and strengthen collaboration between the BFP, fire brigades (barangay and company), and volunteer organizations.

The BFP also recognized the vital role of fire volunteer association leaders by presenting them with tokens and plaques of appreciation. This recognition ceremony not only honored the leaders themselves but also served to inspire all fire volunteers and boost overall morale within the volunteer community.

The Fire Volunteers Assembly served as a platform for knowledge-sharing and collaboration. Representatives from the Land Transportation Office (LTO), Metropolitan Manila Development Authority (MMDA), and the Philippine National Volunteer Services Coordinating Agency (PNVSCA) provided valuable insights from their areas of expertise. These discussions fostered a collaborative environment for all emergency responders, equipping them with essential knowledge and strategies to effectively perform their duties.

SM Prime strengthens its commitment to Disaster Risk Reduction (DRR) by partnering with the BFP. This ongoing collaboration, established in 2019, focuses on fire safety education, BFP personnel training, fire brigade teams, and nationwide fire drills held at SM malls, promoting fire prevention as a key element of a comprehensive DRR strategy.



Fire trucks assemble at the SM Mall of Asia Globe for the 1<sup>st</sup> Fire Volunteers Assembly.



(L-R): Bureau of Fire Protection National Headquarters (BFP NHQ) Deputy Chief for Operations Fire Chief Superintendent (FCSUPT) Wilberto Rico Niel Kwan Tiu, BFP Fire Director (FDIR) Louie Puraican, Department of the Interior and Local Government (DILG) Secretary Atty. Benjamin Abalos, Jr., Manila Vice-Mayor Yul Servo, and SM Supermalls' Vice-President for Corporate Compliance Liza Silerio



The 1<sup>st</sup> Fire Volunteers Assembly brings together heroes: fire volunteers, brigades and organizations, uniting to strengthen fire safety efforts.