Philippine Stock Exchange index (PSEi) 6,705.01 ▲17.30 PTS. ▲0.25%

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PSEi MEMBER STOCKS

AC	Ayala Corp.	P590.00	——	
ACEN	ACEN Corp.	P4.93	+P0.15	+3.14%
AEV	Aboitiz Equity Ventures, Inc.	P36.40	-P0.85	-2.28%
AGI	Alliance Global Group, Inc.	P8.97	+P0.01	+0.11%
ALI	Ayala Land, Inc.	P30.95	-P0.70	-2.21%
BDO	BDO Unibank, Inc.	P142.50	+P3.10	+2.22%
BLOOM	Bloomberry Resorts Corp.	P8.91	-P0.28	-3.05%
BPI	Bank of the Philippine Islands	P126.00	+P5.20	+4.3%
CNPF	Century Pacific Food, Inc.	P35.10	-P1.05	-2.9%
CNVRG	Converge ICT Solutions, Inc.	P10.94	-P0.16	-1.44%
DMC	DMCI Holdings, Inc.	P11.10	——	
EMI	Emperador, Inc.	P18.60	——	
GLO	Globe Telecom, Inc.	P2,090.00	+P30.00	+1.46%
GTCAP	GT Capital Holdings, Inc.	P607.00	+P10.00	+1.68%
ICT	International Container Terminal Services, Inc.	P363.00	-P1.40	-0.38%
JFC	Jollibee Foods Corp.	P231.20	+P0.20	+0.09%
JGS	JG Summit Holdings, Inc.	P27.30	+P0.45	+1.68%
LTG	LT Group, Inc.	P9.60	+P0.01	+0.1%
MBT	Metropolitan Bank & Trust Co.	P68.50	+P0.90	+1.33%
MER	Manila Electric Co.	P382.00	+P8.00	+2.14%
MONDE	Monde Nissin Corp.	P9.51	+P0.08	+0.85%
NIKL	Nickel Asia Corp.	P3.62	-P0.03	-0.82%
PGOLD	Puregold Price Club, Inc.	P26.35	+P0.75	+2.93%
SCC	Semirara Mining and Power Corp.	P33.45	——	
SM	SM Investments Corp.	P902.00	-P21.00	-2.28%
SMC	San Miguel Corp.	P98.65	-P0.80	-0.8%
SMPH	SM Prime Holdings, Inc.	P29.80	——	
TEL	PLDT Inc.	P1,508.00	+P26.00	+1.75%
URC	Universal Robina Corp.	P119.00	+P0.20	+0.17%
WLCON	Wilcon Depot, Inc.	P17.90	-P0.06	-0.33%

SMC, ACEN units advance in Meralco RE supply bid

THE UNITS of San Miguel Corp. (SMC) and ACEN Corp. will undergo post-qualification evaluation after Manila Electric Co. (Meralco) identified their bids as the most competitive for a 500-megawatt (MW) renewable energy (RE) supply contract.

San Roque Hydropower, Inc. (SRHI), Gigasol3, Inc., and Santa Cruz Solar Energy, Inc. (SCSEI) submitted their qualification documents, technical proposal, and bid price, Meralco said in a statement on Thursday.

SRHI offered the lowest rate of P7.10 per kilowatt-hour (kWh) for 340 MW of the total requirement. SRHI, formerly known as Strategic Power Development Corp., is a subsidiary of San Miguel Global Power Holdings Corp., the power arm of SMC.

Gigasol submitted a rate of P8.1819 per kWh for 139 MW of the requirement, while SCSEI covered the remaining 21 MW requirement at a rate of P8.1998 per kWh. Both Gigasol3 and SCSEI are subsidiaries of ACEN under the Ayala Group.

Meralco stated that all offers received were below the reserve price of P8.2380 per kWh set for the bidding.

The government requires distribution utilities to choose the cheapest electricity supply.

"The submissions underwent a very stringent pass/fail completeness assessment and pre-qualification evaluation," the power distributor said.

The bids and awards committee will conduct a post-qualification evaluation and submit its recommendation and report to Meralco's board of directors for approval to the issuance of notices of award, the company added.

"As a highly regulated entity, Meralco has conducted its business in full compliance with the rules and regulations issued by the ERC and DoE," Meralco Bids and Awards Committee Chairman Lawrence S. Fernandez said.

The 10-year power supply agreement resulting from the competitive selection process will cover Meralco's 350-MW mid-merit requirement starting February 2025 and will increase by 150 MW starting February 2026.

Meralco said it has already contracted 1,880 MW of renewable energy capacity from various suppliers — surpassing its initial target of 1,500 MW.

Renewable energy is expected to account for 22% of its supply portfolio by 2030.

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**

SMIC lists $500-M debt notes on Singapore Exchange

SM Investments Corp. (SMIC) said it has successfully listed $500 million in debt notes on the Singapore Exchange Securities Trading Ltd.

This issuance is part of SMIC's $3-billion multi-issuer euro medium-term notes (EMTN) program launched in May, the company said in a disclosure on Thursday.

The conglomerate reported a 3.2x oversubscription, with final demand reaching $1.6 billion, marking its largest offshore bond issuance since 2014.

The notes were issued by SMIC's wholly owned subsidiary, SMIC SG Holdings Pte. Ltd., incorporated in Singapore, and were backed by a guarantee from SMIC.

"Our establishment of the pioneer EMTN program allows us to efficiently access funding with flexibility, especially in times of volatility," SMIC Chairman Amando M. Tetangco, Jr. said.

"We believe that the positive reception of this maiden issuance is a testament to the investability of quality Philippine corporates," he added.

The five-year notes were priced at a yield of 5.466%, which is 135 basis points (bps) above the United States Treasury benchmark. The notes carry a coupon rate of 5.375%. The final spread represents a tightening of 35 bps from the initial price guidance.

In terms of location, 87% of the notes were distributed to Asia, while the remaining 13% were distributed to Europe, the Middle East, and Africa.

Among investor types, 83% of the notes were distributed to fund managers and asset managers, 11% to banks and financial institutions, and 6% to private banks and others.

Meanwhile, SMIC said the net proceeds from the EMTN issuance will be used for general corporate purposes.

HSBC, J.P. Morgan, Standard Chartered Bank and UBS have been mandated as joint lead managers and joint bookrunners, alongside BDO Capital and Chinabank Capital as joint lead managers.

In a separate report, financial research company CreditSights said that SMIC's brand and track record, as well as diversified operations, are some of the conglomerate's credit strengths in relation to the new five-year bond issuance.

"We recommend investors to participate but not expect significant tightening in the secondary market," CreditSights said in a report authored by Lakshmanan R, Jonathan Tan Jun Jie, and Nicole Chua.

"SMIC's earnings are diversified across the retail, property, banking, and various portfolio investment segments. This buffers the company from material downturns in any sector. All of SMIC's segments are also aligned with the Philippines' long-term macroeconomic growth prospects aided by rapid urbanization and rising disposable incomes," it added.

CreditSights also said that SMIC has "sound leverage metrics" and a "good dollar bond repayment track record."

"SMIC has exhibited a steady improvement in its net leverage metrics over the past three to four years. It has stayed in the 2.9x-4.4x range that indicates prudent financial management by the company," CreditSights said.

However, CreditSights warned that SMIC faces high business risks across its core businesses in the retail, property, and banking segments.

"SMIC's main verticals in retail, property, and banking inherently carry high business risks that make them more vulnerable to growth slowdowns... Although still a small earnings contributor, SMIC has portfolio investments in sectors that are relatively more defensive, including geothermal energy, copper mining, and logistics," it said.

CreditSights also cautioned that SMIC's free cash flows have been weighed by heavy capital expenditure (capex) and dividends, as well as structural subordination since the conglomerate has "little revenue-generating operations of its own, and is dependent on dividend income."

SMIC has earmarked up to P115 billion for its capex budget this year to support expansion plans.

For the first quarter, SMIC's consolidated net income rose by 6% to P18.4 billion as consolidated revenues increased by 4% to P144 billion.

On Thursday, SMIC shares fell by 2.28% or P21, ending at P902 apiece. — **Revin Mikhael D. Ochave**

MPIF partners with Siargao LGUs for sustainability efforts

METRO PACIFIC INVESTMENTS FOUNDATION (MPIF), through its Shore It Up! program, has signed agreements with the local government units (LGUs) of Del Carmen and General Luna in Siargao. MPIF has committed P4 million to support marine ecosystem preservation, as part of the MVP Group's post-Odette aid. After completing the response, recovery, and rehabilitation phases, MPIF is now implementing the mitigation phase.

Unilever PHL plans to expand food business

UNILEVER Philippines is planning to expand its food product portfolio to support the evolving needs of its customers in the Philippines, a company official said.

The company plans to bring some of its products, available in other markets, to the Philippines, Unilever Philippines Nutrition Business Unit Lead Marinel M. Villanueva said on the sidelines of a media briefing on Thursday.

"Our portfolio in the Philippines under the Knorr brand is actually extensive... But there are plans to look at new food formats and products," she said.

"Maybe in the next two to three years, you'll see some new items, especially other scratch cooking aids and complex cooking aids," Ms. Villanueva said.

The products that the company is targeting to bring to the Philippines include those in liquid format, such as cooking sauces, she noted.

"We are also looking at making it more convenient for consumers. So, a (product) that can provide almost a full meal, like a mini meal, but is prepared in a more convenient way for our consumers that are more on the go."

Unilever's food portfolio includes Lady's Choice and Knorr products such as bouillon cubes, liquid seasoning, recipe mixes, *sinigang* mixes, and sandwich spreads.

"But of course our business, a big bulk of it, will still be in the bouillon cubes as well as *sinigang* mix," Ms. Villanueva said.

She also said that the company's plant in Cavite has enough capacity for the planned new products.

"We do have capacity and capability to do that locally, but we also have the benefit of looking at the total Knorr global portfolios, so we do have access to those and can bring them in."

Unilever's market share in the seasonings category is more than half, said Ms. Villanueva, with Knorr *sinigang* mixes accounting for 85% and Knorr bouillon cubes accounting for more than half.

Unilever and Knorr target reaching 15 million Filipinos by 2030 under their programs called Knorr Nutri-Sarap and Makulay ang Buhay, meant to fight undernutrition in the country. The latest record shows they have already reached 12.5 million Filipinos.

"As one of the biggest consumer goods companies in the world, with one of the largest nutrition portfolios, Unilever strives to create a meaningful impact on people and the planet," Unilever said. — **Justine Irish D. Tabile**

Manila Water unit puts up new solar power facility

CLARK Water Corp., a unit of east zone concessionaire Manila Water Co., Inc., has installed a new solar power facility in one of its primary water treatment facilities.

A 19-kilowatt (kW) system at the Yakal Warehouse within its office compound and a 52-kW system at Pumping Station 1 were installed, the business unit said in a statement on Thursday.

"Currently, we obtain from the solar power facility around 5% of the total power requirement of Pumping Station 1, and we get around P40,000-50,000 savings on power costs monthly," Clark Water General Manager Lyn Zamora said.

"Through this initiative, we also hope to reduce our carbon footprint that is also part of our sustainability goals in the company, and I know this is also part of the advocacy of the Clark Development Corp.," she added.

Clark Water is a subsidiary of Manila Water Philippine Ventures, a wholly owned subsidiary of Manila Water.

In 2019, the company first ventured into renewable energy with the installation of a 23-kW solar panel in its wastewater treatment plant, resulting in a cost savings of approximately P0.5 million since inception.

"Energy efficiency is a priority program across Manila Water's business units in the East Zone and Non-East Zone," Clark Water said. — **Sheldeen Joy Talavera**