Philippine Stock Exchange index (PSEi) 6,984.25 ▲48.16 PTS. ▲0.69%

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PSEi MEMBER STOCKS

Ticker	Company	Price	Change	% Change
AC	Ayala Corp.	P612.00	-P1.00	-0.16%
ACEN	ACEN Corp.	P5.38	-P0.06	-1.1%
AEV	Aboitiz Equity Ventures, Inc.	P34.05	+P0.55	+1.64%
AGI	Alliance Global Group, Inc.	P9.00	+P0.05	+0.56%
ALI	Ayala Land, Inc.	P35.95	+P0.70	+1.99%
BDO	BDO Unibank, Inc.	P159.50	+P2.50	+1.59%
BLOOM	Bloomberry Resorts Corp.	P7.61	-P0.10	-1.3%
BPI	Bank of the Philippine Islands	P125.00	-P1.00	-0.79%
CNPF	Century Pacific Food, Inc.	P39.80	+P0.10	+0.25%
CNVRG	Converge ICT Solutions, Inc.	P15.44	+P0.16	+1.05%
DMC	DMCI Holdings, Inc.	P11.54	-P0.16	-1.37%
EMI	Emperador, Inc.	P18.76	-P0.04	-0.21%
GLO	Globe Telecom, Inc.	P2,210.00	-P8.00	-0.36%
GTCAP	GT Capital Holdings, Inc.	P705.00	+P25.00	+3.68%
ICT	International Container Terminal Services, Inc.	P402.00	+P2.00	+0.5%
JFC	Jollibee Foods Corp.	P252.00	-P3.00	-1.18%
JGS	JG Summit Holdings, Inc.	P24.35	+P0.65	+2.74%
LTG	LT Group, Inc.	P9.72	-P0.10	-1.02%
MBT	Metropolitan Bank & Trust Co.	P75.40	+P0.30	+0.4%
MER	Manila Electric Co.	P404.40	-P0.60	-0.15%
MONDE	Monde Nissin Corp.	P9.20	——	
NIKL	Nickel Asia Corp.	P3.27	-P0.03	-0.91%
PGOLD	Puregold Price Club, Inc.	P30.85	+P0.85	+2.83%
SCC	Semirara Mining and Power Corp.	P33.50	-P0.05	-0.15%
SM	SM Investments Corp.	P920.00	+P11.50	+1.27%
SMC	San Miguel Corp.	P95.60	-P0.40	-0.42%
SMPH	SM Prime Holdings, Inc.	P30.55	+P0.45	+1.5%
TEL	PLDT Inc.	P1,460.00	+P7.00	+0.48%
URC	Universal Robina Corp.	P90.70	+P0.65	+0.72%
WLCON	Wilcon Depot, Inc.	P18.18	+P0.18	+1%

NAIA overhaul about to start

SAN MIGUEL-LED New NAIA Infrastructure Corp. (NNIC) will take over operations and maintenance of the Philippines' main airport starting Sept. 14, kicking off modernization efforts that include road improvements, terminal expansion, and new parking facilities to improve passenger experience and airport capacity.

"In a few days, NAIA (Ninoy Aquino International Airport) operations will be turned over to us to manage. We can begin the work of modernizing our airport. We know this is a big responsibility and there will be challenges, but we are committed to delivering on our promise," SMC President and Chief Executive Officer Ramon S. Ang said at the Economic Journalists Association of the Philippines Aviation forum on Monday.

The NNIC is composed of San Miguel Corp. (SMC), one of the Philippines' largest and most diversified conglomerates; RMM Asian Logistics, Inc., a logistics company involved in infrastructure projects; RLW Aviation Development, Inc., a Filipino firm specializing in aviation development; and Incheon International Airport Corp., the operator of South Korea's main international airport.

The Manila International Airport Authority (MIAA) will continue to serve as the airport's regulator.

Upon takeover, the group will begin the rehabilitation, upgrade, and expansion of the airport, according to NNIC General Manager Angelito A. Alvarez.

The upgrade and expansion of NAIA will take time, Mr. Ang said, adding that the company is committed to delivering improvements within the first six months.

Mr. Alvarez outlined the group's plan for NAIA which is divided into three main aspects: the initial work which will happen in a four-year period; mandatory works which will take place within five years; and Civil Aviation Authority of the Philippines (CAAP) works taking place within six years.

The initial work for NAIA includes rehabilitating and enhancing existing facilities, with projects such as road improvements, terminal expansion, and new parking facilities.

SMC previously said that it would be spending between P3 billion and P5 billion on the construction of a new off-ramp from the NAIA Expressway to Terminal 3, while also considering the implementation of curb pricing at the airport.

BW FILE PHOTO

The mandatory works for NAIA, as outlined in its concession agreement, also include safety and security upgrades and the installation of new systems like pre-departure sequencing and a lightning warning system.

"In terms of CAAP work, over the next six years, we will upgrade CAAP systems," Mr. Alvarez said.

The planned CAAP upgrade aims to enhance air traffic control facilities, communication, navigation surveillance, and air traffic management systems.

"We will also be investing in training and documentation support for the traffic controllers. This is one of the problems that the government is facing because our air traffic controllers are being pirated in other countries," Mr. Alvarez said.

"We are eager to engage with NNIC and the government to address the potential adverse effects on travel demand and to ensure that the interests of both airlines and passengers are represented," Air Carriers Association of the Philippines and Board of Airline Representatives said in a statement.

"I believe SMC has the competence and the capability to modernize NAIA and make it at par with other modern airports worldwide. But that's not easy and requires considerable investment over the medium and long term, which is a decision they have to make in time," said Nigel Paul C. Villarete, senior adviser on public-private partnership (PPP) at the technical advisory group Libra Konsult, Inc.

For Rene S. Santiago, former president of the Transportation Science Society of the Philippines, SMC and its partners are expected to deliver on their commitments under the agreement with the government.

"However, I anticipate slow progress," he added.

TRANSFERS, HIGHER FEES

SMC is also working on airline reassignment, which aims to improve passenger queues.

"We have engaged several consultants already for terminal reassignments. This is something that will surely happen," Mr. Alvarez said.

He said the plan is to designate Terminal 1 for Philippine Airlines, Terminal 2 for domestic flights, Terminal 3 for all foreign airlines including Cebu Pacific and AirAsia Philippines' international flights, and Terminal 4 for AirAsia Philippines' domestic operations.

"We're now currently in Terminal 3, that's international. We will keep it. And then we are now currently in Terminal 2 for domestic, which we are moving to Terminal 4," AirAsia Philippines President and Chief Executive Officer Ricardo P. Isla said.

Mr. Alvarez said the administrative order mandating the increase in passenger service change has been signed and will take a year to be fully effective.

He said the passenger service charge will be important to NNIC, as its 82.16% gross revenue share to the government excludes passenger service charge.

"These adjustments were determined by the government together with the Asian Development Bank and benchmarked against global standards. Long before the bidding for the NAIA PPP project even began, whoever won the bidding would have to implement this," SMC's Mr. Ang said.

To recall, the Department of Transportation said that the planned rate hike is within the approved parameters, terms, and conditions specified in the tender documents for the NAIA rehabilitation project.

Passenger service charges, also known as terminal fees, are imposed on departing passengers.

Currently, domestic travelers pay a passenger service charge of P200, while foreign travelers pay P550. These fees are expected to rise to P390 and P950, respectively.

Further, Transportation Secretary Jaime J. Bautista said previously that other planned increases will happen before yearend.

This means that landing and take-off fees levied on airlines will also increase by the end of the year.

Landing and take-off fees, on the other hand, are charges levied for airport facilities and services during aircraft landings and takeoffs. Both fees contribute to the total cost of airfares paid by passengers.

The upgrade of NAIA is expected to boost its capacity from the current 35 million passengers per annum to about 62 million passengers per annum.

For this year, Mr. Alvarez said the total passenger volume for NAIA is expected to be around 51 million for this year.

Data from CAB showed that air passenger volume increased by 25.6% to 29.52 million in the first semester from 23.5 million a year ago. Of this, 15.77 million were domestic passengers, while 13.75 were international passengers.

"Well, in terms of the 7.7 million tourist arrivals, as you know at the moment, there are quite a number of headwinds that we are experiencing," Tourism Undersecretary Verna C. Buensuceso said.

She said the government is still hoping to achieve 7.7 million international visitors within the year despite headwinds like geopolitical tensions between countries through the modernization of the country's main airport.

The government anticipates earning P900 billion from the NAIA landmark project, equating to P36 billion per year. This figure is 20 times larger than the P1.17 billion annually remitted by the MIAA over the 13 years through 2023, according to the Transportation department. — **Ashley Erika O. Jose**

Meralco seeks to proceed with Atimonan power project

MERALCO PowerGen Corp. (MGen) is seeking certification from the Department of Energy (DoE) to confirm that its Atimonan power project is exempt from the 2020 coal moratorium, allowing it to proceed with its proposed 1,200-megawatt (MW) coal-fired power plant.

"[The] project is on the committed list, so it's outside of the moratorium. We're trying to get a DoE certification to confirm... [and] to start discussions on the SIS (system impact study) and to look for an engineering study," MGen President and Chief Executive Officer Emmanuel V. Rubio told reporters last week.

Atimonan One Energy, Inc. (A1E), a subsidiary of MGen, initially proposed to develop a 1,200-MW ultra-supercritical coal-fired power plant for the project site under the environmental compliance certificate issued in 2015.

The company previously dropped its plan and decided to repurpose the coal-fired power project to one that runs on gas.

Based on a project description document submitted to the Department of Environment and Natural Resources, A1E proposed to develop instead a 2,400-MW natural gas-fired combined cycle gas turbine and a liquefied natural gas terminal with floating storage unit.

Manila Electric Co. (Meralco) Chairman and Chief Executive Officer Manuel V. Pangilinan said that the project is currently "licensed, permitted, authorized to do a coal plant."

"We don't know yet whether we stay with coal or we switch it to natural gas," Mr. Pangilinan said. "The inclination is to stay with coal. Because if it's gas, we have to put up the terminal, the re-gas facility."

In 2020, the DoE issued a moratorium on the development of new coal-fired power plants.

The government agency earlier clarified that the moratorium does not cover existing and operational coal-fired power generation facilities as well as any coal-fired power projects considered committed power projects.

Following a thorough review and verification by the Power Bureau, the DoE issues at the request of a project proponent a certification that a project is not covered by the moratorium.

Several proponents of coal-fired power projects have requested the DoE's confirmation on non-coverage, and these were "ministerially issued" after verification, the DoE said.

"We believe that the project is part of the active project list as a coal plant. We just want to make sure that since there have been revisions in the past," Mr. Rubio said in a Viber message.

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**

Del Monte Pacific Ltd. sees US gains by 2026

LISTED Del Monte Pacific Ltd. (DMPL) expects its United States operations to improve in the next two years, its chief financial officer said.

The improvements and profitability of the company's US operations, led by Del Monte Foods, Inc. (DMFI), are anticipated by fiscal year 2026, DMPL Chief Financial Officer Parag Sachdeva said during the company's annual general meeting in Singapore on Aug. 30. The minutes of the meeting were disclosed to the local bourse on Monday.

He said the local unit, Del Monte Philippines, Inc. (DMPI), is expected to achieve double-digit growth for fiscal year 2025.

Despite the positive outlook, Mr. Sachdeva said that DMPL is expecting a net loss for fiscal year 2025 due to "high inventory levels and wastage-related costs."

He also said that the company is already addressing these costs to improve profitability.

In July, DMPL said that it was focusing on selectively selling assets, injecting equity through partnerships, rightsizing its workforce, and reducing fixed costs to achieve a "reduced" net loss in 2025.

The company formed a task force to improve gross margins and cut costs, particularly in the US and across DMPL, starting in the second half of fiscal year 2025.

Some of DMPL's cost-cutting initiatives include lowering inventory, minimizing waste and write-offs, cutting warehousing and distribution costs, consolidating manufacturing operations, enhancing planning through digitization, ensuring clear organizational accountability, and improving productivity for processed pineapple variety C74 over the next 12 to 24 months.

For the fiscal year ending April 2024, DMPL saw a $127.3-million net loss from a $16.9-million net income the previous year.

The company recorded a 30.4% decline in gross profit to $422.2 million due to inventory-related costs in its US operations and reduced pineapple supply in Asia.

DMPL has business interests in growing, processing, and selling packaged fruits, vegetables, and tomatoes, fresh pineapples, sauces, condiments, pasta, broth, and juices.

On Monday, DMPL stocks rose by 0.49% or two centavos to P4.12 per share. — **Revin Mikhael D. Ochave**

IDC Prime secures P630-M loan for CdO project

LISTED Italpinas Development Corp. (IDC) said its subsidiary IDC Prime, Inc. has secured a P630-M loan for a mixed-use project in Cagayan de Oro (CdO).

Sourced from the Bank of the Philippine Islands, the loan will be used for IDC Prime's maiden project, Primavera City Phase III, also known as Citta Grande, IDC said in a regulatory filing on Monday.

"IDC agreed to act as surety for the loan. The loan documents and surety agreement were signed last Sept. 4, 2024," the listed company said.

"The development loan is secured by a mortgage on the land on which Citta Grande will be constructed, and on the resulting improvements thereon," it added.

Launched in December 2022, Citta Grande is the third phase of IDC's Primavera City project. It is a green building project that will feature smart homes to improve daily living.

Primavera City is a mixed-use development that consists of dining and shopping destinations, offices, and residences. It is designed for completion in four stages.

The development features solar panels, 24/7 security surveillance, free Wi-Fi connection in selected areas, a sauna, a playground, a gym, a sky pool area, a sky garden, and a function hall.

IDC Prime is engaged in the design and development of green buildings for the open market.

IDC is a listed sustainable real estate developer. Some of the company's projects include the 10-storey twin tower Primavera Residences condo complex in Cagayan de Oro and the Miramonti condo towers in Batangas.

On Monday, IDC shares declined by 0.72% or one centavo to P1.38 per share. — **Revin Mikhael D. Ochave**