Philippine Stock Exchange index (PSEi) 6,803.19 ▲41.84 PTS. ▲0.61%

TUESDAY, NOVEMBER 19, 2024
BusinessWorld

PSEi MEMBER STOCKS

AC	Ayala Corp.	P651.00	-P6.00	-0.91%
ACEN	ACEN Corp.	P4.25	——	
AEV	Aboitiz Equity Ventures, Inc.	P34.25	-P0.75	-2.14%
AGI	Alliance Global Group, Inc.	P8.84	-P0.11	-1.23%
ALI	Ayala Land, Inc.	P29.25	+P0.25	+0.86%
BDO	BDO Unibank, Inc.	P145.50	+P5.10	+3.63%
BLOOM	Bloomberry Resorts Corp.	P5.99	-P0.06	-0.99%
BPI	Bank of the Philippine Islands	P138.10	-P2.10	-1.5%
CNPF	Century Pacific Food, Inc.	P40.60	-P0.20	-0.49%
CNVRG	Converge ICT Solutions, Inc.	P16.46	+P0.20	+1.23%
DMC	DMCI Holdings, Inc.	P10.60	——	
EMI	Emperador, Inc.	P18.20	+P0.06	+0.33%
GLO	Globe Telecom, Inc.	P2,134.00	+P46.00	+2.2%
GTCAP	GT Capital Holdings, Inc.	P654.00	+P14.00	+2.19%
ICT	International Container Terminal Services, Inc.	P393.80	+P10.80	+2.82%
JFC	Jollibee Foods Corp.	P267.40	+P7.40	+2.85%
JGS	JG Summit Holdings, Inc.	P22.35	-P0.45	-1.97%
LTG	LT Group, Inc.	P10.32	-P0.04	-0.39%
MBT	Metropolitan Bank & Trust Co.	P73.80	-P0.65	-0.87%
MER	Manila Electric Co.	P479.00	+P1.00	+0.21%
MONDE	Monde Nissin Corp.	P9.90	——	
NIKL	Nickel Asia Corp.	P3.19	+P0.09	+2.9%
PGOLD	Puregold Price Club, Inc.	P29.85	-P0.15	-0.5%
SCC	Semirara Mining and Power Corp.	P32.00	+P0.25	+0.79%
SM	SM Investments Corp.	P896.00	-P9.00	-0.99%
SMC	San Miguel Corp.	P88.00	+P0.65	+0.74%
SMPH	SM Prime Holdings, Inc.	P28.60	+P0.60	+2.14%
TEL	PLDT Inc.	P1,333.00	+P1.00	+0.08%
URC	Universal Robina Corp.	P88.20	+P2.50	+2.92%
WLCON	Wilcon Depot, Inc.	P14.06	-P0.44	-3.03%

TMP says auto parts exports may rise 5% next year

TOYOTA Motor Philippines Corp. (TMP) is projecting a potential 5% growth in auto parts exports next year as demand recovers in other countries, a company official said.

“If next year it will increase, more or less... it will be 5%,” TMP First Vice-President for Purchasing Richard B. Valdez told reporters on Tuesday.

Exports are so far flat this year, he noted. “Every year, at least we would like to increase, but that will still depend on the sales of other countries.”

In 2023, the Toyota group accounted for 30% or $1.26 billion of the total Philippine auto parts exports. These represented $665 million in export revenues.

However, the car manufacturer’s share in the auto parts exports that year was lower than 33% a year prior.

“It’s a little bit down because since we are exporting, these (represent) the sales of other countries like Thailand and other ASEAN (Association of Southeast Asian Nations) markets,” Mr. Valdez said.

There are lower sales in other markets due to issues with financing as interest rates remain elevated, he noted.

Data from the ASEAN Automotive Federation (AAF) showed that motor vehicle sales in Thailand declined 9% to 775,780 units last year.

Meanwhile, Thailand’s motor vehicle sales from January to September dropped 23.5% to 438,303 units.

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said it is possible for the country’s total auto parts exports to increase next year.

“This is consistent with the fact that the Philippines is one of the fastest growing in vehicle sales and production in ASEAN in recent years,” he said.

AAF statistics showed that Philippine motor vehicle production grew 18.3% in the January-to-September period to 97,139 units. It was the second-fastest in the region.

Meanwhile, a joint report by the Chamber of Automotive Manufacturers of the Philippines, Inc. and Truck Manufacturers Association showed that auto sales grew 8.9% to 384,310 units as of October.

Mr. Ricafort added that since Toyota is one of the world’s biggest automakers, it is possible for the company to further diversify its global supply chains.

“It will be prudent for them to diversify the auto parts exported from the Philippines to the rest of [its] production facilities worldwide,” he said.

In 2016, TMP established Toyota Motor Philippines Logistics, Inc. (TLI) to strengthen its indirect exports of OEM (original equipment manufacturer) and aftermarket parts and accessories to Toyota’s global network.

As of the end of 2023, TLI has 13 indirect export suppliers, which generate around $200 million annually.

According to Mr. Valdez, the top destinations for Philippine-made parts last year were Thailand, South Africa, Brazil, Taiwan, and India. — **Justine Irish D. Tabile**

YUMMIE DINGDING / PPA POOL

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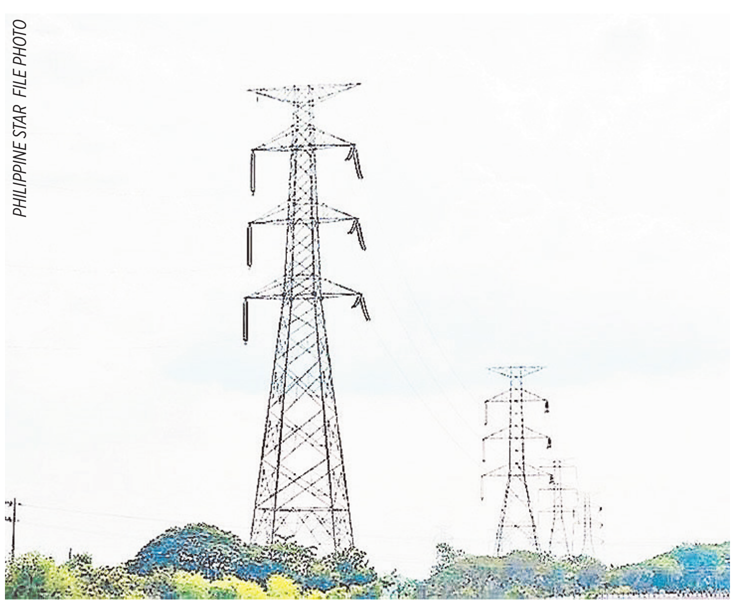

PHILIPPINE STAR FILE PHOTO

ERC clears NGCP’s P38-B transmission projects

THE ENERGY Regulatory Commission (ERC) has approved three capital expenditure (capex) transmission projects for the National Grid Corp. of the Philippines (NGCP), amounting to P38.09 billion.

In separate resolutions, the regulator approved the development of the P17.09-billion Bolo-Balaoan 500-kilovolt (kV) Transmission Line, P16.8-billion Northern Luzon 230-kV Loop, and P4.2-billion Nabas-Caticlan-Boracay Transmission projects.

The grid projects are expected to improve the reliability and stability of the transmission grid in key Luzon and Visayas provinces.

“The approval of these projects underscores our commitment to ensuring the reliability, security, and affordability of our country’s electricity supply,” ERC Chairperson and Chief Executive Officer Monalisa C. Dimalanta said.

“It is thus critical for the NGCP to ensure the efficient and timely completion of the projects so we can further boost the ability of our grid to absorb new power capacities needed to meet the growing demand of our communities, businesses, and industries,” she added.

The Bolo-Balaoan 500-kV line, which will serve as a backbone in the northwestern part of the island grid, is expected to support the integration of offshore wind and other committed renewable energy projects, as well as liquefied natural gas.

Along with the approval, the ERC ordered the grid operator to complete the project by Nov. 30, 2026.

The Northern Luzon 230-kV Loop project is designed to upgrade the existing transmission corridor and harness the generation potential in the provinces of Cagayan, Kalinga, Apayao, and Ilocos Norte.

The project is expected to be finished by March 2028.

To help bridge power in the Visayas, the Nabas-Caticlan-Boracay Transmission project will address the overloading issues in the existing Nabas-Caticlan 69-kV transmission line, Caticlan-Boracay transmission line, and Manoc-Manoc 69-kV load end substation.

The project, which is seen to enhance the reliability of power supply to the Panay Islands, is directed to be finished by May 2025.

Last week, NGCP Spokesperson Cynthia P. Alabanza said that the company would allocate more than P600 billion in capex for over 100 transmission projects. — **Sheldeen Joy Talavera**

SPNEC taps Energy China for Terra Solar construction

TERRA SOLAR Philippines, Inc. (TSPI), a subsidiary of SP New Energy Corp. (SPNEC), has tapped China Energy Engineering Group Co. Ltd. (Energy China) to develop a portion of its solar project in Central Luzon.

TSPI awarded the engineering, procurement, and construction (EPC) contract to Energy China, which operates in 140 countries, the company said in a statement on Tuesday.

“Our partnership with Energy China guarantees a seamless, turnkey delivery of key components for the Terra Solar project,” TSPI said.

SPNEC’s TSPI is constructing a P200-billion project consisting of a 3,500-megawatt-peak (MWp) solar power plant and a 4,500-megawatt-hour (MWh) battery energy storage system, aimed at providing power to two million households.

SPNEC is now controlled by the Pangilinan group through MGen Renewable Energy, Inc., the renewable energy development arm of Meralco Power Gen Corp. (MGen). The latter is a unit of Manila Electric Co. (Meralco).

“Choosing Energy China as our EPC partner was not a mere whim; we made sure that we selected a company with an exceptional track record in delivering complex, large-scale renewable energy projects around the world,” TSPI President and Executive Director Dennis B. Jordan said.

Energy China and its affiliates will oversee all aspects, including procurement, design, engineering, permitting, manufacturing, testing, logistics, and on-site delivery, ensuring the project is executed “efficiently and comprehensively,” TSPI said.

Under the agreement, Energy China will also provide warranty coverage, promptly address any defects, and implement robust operational and maintenance protocols to ensure the project’s long-term reliability and success.

TERRA SOLAR awards engineering, procurement, and construction contract to Energy China for world’s largest solar power plant.

Moreover, the company will develop specialized training programs for local teams and collaborate closely with stakeholders to facilitate the smooth integration of the project into the national grid, including the incorporation of the battery energy storage system.

“This partnership is more than just a business deal — it is a catalyst for progress and development. Through this collaboration for Terra Solar, we aim to accelerate the nation’s energy transition journey and contribute to a cleaner, more sustainable future,” MGen President and Chief Executive Officer (CEO) Emmanuel V. Rubio said.

Meralco Chairman and CEO Manuel V. Pangilinan said that the agreement “goes beyond what it is but a commitment by Meralco and MGen to change the energy landscape.”

“By combining variable renewable energy from solar with advanced battery storage, Terra Solar will provide 850 MW of mid-merit, clean, and reliable energy, making it competitive with conventional power plants,” TSPI said.

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**

First Gen says LNG cargo from Shell received in Oct.

FIRST GEN Corp. received its latest liquefied natural gas (LNG) cargo from Shell Eastern Trading Pte. Ltd. last month, possibly the last for the year, the Lopez-led company said on Tuesday.

“We had the delivery in October,” First Gen Senior Vice-President and Chief Revenue Officer Vincent Martin C. Villegas told reporters on Tuesday.

“What we do is we provide or complement the supply of Malampaya,” he added.

In September, the company invited bidders for the procurement of 154,500 cubic meters of LNG cargo to be used for its gas-fired power plants.

Asked if First Gen will procure another LNG cargo this year, Mr. Villegas said, “Not expected but depends on the utilization. But today, we don’t see.”

He added that the procurement of LNG cargo would depend on the utilization of the supply and the need to supplement Malampaya, the country’s sole natural gas provider.

The LNG cargo being procured is loaded into the BW Batangas, a floating storage and regasification unit, and then used for the power plants.

First Gen has four existing gas-fired power plants with a combined capacity of 2,017 megawatts in the First Gen Clean Energy Complex in Batangas.

Its subsidiary, FGEN LNG Corp., constructed an interim offshore LNG terminal and executed a five-year time charter party for BW Batangas to provide LNG storage and regasification services.

The company completed its first LNG cargo delivery in Subic in August 2023 and made subsequent deliveries at its Batangas complex in December 2023 and February and May 2024.

At the local bourse, First Gen shares fell 1.94% to close at P17.18 apiece. — **Sheldeen Joy Talavera**