

PHL builders to benefit from state infra spending

By Ashley Erika O. Jose
Reporter

LISTED Philippine construction companies are expected to deliver strong results in 2025 – an election year – driven by increased state infrastructure spending, analysts said.

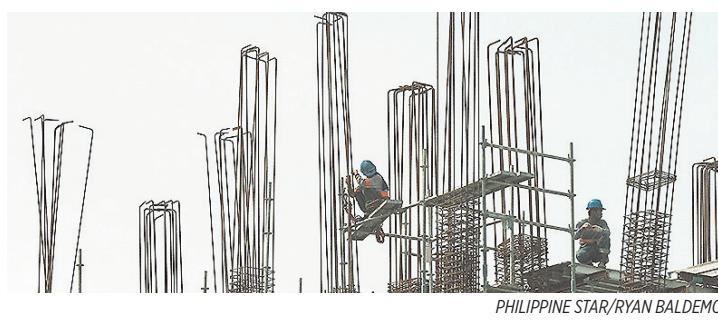
“[Construction companies] are set for growth due to the country’s favorable demographics, as well as preparations for the May 2025 midterm elections especially before the election ban,” Michael L. Ricafort, chief economist at Rizal Commercial

Banking Corp., said in a Viber message.

He said infrastructure projects are expected to be expedited before the Commission on Elections (Comelec) enforces a public works ban before the May 2025 elections.

He added that the expected rate cuts by the US Federal Reserve are expected to increase demand for loans from property developers and construction companies.

“Increased government infrastructure spending would benefit construction companies that are part of the supply chain of the various infrastructure projects around the country,” Mr. Ricafort said.



PHILIPPINE STAR/RYAN BALDEMOR

State infrastructure spending rose 2.52% in October from a year earlier, according to data from the Department of Budget and Management.

“Overall, the profitability outlook for 2025 appears cautiously optimistic, contingent on favor-

able economic policies and the execution of planned projects,” Toby Allan C. Arce, head of sales trading at Globalinks Securities and Stocks, Inc., said in a Viber message.

He said the profitability of construction and infrastructure

companies in 2025 depend on factors such as government infrastructure spending, private sector projects and macroeconomic conditions.

“The Philippine government’s ongoing infrastructure development through different initiatives can stimulate demand for construction services,” he added.

But the growth of the sector is expected to be underpinned by raw material costs including steel and cement, which are influenced by global markets and foreign exchange volatility.

Megawide Construction Corp. returned to profit in the third

quarter, posting an attributable net income of P142.7 million from a net loss of P29.85 million a year earlier. Revenue rose 10.9% to P5 billion.

EEI Corp. had an attributable net loss of P31.75 million in the third quarter from an attributable net income of P406 million a year earlier as gross revenue fell 27.8% to P3.14 billion.

Phinma Corp., which has a construction material unit, posted an attributable net income of P144.86 million in the third quarter, 75.1% lower than a year earlier, even as revenue rose 0.5% to P6.61 billion. Gross expense increased by 2.4% to P5.5 billion.

Stock brokerages told to comply with reportorial rules

THE Philippine Stock Exchange, Inc. (PSE) has asked stock brokerages to submit their information sheets by Jan. 31 as part of the bourse’s reportorial requirements.

In a notice posted on its website, the PSE is also requiring brokerages to submit their stock market investor profile surveys for 2024 by the end of the month.

“The information you will be providing will be reflected in the official records of the exchange and will be used for reportorial requirements to the Securities and Exchange Commission (SEC),” it said. “Hence, your prompt submission of a complete and accurate trading participants’ information sheet is essential.”

Philippine stock market transactions are done through PSE-accredited stock brokerages. The local bourse has traditional and online stock brokerages.

In April last year, the SEC removed the minimum commission that stockbrokers may charge their customers to boost market activity.

Before this, the SEC issued a resolution in 1977 setting a broker’s commission rate of 1.5%, while PSE guidelines mandated a minimum commission of 0.05% to 0.25% of the value of a trade transaction.

The PSE is aiming for companies to raise P120 billion in capital including from six initial public offerings (IPO) this year.

Listed companies raised P82.37 billion in capital in 2024, 42% lower than a year earlier. The market also had three IPOs by OceanaGold (Philippines), Inc., Citicore Renewable Energy Corp. and NexGen Energy Corp.

On Friday, the benchmark PSE Index gained 0.81% or 53.42 points to 6,603.81, while the broader all-share index improved 0.8% or 30.38 points to 3,785.48.

— Revin Mikhael D. Ochave

Globe deploys dedicated 5G network for B2B

GLOBE Telecom, Inc. has deployed its first private 5G network to offer dedicated connectivity to businesses, while also providing a secure network, the Ayala Corp.-led telecommunication company said.

The 5G network is meant to address major operational flaws and challenges in different industries, it said in a statement on Sunday.

The 5G-dedicated network was installed at its facility, Globe said, adding that the wireless network leverages the potential of 5G to power advanced digital solutions.

“As businesses and organizations continue to adapt to the rapidly changing technological landscape, Globe’s private 5G network solution will be a key enabler in overcoming connectivity challenges,” Gerhard Tan, senior director and head of technology strategy and innovations at Globe, said in the statement.

Globe said the 5G private network has a dedicated bandwidth that provides a higher level of network security.

The service will be available to Globe’s business-to-business (B2B) clients at ports and the mining and manufacturing sectors.

Globe said its business-to-business clients would benefit from a dedicated 5G network by ensuring operational safety, asset tracking and helping clients operate in a secure network.

“It also enables customization to deliver high performance, low latency and secure connectivity exclusive to a specific organization, facility or operation,” Globe said.

It said it is working with technology providers to ensure that its 5G solutions keep up with the changing technological landscape.

— Ashley Erika O. Jose

SEC to follow phased timeline for sustainability reporting

THE SECURITIES and Exchange Commission (SEC) will gradually enforce revised sustainability reporting among publicly listed companies, the guidelines for which will be released this year, according to the corporate regulator.

“The implementation of the new guidelines will follow a phased timeline, with compliance requirements staggered across tiers of publicly listed companies to ensure a smooth transition,” it said in a notice posted on its website.

The SEC said 2024 sustainability reports due this year could still use the rules issued in 2019. Under the rules, listed companies must submit sustainability reports via a “comply or explain” approach that allows them to disclose corporate sustainability data when available, and provide explanations for items where there are none.

Since requiring listed companies to submit sustainability reports in 2019, the SEC said it has recorded a consistently high compliance rate, reaching 96% in 2023.

In October last year, the commission said the draft memorandum circular containing the revised reporting guidelines would require listed companies to submit reports in the sustainability reporting narrative and sustainability report form formats.



The corporate regulator also said it would create a web-based app to manage the sustainability reports.

The SEC will create the in partnership with climate data and analytics software firm Komunidad Global Services & Operations Philippines, Inc.

“The customized web application will streamline the data collection, verification, management, and analysis of sustainability data, improving the monitoring capabilities of the commission on sustainability reporting compliance of publicly listed companies,” the SEC said. — Revin Mikhael D. Ochave

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