Philippine Stock Exchange index (PSEi) 5,813.71 ▲57.05 PTS. ▲0.99%

WEDNESDAY, NOVEMBER 19, 2025 BusinessWorld

PSEi MEMBER STOCKS

AC	Ayala Corp.	P414.00	-P1.20	-0.29%
ACEN	ACEN Corp.	P2.45	+P0.13	+5.60%
AEV	Aboitiz Equity Ventures, Inc.	P25.00	+P0.35	+1.42%
AGI	Alliance Global Group, Inc.	P7.00	+P0.07	+1.01%
ALI	Ayala Land, Inc.	P19.36	+P0.52	+2.76%
AREIT	AREIT, Inc.	P42.90	——	
BDO	BDO Unibank, Inc.	P127.30	-P0.20	-0.16%
BPI	Bank of the Philippine Islands	P107.50	+P2.90	+2.77%
CBC	China Banking Corp.	P52.10	+P2.10	+4.20%
CNPF	Century Pacific Food, Inc.	P39.05	+P0.55	+1.43%
CNVRG	Converge ICT Solutions, Inc.	P13.50	+P0.46	+3.53%
DMC	DMCI Holdings, Inc.	P10.00	+P0.07	+0.70%
EMI	Emperador, Inc.	P15.40	+P0.08	+0.52%
GLO	Globe Telecom, Inc.	P1,629.00	+P4.00	+0.25%
GTCAP	GT Capital Holdings, Inc.	P539.50	+P13.50	+2.57%
ICT	International Container Terminal Services, Inc.	P542.50	-P4.50	-0.82%
JFC	Jollibee Foods Corp.	P193.00	+P2.80	+1.47%
JGS	JG Summit Holdings, Inc.	P21.20	+P1.00	+4.95%
LTG	LT Group, Inc.	P15.10	+P0.20	+1.34%
MBT	Metropolitan Bank & Trust Co.	P66.20	+P1.90	+2.95%
MER	Manila Electric Co.	P590.00	+P8.50	+1.46%
MONDE	Monde Nissin Corp.	P5.86	+P0.06	+1.03%
PGOLD	Puregold Price Club, Inc.	P38.50	——	
PLUS	DigiPlus Interactive Corp.	P27.00	+P2.00	+8.00%
SCC	Semirara Mining and Power Corp.	P28.20	+P0.15	+0.53%
SM	SM Investments Corp.	P699.00	+P6.00	+0.87%
SMC	San Miguel Corp.	P69.80	+P0.40	+0.58%
SMPH	SM Prime Holdings, Inc.	P21.25	-P0.15	-0.70%
TEL	PLDT Inc.	P1,290.00	-P4.00	-0.31%
URC	Universal Robina Corp.	P64.00	+P1.40	+2.24%

Globe signs P7.6-billion loan with Japan's Mizuho to support capex

GLOBE TELECOM, INC. has signed a ¥20-billion (around P7.6 billion) term loan facility with Mizuho Bank, Ltd., a major Japanese commercial bank, to partially finance its capital expenditures (capex), debt refinancing, and other corporate requirements for the year.

In a stock exchange disclosure on Wednesday, the Ayala-led telco said it had invested approximately P31.4 billion in capex for the first nine months of 2025, down 23% from P41 billion in the same period last year.

The company said its full-year 2025 capex is expected to fall below $1 billion, reflecting a strategic shift toward targeted investments and reinvestment of proceeds from tower sales for the remainder of the year.

"By pursuing focused investments and innovation shaped around customer demand, Globe continues to empower more Filipinos to thrive in a digitally connected economy," the company said.

Globe noted improvements in capital efficiency, saying its cash capex-to-revenue ratio improved to more sustainable levels at 26% from 33%, while the capex-to-earnings before interest, taxes, depreciation, and amortization (EBITDA) ratio narrowed to 49% from 63%.

"These improvements pave the way for targeted network initiatives for the remainder of the year and strengthen Globe's positive free cash flow position," the company added.

"Consistent with prior periods, approximately 89% of capex was allocated to data-related projects, reaffirming Globe's commitment to advancing digital capacity and expanding connectivity nationwide," it also said.

For Toby Allan C. Arce, head of sales trading at Globalinks Securities and Stocks, Inc., Globe's reliance on debt financing is strategic, as it helps ease the immediate strain on the company's internal cash flow while still funding critical network investments.

"Also, by refinancing existing liabilities, they may be optimizing their cost of capital, extending maturities, or reducing their interest burden, which is prudent in a capital-intensive business like telecom," he said in a Viber message on Wednesday.

He also noted that borrowing carries risks, particularly given the volatility of local and foreign currencies, which could expose Globe to foreign exchange and interest rate risks.

"Overall, I view Globe's approach as relatively balanced and disciplined. They are not over-leveraging; rather, they're strategically layering in external funding to preserve liquidity, while using internal cash flow improvements to underpin their network investments," he said.

For the three months ending September 2025, Globe reported a 12.79% drop in attributable net income to P5.25 billion from P6.02 billion a year ago, on slightly lower revenues of P44.36 billion, down 1.68% from P45.12 billion.

For the January-to-September period, attributable net income rose 14.04% to P17.69 billion, while revenues fell 2.34% to P131.59 billion.

Earlier this year, Globe also signed P20 billion in loan facilities with local banks BDO Unibank, Inc. and Metropolitan Bank & Trust Co. to fund its 2025 capex and reduce debt.

At the local bourse on Wednesday, shares in Globe closed P4, or 0.25% higher, at P1,629 apiece. — **Ashley Erika O. Jose**

SEC seeks comments on REIT rules to include power, infra, telco sectors

THE Securities and Exchange Commission (SEC) has released a draft memorandum circular proposing updates to the real estate investment trust (REIT) rules to broaden the definition of income-generating assets, extend sponsors' reinvestment deadlines, and strengthen disclosure and governance requirements.

The draft circular, released on Nov. 18, is open for public comments until Dec. 3.

It aims to clarify and expand the types of assets considered income-generating to include sectors such as power, infrastructure, and telecommunications, potentially allowing more companies beyond traditional real estate to register REITs.

Under the current REIT Act, income-generating assets are primarily limited to real estate properties held for rental or lease, such as buildings, malls, offices, and warehouses, excluding broader infrastructure or utility assets.

In his earlier statements, SEC Chairperson Francisco Ed. Lim said the enumeration of asset types aims "to avoid confusion and disputes over what constitutes an income-generating property."

The draft also proposes extending the reinvestment period for proceeds from REIT share or asset sales to two years.

A REIT is a stock corporation established to own income-generating real estate assets, and under current rules, proceeds from asset sales must be reinvested within a year.

The proposed amendments would further enhance transparency requirements by mandating detailed disclosures on leases, related-party transactions, and fees, the commission said.

It also intends to strengthen public ownership regulations and introduce joint-venture provisions requiring REITs to maintain operational control and safeguard investors' profit rights.

The commission previously announced its plan for the amended REIT rules and other reforms to take effect in January next year. — **Alexandria Grace C. Magno**

Media firms face tempered Q4 prospects as ad spend normalizes

By Ashley Erika O. Jose
Reporter

LISTED media companies are heading into a challenging fourth quarter after weaker third-quarter earnings, as the post-election advertising boost dissipated and ad budgets normalized, analysts said, although a modest year-end recovery remains possible on seasonal holiday spending.

"The industry narrative for 2025 has been clear all year — election advertising gave a meaningful, concentrated boost in H1 (first half) across listed media houses, and Q3 was the natural correction month when those incremental ad budgets disappeared," Globalinks Securities and Stocks, Inc. Head of Sales Trading Toby Allan C. Arce said in a Viber message on Tuesday.

During the third quarter, both GMA Network, Inc. and ABS-CBN Corp. posted lower attributable net income as revenues softened.

"Looking ahead, a recovery by Q4 or by yearend is possible but far from guaranteed; the most likely near-term uplift would come from seasonally stronger year-end advertising and any successful new content or digital monetization wins," Mr. Arce added.

For the three months ending September, GMA Network's gross revenue declined by 17.23% to P3.89 billion from P4.70 billion, weighed down partly by higher expenses.

Despite the weaker quarter, GMA Network's attributable net income for the nine-month period climbed 46.81% to P2.07 billion from P1.41 billion a year ago. Revenues rose 11.92% to P13.99 billion from P12.50 billion, while gross expenses increased 6.06% to P11.37 billion from P10.72 billion.

By segment, advertising revenues increased to P12.77 billion, up 10.47% from P11.56 billion, while consumer sales grew to P1.22 billion from P942.24 million.

Meanwhile, ABS-CBN widened its attributable net loss for the third quarter to P1.28 billion from P389.87 million previously. The company posted combined revenues of P3.48 billion, 19.63% higher than P4.33 billion a year earlier, as total expenses fell 7.85% to P4.58 billion from P4.97 billion.

For the nine months to September, ABS-CBN trimmed its attributable net loss to P2 billion from P2.41 billion despite lower revenues. Gross revenue dipped 3.05% to P11.75 billion from P12.12 billion, while expenses dropped 10.99% to P13.52 billion from P15.19 billion a year earlier.

Advertising revenues rose 14.68% to P5.47 billion from P4.77 billion, while consumer revenues expanded 13.31% to P3.66 billion from P3.23 billion.

First Metro Investment Corp. Head of Research Cristina S. Ulang said: "Recovery is possible by Q4 given higher ads during holiday season."

"Fourth quarter improvement is plausible and even likely in headline revenue terms because of seasonality, but meaningful earnings recovery to H1 levels will depend on durable ad reallocation," Mr. Arce added.

At the stock exchange on Wednesday, shares in GMA slipped by three centavos, or 0.57%, to close at P5.22 each, while shares in ABS-CBN closed six centavos, or 1.73% lower, at P3.40 apiece.

DigiPlus plans South Africa launch by early 2027

LISTED digital entertainment provider and online gaming company DigiPlus Interactive Corp. expects to introduce its operations in South Africa by early 2027.

"We probably will adopt a similar approach to Brazil. First, we get the license, and then we will build a local team there. We also have to conduct market research to better understand what the product offering would be," DigiPlus President Tsui Kin Ming told reporters on Wednesday.

DigiPlus is in the process of securing its license for South Africa and is optimistic about obtaining it within the next eight months, Mr. Tsui said, adding that the company will leverage its presence in Brazil for its planned operations in the South African market.

In September, DigiPlus launched its GamePlus platform in Brazil, giving users access to more than 150 free-to-play and real-money games.

"So, I would say sometime in early 2027, we will also do a soft launch in South Africa," he said.

The company has filed applications for three gaming licenses with South Africa's Western Cape Gambling and Racing Board (WCGRB): a national manufacturer license, a bookmaker license, and a bookmaker premises license.

WCGRB is considered the preferred jurisdiction for international operators like DigiPlus, the company said, citing seamless and transparent regulatory processes and digital readiness.

South Africa's online gambling sector is currently valued at more than $1.6 billion, the company added.

Further, DigiPlus is assessing and monitoring other developing countries with licensing opportunities, Mr. Tsui said, noting that it will evaluate territories and opportunities for further expansion.

"We only go for licensed markets as we're a listed company. We look for developing countries that have more opportunities. We're not going into mature markets like the UK or the US because the cost of entry is much higher and it's very competitive, so we are carefully selecting new opportunities," he said.

DigiPlus reported a 51.41% decline in its third-quarter net income to P1.71 billion, citing stricter regulations that prompted e-wallet providers to remove in-app access to licensed online gaming platforms. — **Ashley Erika O. Jose**

Deloitte sees continued potential in Philippine IPOs

DESPITE only two local initial public offerings (IPOs) this year, the Philippine market raised substantial funds and remains poised for growth within Southeast Asia's IPO landscape, according to global professional services firm Deloitte.

"The Philippine market has actually shown quite consistent performance," Deloitte Southeast Asia Capital Markets Services Leader Tay Hwee Ling said during a briefing on Tuesday.

"Year in, year out, we do see faster growth from the Philippines. So, the Philippine market as well — we do see potential," she added.

While only two firms have listed on the Philippine Stock Exchange this year — Maynilad Water Services, Inc., which made its market debut on Nov. 7, and Top Line Business Development Corp., a fuel distributor and retailer in Cebu — total funds raised surged.

Maynilad's IPO, priced at P15 per share, raised P34.3 billion in gross proceeds, making it the largest domestic listing since Monde Nissin Corp.'s P48.6-billion offering in 2021.

"This year, for the amounts of funds basically, compared to let's say Singapore, Malaysia, and Vietnam, the fund raised actually increased more than double compared to last year from the Philippine market. It's fueled by the IPO blockbuster water company that raised a respectable amount of funds in water," Ms. Hwee Ling said.

Deloitte's report showed that IPO activity across Southeast Asia picked up during the first 10.5 months of 2025, with 102 IPOs on six exchanges raising about $5.6 billion.

Although the number of listings fell compared with 2024 (136 IPOs raising $3.7 billion) and 2023 (163 IPOs raising $5.8 billion), total IPO proceeds rose by 53%, largely due to bigger deals and strong market performance in Singapore, Vietnam, Malaysia, and Indonesia.

"The increase in total IPO proceeds in 2025 is mainly due to more high-value listings in the real estate, financial services, and consumer sectors," the report said.

Average IPO size in the region rose from around $27 million in 2024 to $55 million in 2025, with four IPOs in Singapore, Vietnam, and the Philippines raising more than $500 million each, and several companies reaching market values above $1 billion.

"At the same time, if you recall, talking about cross-border listing into NASDAQ, there's also Hotel 101, which is a Philippine-based business that successfully got listed in NASDAQ in July this year — raising this is by respect, which is also a sizable business as well," Ms. Hwee Ling said.

On July 1, Hotel 101 became the first Filipino-owned company to be listed on NASDAQ, with a market capitalization of approximately $1.36 billion as of Nov. 11.

To date, DoubleDragon remains the first and only Filipino company with a subsidiary publicly listed on the NASDAQ.

"So, from a Philippine market perspective, while we don't see a significant count, we always see consistent performance in the top IPO blockbuster across the nation," Ms. Hwee Ling said.

Deloitte also noted that private equity-backed listings sustained capital inflows across the region and attracted strong investor interest.

"Looking ahead to the coming year, Deloitte anticipates that investor appetite will remain healthy, sustained by the continued emergence of new market opportunities," the team said. — **Alexandria Grace C. Magno**