

Philippine Stock Exchange index (PSEi)

6,018.70

▲ 2.67 PTS.

▲ 0.04%

TUESDAY, APRIL 21, 2026

BusinessWorld

PSEi MEMBER STOCKS

AC Ayala Corp. P510.50 +P0.50 +0.10%	ACEN ACEN Corp. P3.01 +P0.02 +0.67%	AEV Aboitiz Equity Ventures, Inc. P30.00 ---	ALI Ayala Land, Inc. P16.60 -P0.36 -2.12%	AREIT AREIT, Inc. P39.90 +P0.40 +1.01%	BDO BDO Unibank, Inc. P120.50 +P1.90 +1.60%	BPI Bank of the Philippine Islands P97.80 -P0.80 -0.81%	CBC China Banking Corp. P64.00 ---	CNPF Century Pacific Food, Inc. P31.80 -P0.45 -1.40%	CNVRG Converge ICT Solutions, Inc. P12.50 +P0.20 +1.63%
DMC DMCI Holdings, Inc. P10.06 +P0.08 +0.80%	EMI Emperador, Inc. P15.40 +P0.10 +0.65%	GLO Globe Telecom, Inc. P1,653.00 +P13.00 +0.79%	GTCAP GT Capital Holdings, Inc. P500.00 -P3.00 -0.60%	ICT International Container Terminal Services, Inc. P700.00 -P15.00 -2.10%	JFC Jollibee Foods Corp. P162.00 +P0.60 +0.37%	JGS JG Summit Holdings, Inc. P28.50 +P1.60 +5.95%	LTG LT Group, Inc. P14.78 -P0.02 -0.14%	MBT Metropolitan Bank & Trust Co. P68.85 +P0.45 +0.66%	MER Manila Electric Co. P639.50 +P9.50 +1.51%
MONDE Monde Nissin Corp. P6.91 +P0.17 +2.52%	PGOLD Puregold Price Club, Inc. P42.15 -P0.20 -0.47%	PLUS DigiPlus Interactive Corp. P15.20 ---	RCCR RL Commercial REIT, Inc. P6.90 -P0.09 -1.29%	SCC Semirara Mining and Power Corp. P29.75 ---	SM SM Investments Corp. P628.00 +P8.00 +1.29%	SMC San Miguel Corp. P71.00 -P1.00 -1.39%	SMPH SM Prime Holdings, Inc. P20.00 ---	TEL PLDT Inc. P1,284.00 +P4.00 +0.31%	URC Universal Robina Corp. P64.30 +P1.80 +2.88%

AGI profit climbs to P20.7B on real estate, leisure gains

ANDREW L. TAN-LED Alliance Global Group, Inc. (AGI) saw its attributable net income rise 19% to P20.7 billion for 2025, driven by contributions from its real estate and leisure businesses, along with one-off gains.

In a disclosure on Tuesday, the conglomerate said its consolidated net income increased 10% to P30.6 billion from P27.9 billion a year earlier.

Consolidated revenues reached P189.7 billion, supported by higher contributions from its real estate and leisure and entertainment segments.

The group's earnings were partly lifted by one-time revaluation gains of P3.4 billion and the deconsolidation of its quick-service restaurant unit, Golden Arches Development Corp. (GADC), which is now treated as an associate after AGI retained a 49% stake.

Excluding one-off items, AGI's normalized net income rose 2%

year on year to P27.0 billion on consolidated revenues of P176.3 billion, while normalized attributable net profit stood at P17.3 billion.

"Once again, the group delivered another strong financial and operating performance in 2025 despite macroeconomic headwinds. Most of our businesses surpassed peer levels, particularly in the office, retail residential, and leisure and hospitality segments," AGI Chief Executive Officer Kevin L. Tan said.

"Our profitability was further supported by conscious cost efficiency measures which we intend to continue implementing across the business," he added.

Property unit Megaworld Corp. remained the largest contributor, with consolidated revenues rising 5% to P85.9 billion, driven by a 10% increase in recurring income.

Office rentals grew 11%, while revenues from lifestyle malls

and hotels both increased by 9%, supported by occupancy rates of 87% for offices, 91% for malls, and 60% for Metro Manila hotels.

Real estate sales rose 2% with gross profit margins of 52%, while attributable profit increased 12% to P21.0 billion.

Travellers International Hotel Group, Inc., which operates Newport World Resorts, posted a 2% increase in net revenues to P31.9 billion, as a 4% increase in gaming revenues to P24.2 billion offset a 4% decline in hotel and other revenues to P7.6 billion.

Its earnings before interest, taxes, depreciation, and amortization (EBITDA) rose 7% to P9.0 billion, while attributable profit increased 21% to P1.5 billion due to lower financial charges.

Emperador, Inc. reported consolidated revenues of P57 billion amid a softer global spirits market, supported by its brandy

business and international distribution network.

The liquor unit posted an attributable net income of P3.9 billion, backed by cost management, improved margins, and a focus on profitability.

"While we face this year with cautious optimism, we are excited to advance several initiatives that showcase our pursuit of excellence. We look forward to balancing proactive improvements with a strategic response to ongoing geopolitical and macro challenges," Mr. Tan said.

AGI has interests in real estate through Megaworld, spirits through Emperador, leisure and hospitality through Travellers International, and quick-service restaurants through its stake in GADC, the operator of McDonald's Philippines.

AGI shares fell by 0.21% to P9.37 apiece on Tuesday. — **Alexandria Grace C. Magno**

JAZA steps down as Globe chairman

JAIME AUGUSTO Zobel de Ayala (JAZA) has stepped down as chairman and director of Globe Telecom, Inc., with the board electing Ayala Corp. President and Chief Executive Officer (CEO) Cezar P. Consing as his successor.

In a regulatory filing on Tuesday, Globe said Mr. Zobel will continue to serve as chairman of Asiacom Philippines, Inc., the company's joint venture with Ayala Corp. and Singtel Telecommunications Ltd., one of its major shareholders.

"Today, we honor JAZA's legacy defined by his visionary and transformative leadership and an unparalleled commitment to excellence," the company said.

Globe did not disclose the reason for Mr. Zobel's resignation. He had served as chairman since December 1996 and as director since March 1989.

"Serving our Board for 37 years, and 30 years as our chairman, JAZA has been the principal architect of Globe's evolution from a cable company into the country's first digital telco and today's leading mobile network operator," Globe said. — **Ashley Erika O. Jose**

FULL STORY



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PXP unit, partners secure new Palawan service contract

PANGILINAN-LED PXP Energy Corp. said its subsidiary and consortium partners have secured a new petroleum service contract from the government for an offshore area in northwest Palawan, covering a previously expired block.

In a regulatory filing on Tuesday, PXP said the Department of Energy (DoE) has transmitted to the operator, Nido Petroleum Philippines Pty. Ltd., a copy of the new Service Contract (SC) No. 91.

SC 91 covers an offshore area of about 103,034 hectares in the Northwest Palawan Basin and replaces the former SC 6B, which expired on Feb. 28, 2024. The contract includes the Cadlao Oil Field.

The Cadlao field produced about 11.2 million barrels of oil between 1981 and 1991. PXP said earlier seismic studies indicated that previous wells may have missed a significant volume of oil located higher in the reservoir structure, referred to as "attic oil," which is now seen as a key target for redevelopment.

The new contract was executed between the government and a consortium composed of PXP's indirect subsidiary, Forum Energy Philippines Corp. (FEPCO); Nido Petroleum; The Philodrill Corp.; Oriental

Petroleum and Minerals Corp.; and Alcorn Petroleum and Minerals Corp.

FEPCO is a wholly owned unit of Forum Energy Ltd., in which PXP has an effective interest of 98.08%.

Nido Petroleum took over as operator of the block in 2022 and had planned to drill the Cadlao-4 well and conduct an extended well test. However, the spud date has been moved to 2025 due to a tight rig market.

Safety concerns over using a drillship in water depths of about 93.7 meters have prompted the operator to consider using a jack-up rig for drilling and testing. Nido is currently reviewing the contract for this option, according to its annual report.

In early 2024, the consortium submitted a letter of intent to the DoE to apply for a development and production petroleum service contract, a new contract type for expiring blocks with ongoing production. The application also covers additional open areas totaling about 1.03 million square kilometers.

Separately, PXP and its partners earlier secured a new contract to continue producing oil from the Galoc Oil Field, also located in northwest Palawan. — **Sheldeen Joy Talavera**

Rating goal,
from SI/1

"In the process, it might also increase the country's risk profile and further moderate the growth momentum," he said in a Viber message.

"If these geopolitical risks should continue beyond this year, and no decisive policy actions are forthcoming, achieving an 'A' investment grade rating could not happen in the last two years of this administration."

Fitch's move to downgrade its rating outlook reflects the country's high exposure to risks from the Iran war, he added.

"We are overly dependent on imported oil, our fiscal space continues to narrow, and inflation is likely to breach the target for 2026."

Reyes Tacandong & Co. Senior Adviser Jonathan L. Ravelas said the "negative" outlook is a "reality check" rather than a crisis.

"The upgrade story is clearly over, and the Philippines is now in defense mode. Other agencies could revise outlooks, but a downgrade is not imminent as long as growth stabilizes, inflation is contained and fiscal execution improves," he said in a Viber message.

"The risk is clear: if oil prices stay high and the current-account deficit widens without a strong policy response, the cushion protecting our 'BBB' rating gets very thin."

Surging oil prices and dwindling fuel reserves have pushed the Philippine government to put the country under a one-year state of national energy emergency and suspend excise taxes on liquefied petroleum gas and kerosene.

The Bangko Sentral ng Pilipinas (BSP) expects inflation to average 5.1% this year, well above its 2%-4% target and last year's 1.7% print, as the conflict's impact on global crude oil prices is likely to push up domestic food, energy, and transport costs.

In March, the consumer price index already breached the central bank's goal as it accelerated to 4.1% due to rising fuel prices.

For its part, Fitch sees inflation averaging 4.1% in 2026. "Risks are tilted towards higher inflation if the shock is prolonged, adding to affordability challenges for households."

FISCAL CONCERNS

Mr. Guinigundo added that interventions needed to cushion the economic impact of the war could affect the country's fiscal position.

"The medium-term fiscal consolidation may be delayed because of the need for fiscal support to the economy, including those for vulnerable sectors," he said. "That could further erode market confidence in the country's economic prospects."

He said, "mitigating measures may be difficult to establish at this point because the problems are structural, and they cannot be done in the short term."

"We should have done our homework decades ago."

Fitch said it expects the government's fiscal consolidation plan to continue gradually over the next few years.

"We expect the general government fiscal deficit to be steady at 3.7% of GDP in 2026. This is consistent with a stable National Government deficit of 5.6% of GDP, slightly above the 5.3% budget target, as we expect weaker

growth to weigh on revenues. Targeted energy subsidies limit fiscal risks, though a protracted energy shock could lead to fiscal risks from greater social pressures to boost spending," it said.

"Risks are tilted toward a slower pace of deficit reduction as we believe the government is likely to prioritize GDP growth objectives and social stability."

The conflict's impact on the country's credit profile will likely manifest through "lower GDP growth, higher inflation and a rising current account deficit, with modest risks to public finances," it added.

It expects the economy to expand by 4.6% this year, below the government's 5%-6% goal, as it sees public spending — which was stalled by a graft scandal tied to flood control projects, leading to a post-pandemic-low GDP growth of 4.4% in 2025 — recovering only gradually. Higher energy costs amid the war could also hit household consumption, a key growth engine.

"Investment, in level terms, since 2021 has run below its pre-pandemic trend and is under further pressure amid the recent pullback in public investment. This adds headwinds to our just over 6% medium-term growth assumption. Public capex (capital expenditure) is an important component of our medium-term outlook as it addresses infrastructure gaps and crowds in private investment," Fitch added.

"Efforts to improve governance around capex disbursements are positive but could result in lower infrastructure spending and GDP growth multipliers in the coming years. However, successful capex governance reforms, and efforts to deepen private sector involvement, could enhance the quality and efficiency of spending that would keep GDP growth multipliers high even if spending is lower."

LONG-TERM PROSPECTS INTACT

Palace Press Officer Clarissa A. Castro, citing the Department of Finance, said that the "negative" outlook does not mean an impending sovereign rating downgrade.

"Fitch also explicitly highlighted the government's decisive and proactive response to global challenges, particularly the energy shock," she said at a news briefing on Tuesday.

The government's efforts to declare a state of national energy emergency and implement fuel-saving strategies "demonstrate agile and responsible economic management, which continues to strengthen market confidence."

"Aside from that, the Philippines continues to enjoy strong access to global capital markets supported by a diversified investor-based and sustained demand for its Republic of the Philippines issuances," she said.

"These are clear indicators of investors' trust in the country's long-term trajectory."

The Finance department largely attributed the outlook cut to the situation in the Middle East.

"The revised outlook was caused by the external geopolitical shock coming from the Middle East. The affirmation of our rating reflects our strong economic fundamentals and sound fiscal position," it said. "The Philippine economy remains on solid footing with a robust domestic market, stable financial system, and recognized reforms."

CreditSights keeps 'market perform' rating on SMGP

SAN MIGUEL Global Power Holdings Corp. (SMGP) has retained a "market perform" rating from CreditSights, indicating that its bonds are expected to perform in line with the broader market, as the research firm cited improving operations but flagged lingering macroeconomic and financial risks.

In its latest analysis released on Tuesday, CreditSights said SMGP's bond trading spreads are fairly valued relative to its peers, while noting improvements in its operations despite several lingering risks.

"We continue to take comfort in [SMGP's] operations in the

defensive Philippine power sector and improving credit outlook supported by capacity additions and new contract tie-ups," CreditSights said in a report authored by Jonathan Tan Jun Jie and Lakshmanan R.

SMGP's revenues declined by 23% in 2025, but its earnings before interest, taxes, depreciation, and amortization (EBITDA) rose 9%, driven by contributions from new projects and contracts, as well as lower thermal costs. These gains helped offset weaker volumes at the Sual and Limay coal plants.

CreditSights noted the contribution of recently commissioned

projects, including the 600-megawatt Mariveles coal plant in Bataan, as well as completed battery energy storage projects.

The company has also secured power contracts for its coal-fired plants in Mariveles, Bataan, and Masinloc, Zambales, as well as for its San Roque hydroelectric power plant in Pangasinan.

The research firm said input costs for thermal coal may remain elevated for longer due to disruptions in Qatari liquefied natural gas exports, a key substitute for coal in Asian markets. However, SMGP's exposure is expected to be limited, with at least 75% of its

power contracts allowing the full pass-through of higher input costs.

"Despite a few positives, we do not assign an outperform, as [SMGP] has weathered a very tight liquidity position not so long ago, its unrated perps are high-beta, and are exposed to broader market sell-offs if risk sentiment sours amid the raging Middle East conflict," the report said.

CreditSights added that SMGP remains highly exposed to risks from peso depreciation, as its revenues are denominated in pesos while its capital expenditure and debt are largely in dollars. — **Sheldeen Joy Talavera**