

Towards a
Full-Service Exchange



PHILIPPINE STOCK EXCHANGE
1999 ANNUAL REPORT



Our *Vision*

We are a proactive institution dedicated to developing the Philippine capital market, with the infrastructure, depth and breadth that compares favorably with the world's best, especially in the ASEAN region.

Our *Mission*

Our mission is to provide the most suitable infrastructure, technology and services for the expansion and continuous development of:

- a. investors
- b. companies
- c. member-brokers
- d. capital market participants;
and
- e. the Philippine economy

We shall actively formulate and advocate appropriate rules, regulations, policies and laws to attain our goals.

Cognizant of our distinct public responsibility, we shall ensure efficiency, orderliness, fairness, integrity and transparency (EOFIT) for all market participants.



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Message of the *Chairperson*



Nineteen ninety-nine had been a most extraordinary year for the Philippine Stock Exchange. The year was enlivened by challenges, change and growth, highlighted by a quantum leap to maturity and the strengthening of integrity.

To a large extent, the consolidation of two local exchanges resulting to the current PSE, was blessed in 1999 with all its peculiar challenges and conditions. The most significant perhaps is the high investor confidence that was very much evident in the second and third quarters of 1999.

When I took over in March, the Phisix registered 1,997.68 points (March 4), then it went up to 2,621.67 on July 5 and slid down on December 4 to 1,891.96. But confidence in the market, despite the uncertainties, continued to show persistence and asserted itself through the last month and well into the first months of year 2000. It is how these conditions evolve that shall invigorate the spirit of integrity and consistency in the Exchange.

There is no doubt that PSE enters the 21st century with a very encouraging and uplifting prognosis. Notwithstanding the unparalleled challenges that faced us, we now stand at the threshold of the third millenium confident of our vision to be relevant and dedicated to our mission to serve the economy and industry with added vigor and vision.

Part of the PSE mission statement calls for us "to provide the most suitable infrastructure, technology, products and services for the expansion and continuous development ..." of all capital market participants and the Philippine economy.

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Artists rendition of PSE Headquarters (Fort Bonifacio) in 2004

Affirming this intent of purpose is our resolve to physically unify our operations into a more propitious headquarters by 2004. By then, in addition to physical unification of the Exchange, we shall be able to complete our competitive repositioning to achieve the goal of becoming a full-service exchange.

The blueprint of physical unification will no doubt help fast-track PSE's plan to relocate its principal headquarters, a development that surely gives a cutting edge to our goal to be globally competitive. The new center of operations, which will hopefully realize the Exchange's vision for a unified headquarters and trading floor, should help achieve greater operational efficiency and enhanced delivery of service.

Another development that gives me immense satisfaction is the decision to allow five-year government bonds, in small denominations of P5,000 to P500,000, to be traded on the exchange in July. The move is part of the Exchange's plans to beef up its competitive status by broadening its market services. Relevant to this is the need to update the

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PSE trading system to service the requirements of multi-product environment, thus further firming up the performance of our mission of becoming a full-service exchange.

A boost to our vision to be proactive in developing the Philippine capital market was the completion of the listing and trading rules of the SME Capital Market which will be launched within 2000. As a separate listing board established within the PSE, it offers small and medium, young companies with high growth potentials the opportunity to raise capital by selling their shares to the public.

I am also convinced that the plan to extend the trading hours of the Exchange to an hour-and-a-half longer, as unanimously approved by the incumbent Board and for implementation by the new set of governors, will open another window to the world and allow for more foreign participation. With state-of-the-art equipment readily available and adequate technology at our fingertips, the expanded workload, I am confident, should not be too difficult for the PSE to handle.



We have gone a long way from the merging of the two Exchanges in 1994. We have reaped, along the exciting and at times tortuous journey, the fruits of success. One very visible fruit of our labor is the Securities Clearing Corporation (SCCP), which is still undergoing some fine-tuning. Established in December of 1998 as an essential ingredient to PSE's self-regulatory organization (SRO) status, it experienced year-long birth pangs. Hopefully, the PSE will have been acclimated by the year 2000 to the SCCP's role and its related functions of Delivery vs. Payment (DVP), Management and Maintenance of the Guarantee Fund, Risk Monitoring and Mark-to-Market.

I am gratified to say that the PSE has certainly not fallen behind vis-a-vis two changes in the world's stock exchanges: globalization and the shift from institutional investors to individual investors. Our invitation to corporate professionals to be governor-nominees is part of our response to these changes. We hope to see in the future more corporate nominees

as well as professionals representing the academe coming in as governors and working hand-in-hand with the pillars of the Exchange, the owner-governors.

Finally, while the stock market does not foretell the future, it has one implied, all-important function. It serves as an indicator of and presents, in a sense, the confidence of business leaders in the future of trade and commerce; and gives the public a glimpse of what is in store for the economy six months hence. We have thus the moral and explicit responsibility, the mission, to work with passion and unquestionable resolve towards keeping the PSE above board.

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What makes the reaffirmation of our mission twice as imperative is the challenge to pursue of goals into the next millenium with the same passion and dedication as our predecessors. But let not our accomplishments lead us to complacency. We should be more determined to accomplish our vision of inculcating efficiency, orderliness, fairness, integrity and transparency into the Exchange.

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I am an optimist. Thus, I believe that we will see professionalism in the highest levels by year 2000, concretely manifested in the transparency of our operations and in the honest disclosure of our transactions in the Exchange. More importantly, as we await with confidence the approval by SEC of the blueprint defining the scope of authority of the PSE as a SRO; and of the passage of the Revised Securities Act hopefully by the first quarter of 2000 – we can already look forward to a stronger PSE, certainly one institution with an enduring and inviolate integrity.

The Revised Securities Act — which contains our recommendations and proposals — will give us, and not just the SEC, the mandate to screen the companies that intend to go public. And then we can begin to strictly and exhaustively distinguish the serious and the qualified.



Tough times lie ahead. As in any process of cleansing, reorientation and, in a sense, restoration — the pain that accompany change will try to hold us back. Thus, the call of the times is for us to resolutely cleave to our vision and be consistent with our mission.





PSE Board of Governors (from left to right): Edwin L. Luy, Governor; Vicente R. Jayme, Sr., Governor; Federico C. Lim, Governor; Augusto M. Cosio, Jr., Governor; Eddie T. Gobing, Asst. Treasurer; Paulino S. Soo, Treasurer; Ismael G. Cruz, Secretary; Jose Luis U. Yulo, Jr., President; Trinidad Y. Kalaw, Chairman; Eduardo C. Lim, Chairman Emeritus; Joseph Y. Roxas, Asst. Secretary; Emmanuel Edward C. Co, Governor; Robert G. Coyuto, Jr., Governor; Omar T. Cruz, Governor; Margarita B. Teves, Governor; Francisco F. Villaraman, Governor

Our quest may be quixotic. However, all it takes is for us to embrace a unity of spirit and purpose.

Coupled with this dream is the hope that our mission will cease to be a mere slogan framed and hanged on the walls of our offices. Let it be instead a battle cry consistently personified in the way we deal, in the honest disclosure of our financial standing and in the seriousness and intensity of our fight for reforms

in the industry. We need to be team players, to build up one another through discipline, openness and encouragement. Only then will the Exchange be able to stand up against stagnation. And only then will we see the windmills of transformation triumph decisively over the windmills of indifference.

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And I believe that to be relevant to the task of nation-building, we should – and I quote – “be at the forefront in the quest for moral ascendancy through the righteous and honorable manner we conduct

business, our judicious and strict adherence to justice and fair play, and our unequivocal and resolute obedience to government rules and regulations.”

TRINIDAD Y. KALAW

Report of the *President*



OUR JOURNEY TOWARDS A FULL-SERVICE EXCHANGE

Nineteen Ninety-Nine marks a milestone completion of the first-leg of the journey that we had set forth in the middle of 1997, in preparation for the 21st century.

We had charted a course with a clear destination. A clear destination to revitalize and reposition the Philippine Stock Exchange into a globally competitive full-service exchange by the year 2004, especially in the Asean region.

I. CHALLENGES OF A TWO-AND-A-HALF-YEAR JOURNEY FROM THE 20th CENTURY TO THE 21st CENTURY

With this clear destination in mind, we managed in the last two-and-a-half years the peculiarities and intricacies of each period with, we dare say, the utmost efficiency and unmistakable resolve.

Manifested by the undeniable figures of sustained profitability during the Asian financial crisis in spite of adverse market conditions, we ended the year 1999 with the highest profit (NIAT) in the history of the PSE. We have also completed our work on at least 27 major accomplishment areas.

The challenge of 1997 was to save the momentum of a growing unified exchange and revive the organization in the midst of an inimical organizational interlude. After successfully accomplishing that initial challenge in 1998, we elevated the endeavour to a call for bullish introduction of market broadening innovations amidst a crippling mood of a bearish market of an Asian financial crisis. And then, in 1999, engulfed with an ambivalent market recovery, and, as if in conspiracy, inundated by a major market aberration of a particular listed firm, we continued to complete the critical success factors essential to reach our destination.

II. COMING OUT BULLISH IN A BEARISH MARKET RECOVERY

Despite being faced with a bearish market recovery, we were not distracted from the task to complete major key success factors. With management and staff – coupled with the active guidance and assistance of Chairperson Trinidad Y. Kalaw, the Officers and Governors, the Board of Committees and their chairmen and members as well as all those who served during the chairmanships of Harry G. Liu and Wilson Sy, we have accomplished most of our goals. We all therefore ought to stand proud.

Highlights of some of our major accomplishments are the following:

- Completion of a Proactive Listing Development Program
- Completion of a Broader and Better Listings Structure, Requirements and Application Procedure
- Concentrated Lobbying on Listing and Trading Related Issues
- Completion of Y2K Evaluation and Plan Testing, and Completion of PSE Y2K Compliance
- Completion of SME Trading Window
- Completion of an Automated Coding System and Trading Window for Securities Borrowing, Lending & Short-selling
- Completion of an Upgraded PSE Web Page
- Completion of PSE Listing & Trading Rules on Non-collateralized Warrants
- Completion and SEC Approval of PSE Trading Rules of Securities Borrowing, Lending & Short-selling
- Completion and SEC Approval of PSE Listing and Trading Rules on Fixed Income Instruments
- Completion of BIR Tax Regulation on Securities Borrowing, Lending and Short-selling, now awaiting final BIR approval
- Completion of 5 Volumes of PSE Rule Book
- Completion and Implementation of PSE Disaster Prevention & Recovery Program
- Completion of an Investors Primer
- Creation of a Dedicated Operational Unit and a Physical Center for Public Information and Assistance
- Completion of an Improved and Separate Media Center Facility
- Completion of PSE Training Institute Curriculum
- Completion of Trading and Issuance Procedures Kit for SME Capital Market, Debt Instruments, Securities Borrowing, Lending & Short-selling, Non-collateralized Warrants
- Completion of Procedures for Assistance in Member Seat Processing and Maintenance
- Direct Assistance in the Completion of PCD Stocks Immobilization and Operationalization
- Direct Assistance in the Completion of SCCP DVP Test-run
- Completion of a General Guideline for Yearly PSE Planning and Budgeting
- Completion of KRA-Based (Key Result Area) Planning and KRA-Oriented Personnel Performance Evaluation System
- Completion of Evaluation and Upgrading of Personnel Hiring Procedures and Criteria
- Completion of Codified PSE Employee Handbook
- Completion of PSE Work Procedures Manual
- Completion of Organizational Restructuring

III. A GLIMPSE OF A FULL SERVICE EXCHANGE

We can conclude at this stage that the Exchange has moved forward, resolutely and powerfully. From where we stand, we can now have a clearer and assured glimpse of a globally competitive full-service exchange by year 2004.

We see a fully grown exchange where the diverse needs of market players and users are served based on a market infrastructure of E.O.F.I.T. = efficiency, orderliness, fairness, integrity, and transparency.

We are confident that tomorrow's Exchange will have a terrain where a balanced mix of instruments are actively issued and traded... where a broad range of companies can grow, hopefully better than best, at the least cost. It is a fertile expanse where globally-linked brokers and traders propitiously meet; where competitive liquidity is balanced with the global standards of orderliness; and where global and domestic investors reap the fruits of their labour. It is where an exchange market is managed and operated by well-capable and dedicated professionals. And it is where our Exchange is physically unified and housed in a globally intelligent infrastructure.

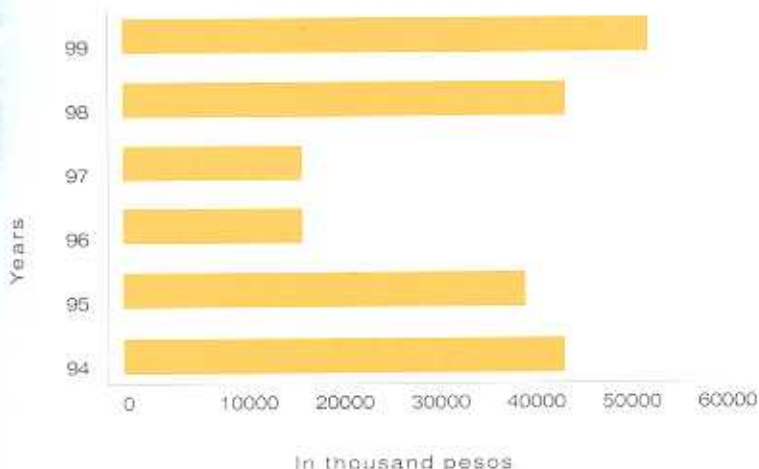
IV. GREETING THE NEW MILLENNIUM WITH THE HIGHEST PROFITABILITY

We have not only completed major accomplishments in 1999, we also greeted the new millenium with the highest profitability in the history of the PSE.





NET INCOME AFTER TAX



We have not only completed major accomplishments in 1999, we also greeted the new millenium with the highest profitability in the history of the PSE.

OUR NEXT STEP FORWARD

As we now enter the more competitive demands of the new millennium, our focus and next step forward for the year shall be to push further the full development of five key success factors:

- Full-blown Introduction and Dynamic Maintenance of our 14 Corporate Goals (refer to List of Corporate Goals, 2000-2004) to Build a Globally Competitive Full-Service Exchange by year 2004
- Re-strengthening Management and Operation in Full Implementation of Self-regulatoriness (SRO) and Operational Proactiveness
- Introduction of Quality Management & Information System (QMIS) to Directly Complement Operational Coordination and Implementation of Annual Performance of Key Result Areas

- Inculcation of the Work Culture of "Quality Service in One" (QSO)
- Diligent Re-adjustments as Needed Per year Until PSE Transfer to New Headquarters in 2004

With clear steps to follow and a determined destination to reach, we have already proven our capacity to survive difficult times. And even beyond survival, for we have shown our resilience and innovativeness to transform difficult times into positive factors, effectively and ingeniously using them as tools to reach our destination towards a full-service exchange.

With the continued support and dedication of our member brokers, the Board of Governors, the committees, our professional staff, and our partners in government and other market participants, I am certain that the PSE shall be in pole position as we enter the year 2000 and beyond.

JOSE LUIS U. YULO, JR.

CORPORATE GOAL 1:

Expansion and Development of Listed Companies and Issues

- (1) Proactive Marketing and Information Campaign to Expand Listings and Issuances
- (2) Innovation on, and Enhancement of, Listing Structure, Requirements & Application Procedures
- (3) Proactive Lobbying on legislation that affects the securities industry in particular, and the capital market in general, i.e., Listings-Related Tax and Other Issues

CORPORATE GOAL 2:

Management & Development of Automated Trading Facility, Electronic Disclosure and Efficient Market Surveillance Systems

- (1) CFE Maintenance and Management
- (2) Migration and Efficient Maintenance of a new Multi-Application Trading Computer System
- (3) Implementation of Trade Guarantee Systems, Buy In-Sell Out Procedures
- (4) Maintenance of PSE Web Page
- (5) Development and Maintenance of Investors Credit Checking Facility
- (6) Establishment of an Efficient Electronic Disclosure System
- (7) Installation and Development of Effective Market Surveillance System

CORPORATE GOAL 3:

New Financial Instruments Development, Diversification and Management

- (1) Efficient Implementation of Regulatory, Listings-Issuance Requirements, Procedural and Operations Components of:
 1. Derivative Warrants;
 2. Securities Borrowing and Lending and Short-Selling
 3. Debt Instruments/Securities
- (2) Development of Trading, and Expansion of Listings, on the SME Capital Market

CORPORATE GOAL 4:

Management and Development of Regulation and Procedures

- (1) Regular Maintenance and Development of PSE Rule Book
- (2) Efficient Maintenance of Disaster Prevention & Recovery Program (DPR)
- (3) Effective Implementation and Maintenance of Member-Brokers Personnel Monitoring System
- (4) Efficient Cooperation with SEC on the Effective Implementation of SRO Management Guidelines and Regulations

CORPORATE GOAL 5:

Investors Base Expansion and Development

- (1) Completion and Implementation of Domestic Investors Base Development and Monitoring Program
- (2) Proactive and Strategic Information and Education Campaign
- (3) Maintenance and Improvement of Investor Services, i.e., PIAC, Library, Research and Public Information Department
- (4) Development and Installation of Information and Public Assistance Infrastructure in key cities nationwide

CORPORATE GOAL 6:

Global Standards in Operational Quality and Enhanced Public Image

- (1) Completion of ISO 9002 Application Requirements
- (2) Proactive Management of PSE Image
- (3) Internal Development and Promotion of a Customer/Client Satisfaction Program

CORPORATE GOAL 7:

Member-Brokers Development and Assistance

- (1) Regulatory and Procedural Training
- (2) Product and Trading Procedures Training/Education
- (3) Maintenance of General Membership Assistance Program



CORPORATE GOAL 8:

Development and Maintenance of Post Transaction Facility, Regulations and Procedures

- (1) Efficient Management and Operationalization of Depository and Clearing Houses
- (2) Search for Continued Enhancements and/or Migration to Improved Systems.

CORPORATE GOAL 9:

PSE Management and Personnel Development

- (1) Continued Prudential Financial Management and Efficient Administration
- (2) Implementation of a Competitive Personnel Development Program, and Improvement of the Performance Evaluation System
- (3) Improvement of the Corporate Planning and Implementation Evaluation System
- (4) Maintenance & Development of extra-curricular and creative programs for personnel, i.e., PSE Chorale.

CORPORATE GOAL 10:

International Affairs Management and Development

- (1) Enhanced Coordination, Interaction and Cooperation with Members of the International Federation of Stock Exchanges (FIBV)
- (2) Enhanced Coordination and Interaction with Members of the East Asian & Oceanian Stock Exchanges Federation (EAOSEF)

CORPORATE GOAL 11:

Efficient and Smooth Transfer to New FBDC Headquarters in 2004

- (1) Installation of the Unified Trading System
- (2) Infrastructure Design and Building Construction & Coordination
- (3) Interiors Design & Fit-out

CORPORATE GOAL 12:

Effective Corporate Governance

- (1) Development and Implementation of a Corporate Governance System that will effectively delineate lines of power, authority, responsibility and accountability among the Board of Governors (BOG), Committees, Chairman of BOG, Chairmen of Committees, the President and management staff

CORPORATE GOAL 13:

Management Information System Development and Implementation

- (1) Develop and Install required Infrastructure and Maintain a PSE-wide Management Information System

CORPORATE GOAL 14:

Development and Implementation of a Program of Action to Manage Global and Technological Advances

- (1) Study and Propose a Global Competitiveness Strategies Plan of the Exchange
- (2) Research and Study Global Trends of Demutualization and other mechanisms for competitive adjustment

We see a fully grown exchange where the diverse needs of market players and users are served based on a market infrastructure of E.O.F.I.T. = efficiency, orderliness, fairness, integrity, and transparency.

-Jose Luis U. Yulo, Jr./Report of the President

STOCK MARKET OVERVIEW

The year 1999 saw the early signs of recovery from the economic ruins of the Asian financial turmoil two years before. Stability and growth became the absolute goal towards which every effort was directed to rebuild the economy. Prompted by the struggle to survive and to stand up against the unseen adversary, all efforts towards the recovery of the financial markets intensified with the hope of building up the economic strength that would weather the hostile wind of financial storms. Still in its early stage, the recovery however remained fragile as the dynamic pace of globalization rendered the economy more vulnerable to overseas developments.

The economy's state of health served as one sensitive and potent gauge of the equities investors in their savings mobilization through the stock market. Investors found confidence in government's financial pump priming and reform measures that resuscitated the economy, leveling off its previous descent. This was evident in interest rates that went back to their low levels before the July 1997 turmoil; the inflation rate that returned to its pre-crisis level; and the exchange rate that regained some level of stability. For the whole of 1999, economic growth was at the high end of the government's target – gross national product (GNP) rose 3.6% from last year's 0.10% while gross domestic product (GDP) grew 3.2% from a decline of 0.50% of the previous year. The growth was led by the improvement in all sectors as spearheaded by agriculture which advanced by 6.6%.

For the year, a confluence of favorable and dissenting developments caused a wave of sentiments that were heightened further by speculations among investors. The bull's horns' sparkled on the first half of the year and radiated most of their brilliance at the onset of July, seemingly illuminating investors' renewed interest on equities. On the other hand, instances of market declines also came intermittently, in a sense revealing that recovery was still on alluvial ground.

Efforts of recovery, though, were not confined to the macroeconomic level but were evident in the corporate level as well. To keep up or survive in a

competitive environment brought on by globalization, many big players adopted the strategy of restructuring and reorganization, thus causing a shift in the corporate world's landscape as mergers and acquisitions led by banks birthed corporate giants one after the other. Correspondingly, these frenzied activities stimulated and heightened activities at the stock market.

On the same note, several reforms in the legislative pipeline, like the General Banking Act and Retail Liberalization Law, raised investors' confidence as the prospect of booming business and increasing profit began to take form. With the expected higher income, stability gained firmer ground. These reform measures enticed more investors to equities.

In spite of all the efforts and high expectations, it was, admittedly, hardly the best of times yet. Several attempts of the stock market to pursue its journey up north were hindered by concerns like interest rates increase, volatility of peso, as well as some perceived disorder in the country's political milieu.

Also to a large extent, the Philippine stock market looked up to international developments for direction. Just like any other market in the Asian region, the local market religiously kept tab of the results of the Federal Open Market Committee (FOMC) meetings to get a glimpse of the direction that US interest rates would take. Apprehensions regarding the possible upsurge of US rates made the local market volatile as investors perceived the domestic rates to follow suit.

From its lackluster performance two years ago, the PSE Composite Index picked up and breached the 2,000 index level as it closed the year at 2,142.97 points – 8.85% better than 1998 and 14.64% higher than the tumultuous 1997. Likewise, an increase in trading turnovers was notable as volume and value zoomed from their previous year's levels. Market capitalization likewise improved, posting a 41.06% increase year-on-year that was partly brought about by the increase of new shares





debuting at the market and the firming up of stock prices. For the year, a total of five companies saw the discretion of going public. Two of these listings were a first in the history of the Philippine stock market industry.

Slowly but surely, the stock market is inching itself up to full recovery. Despite a number of overhangs stretching from economic to political in the local and international fronts during 1999, it was, modesty aside, a better year for the industry.

STOCK MARKET MOVEMENT

Quiet trading characterized the first weeks of the stock market in 1999. With the stench of the financial crisis still reeking in Asia and the world still trying to grapple with the fiscal debacle that hit the region, another currency crisis hit Brazil of Latin America. Later, concerns on the possible devaluation of the Chinese yuan similarly stirred fears that the same weakness could be expected of the peso and other Asian currencies. The re-emergence of currency concerns proved that the sentiment in the local market continued to hinge, partly yet to a large extent, on global developments. The threatening possibility of more currency problems brought another round of contagious negative sentiment among the regional markets as fears of a protracted Asian recovery heightened. Investors, wary of developments that could influence investment decisions, moved to the sidelines as apprehension further eroded investor confidence.

In reaction to the currency problems, the PSE Composite Index twice registered a more than a hundred-point one-day loss in January. However, it was also on the same month, that the Index, led by improving economic figures, first took a rebound to record its highest in eight months at 2,167.40 points. Despite a residue of lethargy attributable to international concerns - the steady decline of interest rates, improvement in consumer prices, and the strengthening of peso breathed an air of confidence in the stock market during the early part of the year until July. The market tone improved at the back of the first quarter growth data for 1999, which was higher than expected. As opposed to the contraction in the country's national output in 1998, GNP grew 2% due to the considerable rise in remittances from overseas Filipino workers as it improved 19% year-on-year. GDP likewise

rose 1.2% at the back of improved output from the agriculture sector.

To shore up the economy, the Bangko Sentral ng Pilipinas (BSP) lowered the reserve requirements for banks, and slashed interest rates. The series of cuts in the reserve requirements were effected during the early part of 1999 in order to spur banks to resume commercial lending. A total of three percentage cut was completed in April after previously slashing a similar 1% in February and March. This had infused liquidity of about P33 billion, funds that could be used for lending and investment activities.

To stimulate economic activity further, the Monetary Board continuously slashed overnight rates (20 times) since the beginning of the year until July, bringing the rates even lower than the currency crisis levels. From the original rate of 13.375% and 15.375% at the start of the year, the overnight reverse repurchase or borrowing rate was cut to 9% while the repurchase or lending rate was trimmed to 11%, respectively - their lowest levels in 3-1/2 years. This brought the total reductions to 437.5 basis points. The cut in interest rates was a part of the BSP's move to improve borrowing activities with the view of hastening the recovery of the economy. This drew investors towards equities, as funds were shifted from fixed-income investments to the stock market since the latter offered better returns.

The yield on the 91-day Treasury bill (T-bill) similarly trailed the same trend as the overnight rates. For the first month of the year, the benchmark rate used by banks in pricing loans went down to its lowest since the peso devaluation in July 1997 as it dropped to 13.239%. Since then, it had been on the downtrend until July where it reached 8.429%, the lowest level seen in several years.

Meanwhile, interest rates found a background conducive for a further drop when inflation slowed down to a single digit starting February at 9.9% from 11.5% a month ago. It further went down in the subsequent months at more favorable levels. The lowering of interest rates was also boldly taken as the exchange rate regained some ground of stability. Closing at P38.717 per US dollar in January, the peso remained below the P40.00 level until August.

On hopes that the economy was regaining stability after a series of cuts in interest rates and reserve requirements, the strengthening of the peso, along with

an improving corporate outlook – foreign investors took on a renewed interest on local stocks and infused liquidity in the market. Trading activities perked up at the Floor as selective buying on stocks anchored on sound fundamentals ensued. Investors started to equate the favorable economic development vis-à-vis corporate fundamentals. Positive economic outlook augured well for companies as this translated to better business activities. Conspicuously benefiting from the cut in interest rates were the property and banking issues, of which shares started to firm up. The market further improved as it trailed the direction of the Dow Jones Industrial Average. The leading stock barometer in the US made history when it closed above the 10,000 mark for the first time on 29th of March at 10,006.78 points.

The stock market continued its run-up as the benchmark index rose to its 20-month high in April at 2,459.99 index points. As the market situation improved, it peaked in early July at 2,621.67, the highest level in almost two years. The market continued to source strength from improving economic numbers that resulted from increasing national and domestic output, lower inflation rate, subsequent cuts in overnight rates, drop in Treasury bill yields, cuts in bank reserve requirements, and fresh corporate developments.

However, concerns about rising inflationary pressures in the US economy started to reverberate in the region in May, causing a knee-jerk reaction from Asian countries. In view of this, trading activities were tempered at the local market, raising fears that any substantial increases in US rates could affect the region's trade balances and may force the local economy to similarly raise interest rates.

Against the usual third quarter weakness of the stock market, several factors ranging from political issues to economic concerns, plus a lack of fresh incentives led the market onto its downhill trek. The market's elation in early 1999 was cut short by the weakness of the peso against the US dollar, which consequently pushed the BSP to adopt a neutral monetary policy. As such, it stopped reducing overnight rates while closely monitoring the inflation rate. Aside from narrowing the chance for further reduction in interest rates, the weakened peso also affected the operations and earnings of most companies,

particularly the payment of their dollar-denominated debts.

In the midst of the depreciating peso, the BSP attempted to maintain a neutral policy stance as it left the overnight rates at their previous levels – overnight borrowing rate at 9% and lending rate at 11%. However, the peso's weakness put pressure on the domestic rates and subsequently, the benchmark 91-day T-bills went up after several months of downturn at 8.477% in August. While investors remained jittery on the prospect of higher interest rates, the scenario was exacerbated further by a swelling budget deficit and by concerns that BSP might likewise raise reserve requirements.

These economic concerns were aggravated by the developments in the international front as highlighted by the intensifying turbulence in East Timor, the weakening of the Thai baht, the rising of oil prices in the world market, as well as a growing uncertainty over the direction of US interest rates. The market tone became even more anemic with the absence of fresh leads, thus discouraging foreign investors to pursue buying activities.

Better-than-expected economic data managed to improve stock trading in mid-September while the 235.24 point overnight increase in the Wall Street market further provided impetus for buying. Inflation rate for August hit its lowest in two years at 5.5% which consequently calmed jitters about the necessity for BSP to further push interest rates up. In addition, improved economic numbers, which sharply grew above the high-end of the target for the second quarter, injected investors with some measure of confidence. GNP grew by 3.8%, almost twice the 2.1% growth in the first quarter, while GDP posted a 200% growth to 3.6% from 1.2%.

However, market upturn remained furtive as sentiments were weighed down by the lingering concerns about the feeble peso; while the direction of interest rates remained to be a big overhang for most investors. The peso succumbed to the weakness of regional currencies, specifically the baht and rupiah. It weakened to its 12-month low as it closed September at P41,112 per US





dollar. Furthermore, the equities market was affected by the successive decline of the Dow Jones Industrial Average in September which dropped twice by more than 200 points in the same week.

These dissenting factors caused inertia at the stock market where investors either waited at the sidelines or went on quick trading, cashing in on gains at every opportunity. The investors' dwindling confidence on the ability of the government headed by President Estrada in bringing about economic and political reforms further added to the sluggishness of the stock market. The Composite Index started to slip off its highest level and continued its descent until November.

Compounding the unfavorable market tone was the expectation of adverse bottomline earnings of companies as a result of the weak peso and high interest rates. Another worry that added to the lingering uncertainties towards the end of the year was the millennium bug, a problem of computers misreading the year 2000. Investors, particularly foreign fund managers, became cautious about entering into the stock market when the level of companies' Y2K-readiness remained obscure.

The Index declined to its lowest for the year in early December at 1,891.96 as the swelling budget deficit added to the number of overhangs that got investors worried. It was feared that the expanding budget deficit would cause interest rates to accelerate should the government resort to more borrowings. The government's budget deficit of P113.6 billion went far beyond the initial ceiling of P85.3 billion for the year, and likewise exceeded the upgraded mark of P101.0 billion. Expenditures totaled P592.02 billion, far exceeding revenues of P478.412 billion.

Coming from the year's low, the market took a technical rebound from the second week of December. It was supported by the announcement of better-than-expected inflation rate for November, improving peso to dollar rate and the positive economic output for the third quarter. The National Statistics Office reported that the consumer price index rose 3.9% year-on-year, marking the slowest annual increase since May 1987. While taking into account the rise in oil prices, the rate was eased by a bountiful agricultural output that softened the prices of rice, sugar, fruits and vegetables. Inflation rate for

December was registered at 4.3%, a much improvement from 10.4% of the same period last year. For the whole year, inflation average was registered at 6.6%.

Also, the announcement of better third quarter economic data helped in curbing the market's journey further down south. The GNP rose 3.3% while GDP, 3.1%. The peso likewise improved as it ended the year at P40,3130 from the previous month's P40,7870 per greenback. Similarly, overnight borrowing rate further dropped by 25 basis points to 8.75% from 9% while lending rate was at 12%. The 91-day T-bills closed the year at 8.895%, still much lower than the previous year's closing of 13.430%.

Activities were centered on selected blue chips, and second-line issues on account of investors' positioning for the following year, as well as on the yearend window dressing. The equities market was also swayed by the rally in Wall Street following the Federal Reserve's last meeting for the year. The Fed's move to divert from a tightening bias on interest rates spurred activities at the US markets as the Dow Jones Industrial Average recorded its highest closing at 11,484.66 on December 29, 1999 after breaching the 11,500 mark for the first time at 11,517.39 on the same day. The positive sentiment spilled over the local market as fears on rising interest rates likewise softened. The Composite Index ended the year at 2,142.97, its highest level seen in 15 weeks and 8.85% better than the 1998 level.

Although some uncertainties remained and limited the market's gain, planned reforms in the banking, power, and retail sectors inspired investors to participate in the market. With the improving economic scenario, optimism in the market's recovery heightened, consequently luring more investors to accumulate fundamentally sound stocks to position for the year 2000.

INDICES AND TRADING TURNOVERS

The Philippine stock market, sustained by the combined efforts of government and the financial market industry, survived the financial crisis of the second millennium's twilight. It has been a long and arduous road to recovery but the emerging light at the end of the tunnel is now more distinct. The stock market benchmark index grew 8.85% from last year's closing, the sectoral indices improved across-the-

board, and trading turnovers surged notably.

After hitting a low of 1,894.59 on February 11, 1999, the PSE Composite Index started to take off on the second quarter, reaching its crest at the onset of the third quarter on July 5, 1999 at 2,621.67 points. After which, the market declined continuously and proceeded to take its course further down south until the first part of December, when the index fell to its lowest at 1,891.96 on the 9th. An upturn was observed towards the middle of December as selected blue-chips and second-line issues became active on account of better prospects for next year. The decision of the US Federal Open Market Committee to keep interest rates unchanged eased concerns regarding increases in domestic rates and thus, likewise supported the local market's upward move. The Composite Index touched a 15-week high on the last day of trading of 1999 at 2,142.97 points.

All sectors showed strength this year as compared to 1998. Banks and Financial Services Index advanced by 49.86% to 864.74 points; Commercial-Industrial Index earned 6.96% to 3,027.97. Property improved by 2.85% to 776.03; Mining went up by 12.97% to 1,946.09; and Oil Index recovered 113.33% to finish the year at 3.20 points.

Coming from a low base of the lethargic 1998, trading turnovers displayed a remarkable strength as volume and value grew by 229.74% to 948.96 billion shares and 91.09% to P780.96 billion, respectively.

INITIAL PUBLIC OFFERINGS

In 1999, a total of five companies debuted at the Exchange, an improvement from last year's four. These were: Alliance Global, Inc. (AGI), Chinatrust (Philippines) Commercial Bank Corporation (CHTR), Manulife Financial Corporation (MFC), ABS-CBN Holdings Corporation (ABSP), and City & Land Developers, Inc. (LAND).

The year also marked a milestone in the history of the Philippine Stock Exchange as two of these listings, MFC and ABSP, were the first of their kind to join the roster of companies listed at the Exchange. MFC became the first foreign company to land at the local market as a listed firm. In line with the demutualization of the company, MFC had its secondary listing by way of introduction a

total of 500,955,645 common shares at an offer price of Canadian \$18.00 or P496,143. The same number of shares was listed in the Toronto Stock Exchange, the Montreal Stock Exchange and the New York Stock Exchange.

Meanwhile, ABS-CBN Holdings Corporation is a special purpose vehicle of ABS-CBN Broadcasting Corporation for the issuance of Philippine Deposit Receipts (PDRs). The PDR is an instrument, which indirectly allows foreign investors to hold ABS-CBN shares, and therefore gives the media company a wider investor base that includes international investors.

MARKET CAPITALIZATION

Market capitalization expanded in 1999 by 41.06% to P1,937.72 billion as propped up by the introduction of new and additional shares this year, along with the rise in most share prices. The commercial-industrial sector had the biggest share at 52.68% amounting to P1,020.85 billion of the total market capitalization, followed by the banks and financial services which comprised 33.82% of the total at P655.32 billion. Property sector contributed a total of P233.22 billion, representing 12.04% of the entire capitalization size while mining and oil sectors' shares were 0.89% and 0.57%, respectively.



Market Indicators

VOLUME TRADED

	In Billion Shares							Growth Rates (%)						
	Banks & Fin'l Svcs	Comm'l - Ind'l	Property	Mining	Oil	All-Shares	Total	Banks & Fin'l Svcs	Ind'l	Property	Mining	Oil	All-Shares	Composite
JAN	0.07	14.48	2.26	3.64	0.84	14.92	21.28	-89.79	82.96	35.34	-41.59	-92.38	-41.10	-22.58
FEB	0.03	9.23	1.13	2.85	0.86	8.53	14.10	-99.38	-32.28	-66.29	-83.84	-94.10	-82.96	-74.11
MAR	0.13	8.99	2.26	11.65	0.49	18.72	23.52	-96.85	-25.55	-54.63	3.91	-93.15	-45.78	-40.34
APR	0.18	11.53	4.53	13.78	2.11	27.26	32.13	-72.34	43.88	133.22	5.16	-26.83	22.81	20.79
MAY	0.28	27.62	7.57	41.34	3.31	62.36	80.12	-27.98	697.12	539.23	1012.93	166.92	592.39	701.26
JUN	0.27	50.70	8.62	27.87	4.71	53.89	92.16	-56.13	1096.91	643.03	697.84	413.52	428.14	784.55
JUL	0.16	27.31	4.58	18.85	9.65	46.53	60.55	132.10	352.46	226.19	892.27	1143.35	410.29	494.50
AUG	0.19	13.91	2.96	9.82	7.42	27.87	34.29	135.31	90.85	132.48	600.47	1080.39	345.67	221.37
SEP	0.11	12.89	1.57	11.29	21.12	42.09	46.98	27.98	84.55	30.75	892.15	3011.15	506.78	365.64
OCT	0.43	16.06	1.88	11.42	21.27	44.23	51.05	456.98	13.47	-49.92	28.25	1236.67	91.51	79.31
NOV	0.14	93.44	1.91	142.12	24.57	173.01	262.17	-7.97	541.61	-61.19	1216.38	744.46	522.04	686.68
DEC	0.17	102.06	1.27	94.02	33.07	134.51	230.59	72.71	427.45	-53.05	2537.54	3389.70	1014.35	765.02
TOTAL	2.16	388.22	40.53	388.64	129.41	653.94	948.96	-82.35	229.78	37.28	367.92	185.85	176.36	229.74

VALUE TURNOVER

	In Billion Pesos							Growth Rates (%)						
	Banks & Fin'l Svcs	Comm'l - Ind'l	Property	Mining	Oil	All-Shares	Total	Banks & Fin'l Svcs	Ind'l	Property	Mining	Oil	All-Shares	Total
JAN	6.05	32.22	8.18	0.05	0.04	46.32	46.54	87.99	50.57	83.34	-34.24	-90.24	57.51	57.17
FEB	3.04	17.08	2.50	0.04	0.01	22.34	22.67	-49.35	-47.51	-73.43	-82.50	-98.50	-54.16	-53.62
MAR	6.92	21.11	4.54	0.08	0.01	32.40	32.66	24.19	-26.79	-73.03	-62.30	-93.65	-36.72	-36.78
APR	12.73	39.91	9.35	0.25	0.04	61.91	62.29	379.22	67.42	122.36	20.28	-38.96	102.87	101.10
MAY	43.10	56.83	12.49	0.26	0.08	111.81	112.76	1101.52	362.89	273.80	184.69	126.89	484.88	483.30
JUN	7.91	71.72	16.59	0.28	0.27	94.74	96.77	203.65	417.95	469.39	350.54	1073.74	392.13	397.49
JUL	10.67	50.43	9.60	0.46	0.33	70.05	71.49	240.58	210.41	182.25	465.37	2069.32	208.94	212.51
AUG	10.02	33.12	5.04	0.26	0.44	48.12	48.88	246.08	110.79	52.08	391.77	2295.45	120.20	122.26
SEP	8.94	46.88	3.98	0.59	0.46	60.29	60.85	340.66	45.54	42.57	2132.55	4650.40	64.33	64.19
OCT	30.28	69.22	3.81	0.63	0.46	98.82	104.40	1070.06	165.99	-21.74	775.84	314.74	197.22	210.08
NOV	10.63	36.82	3.31	3.16	0.62	51.92	54.55	27.16	-10.33	-58.41	1863.94	33.73	-10.01	-5.97
DEC	16.92	43.72	3.03	2.86	0.58	62.68	67.11	108.45	108.02	-48.85	3284.33	1378.99	80.70	90.78
TOTAL	167.22	519.06	82.41	8.93	3.35	761.38	780.96	229.40	82.12	18.74	555.19	56.24	87.96	91.09

SECTORAL INDICES

	Sectoral Indices (Billion Pesos)						Growth Rates (%)							
	Banks & Fin'l Svcs	Comm'l - Ind'l	Property	Mining	Oil	All-Shares Composite	Banks & Fin'l Svcs	Ind'l	Property	Mining	Oil	All-Shares Composite		
JAN	628.30	2,749.40	794.04	1,683.17	1.53	622.31	1,954.15	34.78	-2.53	-0.66	-29.61	-33.77	9.56	0.32
FEB	622.90	2,784.70	790.91	1,640.97	1.36	626.28	1,965.05	1.55	-13.31	-24.66	-41.80	-51.94	-8.59	-13.29
MAR	676.91	2,841.81	804.22	1,788.32	1.35	645.22	2,028.21	4.91	-10.40	-20.64	-38.01	-57.01	-6.93	-9.39
APR	862.06	3,375.65	969.04	1,813.26	1.79	771.31	2,433.70	48.20	8.82	-1.93	-34.22	-28.97	15.57	11.57
MAY	865.96	3,440.70	918.71	1,720.46	1.70	779.76	2,419.83	56.49	18.64	4.33	-35.79	-30.89	24.82	20.30
JUN	900.72	3,629.26	917.67	1,883.94	2.89	820.88	2,486.96	90.03	43.22	17.70	-16.16	38.94	48.73	41.29
JUL	848.93	3,500.53	794.47	1,918.55	2.39	778.45	2,342.81	86.40	50.06	14.20	-2.67	35.03	52.32	45.73
AUG	832.56	3,218.56	741.79	1,842.55	2.36	733.86	2,173.82	143.20	83.30	48.16	29.60	67.38	83.25	82.33
SEP	809.07	3,136.52	724.54	2,226.24	3.32	719.75	2,096.20	127.64	66.83	52.73	43.34	153.44	73.17	66.41
OCT	812.33	2,979.14	741.33	1,958.64	2.85	704.57	2,036.05	66.05	19.40	-6.57	-4.11	64.74	25.02	16.01
NOV	841.09	2,850.70	698.61	2,046.03	3.50	696.00	1,979.42	47.06	1.26	-16.32	5.39	91.26	10.96	0.21
DEC	864.74	3,027.97	776.03	1,946.09	3.20	720.36	2,142.97	49.86	6.96	2.85	12.97	113.33	15.77	8.85

MARKET CAPITALIZATION

	Market Capitalization (Billion Pesos)							Growth Rates (%)						
	Banks & Fin'l Svcs	Comm'l - Ind'l	Property	Mining	Oil	All-Shares	Total	Banks & Fin'l Svcs	Ind'l	Property	Mining	Oil	All-Shares	Total
JAN	298.49	824.13	234.80	13.28	8.47	1,364.22	1,379.19	30.84	5.05	6.89	-12.19	12.92	9.21	9.90
FEB	298.45	835.84	233.52	13.02	7.74	1,373.83	1,388.57	-0.70	-6.14	-18.77	-26.77	-12.16	-8.36	-7.75
MAR	321.95	850.64	237.41	13.60	7.37	1,415.91	1,430.96	2.82	-4.74	-14.55	-26.98	-27.90	-5.49	-5.41
APR	402.53	995.76	282.66	13.77	9.04	1,684.93	1,703.75	37.99	12.43	4.58	-27.95	1.23	15.29	15.46
MAY	409.50	1,031.67	272.52	13.48	9.29	1,714.74	1,736.45	47.12	22.17	12.03	-28.67	-5.37	24.16	24.50
JUN	426.89	1,096.13	284.76	15.05	12.12	1,814.17	1,834.95	76.89	47.56	30.08	-9.40	44.63	49.29	49.42
JUL	408.95	1,065.48	243.36	14.99	11.62	1,727.26	1,744.40	79.90	54.84	22.03	1.51	58.08	53.52	53.43
AUG	399.87	998.29	223.76	14.67	11.73	1,631.79	1,648.33	122.99	87.93	53.01	25.13	111.12	89.11	88.59
SEP	621.32	986.32	220.89	17.12	13.38	1,842.72	1,859.04	239.34	76.04	58.15	39.80	154.55	107.31	106.43
OCT	638.55	948.30	224.62	15.80	11.74	1,815.44	1,839.00	166.29	30.07	-0.69	4.95	29.28	50.63	50.84
NOV	661.71	966.14	212.70	18.48	13.19	1,848.06	1,872.22	138.82	14.10	-10.21	26.25	23.52	34.86	35.08
DEC	655.32	1,020.85	233.22	17.22	11.10	1,911.81	1,937.72	132.81	19.86	6.65	27.48	33.46	40.78	41.06

Board of *Governors*



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Chairperson



EDUARDO C. LIM
Chairman Emeritus



JOSE LUIS U. YULO, JR.
President & CEO



PAULINO S. SOO
Treasurer



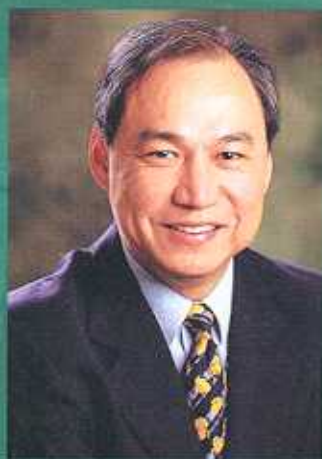
EDDIET. GOBING
Assistant Treasurer



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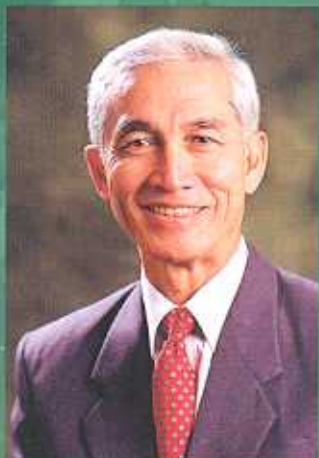
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Governor



EDWIN L. LUY
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MARGARITO B. TEVES
Governor



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Governor

Management Team



Left to right: (seated) Jose Luis U. Yulo, Jr., President & CEO, Ruben L. Almadro, Vice President - Compliance & Surveillance Group, Jose Fernando T. Alcantara, Vice President - Business Development & Information Group, Corazon A. Padua, Vice President - Finance & Investments Group, Efrén C. Siron, Assistant Vice President - Automated Trading Group, Digna R. de los Reyes, Senior Manager - Administration Department.



Left to right: (seated) Conchitina Gregorio-Panganiban, Head - Listings Legal Advisory Department, Emily Filipinas P. Buenaventura, Manager - Product Development Department, Elmer Paolo M. Relente, Manager - Accounting Department, Gracita B. de Guia, Assistant Manager - Corporate Disclosure Department, Anel R. Lampano, Assistant Manager - Ayala Computer Operations Unit, Evangeline P. Liwaliw, Assistant Manager - Tekite Computer Operations Unit, Raul G. Ortiz, Assistant Manager - Trading & Settlement Department, Jovita A. Quibai, Assistant Manager - Treasury Department.



Lillian Elizabeth D. Ribaya, Senior Manager - Human Resources Management Department; Elizabeth C. Dincey, Senior Manager - Membership Department; **(standing)** Maria Isabel T. Garcia, Manager - Listings Processing Department; Manuel L. Lopez, Manager - PSE Plaza Operations; Jirky A. Alora, Manager - Compliance Audit Department.



Rene Oliver A. Macapinlac, OIC - Corporate Communications Department; **(standing)** Rafael Benjamin C. Recto III, Assistant Manager - Market Surveillance Department; Socorro J. Clemente, Assistant Manager - Research & Public Information Department; Jose Manuel L. Banayad, OIC - Office of the General Counsel; Joana Grace C. Camaya, Assistant Manager - Systems Development Department; Mariflor France D. Palayo, OIC - Market Development Department; Maria Theresita V. Soriano, Assistant Manager - Special Investigation Department; Claire S. Quray, PSE Foundation Officer.

Groups and Departments

Listings & Disclosure Group

The Listings and Disclosure Group composed of the *Listings*, *Disclosure* and the *Legal Advisory* departments, oversees the compliance by issuers with the rules for listing of suitable securities and the disclosure of material information. In coordination with the Listing Committee, the Group likewise formulates policies and rules for issuers and listed securities.



During the year, the Group developed and released several rules. These include the following:

simplifying the listing process; guidelines for disclosures on substantial acquisitions and reverse takeovers; accreditation requirements for appraisal companies; and enhancements to the Second Board, a window for listing companies with no track record of profitable operations.

A palpable achievement for the year was the adoption and vigorous enforcement of disclosure rules which have resulted in more timely disclosures of material information and improved coordination with listed companies.

Among the securities listed in 1999 were the Philippine Deposit Receipts of *ABS-CBN Holdings Corporation*, and the common shares of the *Manulife Financial Corporation* – the first foreign company listed on the Exchange. In addition to the 68 additional listing applications processed, three IPOs were listed, those of *Alliance Global, Inc.*, *Chinatrust (Philippines) Commercial Bank Corporation* and *City and Land Developers, Inc.*



Compliance & Surveillance Group

The Compliance & Surveillance Group (CSG) guards the integrity of the Exchange. Its staff are, for purposes of analogy, the watchmen who "go about" or monitor member-brokers' compliance to the rules and regulations of the exchange, and enforces the appropriate sanctions to violators. As "watchmen," the Group conducts a legal audit and review of the member-brokers' books of accounts; keeps tab of the daily automated trading activity; and closely follows price movements to guard against illegal postings or dealings. The CSG is composed of three departments: *Compliance Audit Department*, *Special Investigation Department*, and *Market Surveillance Department*.

In 1999, the *Compliance Audit Department* (CAD) supervised the smooth transfer and / or release of stock certificates to clients of 10 suspended member-brokers. The CAD also conducted a special audit and supervised the operations of three member-brokers who applied for voluntary suspension. It completed the regular annual examination of 167 active and operating member-brokers, and monitored their compliance with all the reportorial requirements. In the last quarter of the year, it directed a special probe on *BW Resources Corporation* for possible price manipulation and insider trading. Moreover, in line with the PSE's drive for continuing education & information campaign, it conducted seminars on SEC/RSA Rules to keep member-brokers and external auditors abreast with the changing regulatory environment. It also created and established an electronic database of RSA/PSE Rules Violations of Member-Brokers based on the results of the 1999

Audit/Examination to facilitate monitoring.

The *Special Investigation Department* (SID), for its part, handled a total of 31 investor complaints during the year. Twenty-two of these were arbitrated and/or resolved and four endorsed either to CAD or to the SEC. It also did a special audit/investigation of various member-brokers for price manipulation and insider trading activities. SID likewise created and established an electronic database of complaints and investigations handled by the Department to facilitate monitoring thereof.

The *Market Surveillance Department* (MSD) in 1999 reviewed the trading transactions of 12 companies & various member brokers for possible price manipulation, insider trading and other trade-related irregularities. The Department is currently compiling quotations for the purchase of a state-of-the-art market surveillance system that is expected to boost the Department's capability in the prevention of market irregularities. With the acquisition of a modern surveillance system, the Exchange will be at par with other Exchanges in South East Asia. To strengthen the prevention aspect, the MSD has co-organized the Quarterly Education for Member-Brokers Seminar on Market Manipulation and Insider Trading.

Furthermore, the CSG has codified the "Audit Work Program for Regular and Special Audit," a manual that will help expedite the examination of various types of RSA/SEC violations of member-brokers

Operations/Automated Trading Group

The Automated Trading Group, Trading and Settlements Department, the Administration Department, and the PSE Plaza Operations all fall under the Operations/Automated Trading Group.

Managing the critical operation of the computerized trading for stock operations is the *Automated Trading Group (ATG)*. The ATG's persistent efforts to improve the PSE trading system availability resulted in a marked improvement of 99.96% compared to 1998's performance of 99.5%. For 1999, its Disaster Prevention and Recovery Program registered a 22-minute system downtime as

against the 177 minutes in 1998.

To ensure an uninterrupted flow of trading services in the next millenium, the ATG led and conducted Y2K systems compliance preparations that included the implementation and installation of Y2K patches and software upgrades. Notably, three industry-wide Street-wide Testings (SWT) were conducted with the participation of member brokerage firms, data vendors and the Philippine Central Depository (PCD). Full Y2K compliance on the PSE MakTrade System was achieved in September 1999.

Two major system changes were undertaken on the PSE MakTrade System and these are the Securities Borrowing and Lending (SBL) and Small Medium Enterprise (SME) facilities. The SBL and short-selling facility was completed in September 1999 and shall be activated once the PSE Board of Governors approves the rules and procedures governing this facility. The SME facility, on the other hand, was completed in November 1999 and is ready to cater to the listing and trading of companies on the SME board.

The year 1999 is a systems milestone for the ATG for it acquired and implemented the Enterprise Management System (EMS). The EMS proactively manages the network expansion and complexity of the PSE Trading System on an enterprise level that includes: software application management and control; network management; hardware performance monitoring;





inventory tracking, and a help desk system. Moreover, network security was adopted and strengthened to secure the PSE Trading System from external attacks.

Likewise, PSE's presence on the internet was re-established with the launching by the Group of the revitalized web site on October 14 this year via its new URL: <http://www.pse.org.ph>. The web site is run on the latest software and hardware technologies for the internet.

The ATG adopted and implemented the International Securities and Identification Numbering (ISIN) system on the PSE MakTrade System on September 6, 1999. Parallel to this, the PSE was conferred member of the Association of National Numbering Agencies (ANNA) the following November in New York, USA, and is the National Numbering Agency for the Philippines.

On the other hand, the chief accountability of the *Trading and Settlement Department* is to ensure the operation of a fair, secure and efficient secondary market. Hence, it systematically monitors compliance of brokers to Exchange Rules and Regulations covering trading and settlement, and enforces appropriate sanctions on defaulting brokers.

Its daily monitoring of trading activities and processing of trade-related requests yielded, for the Department, the following results in 1999: a) expedited 928 requests to execute Special Block Sales amounting to P148B; b) imposed penalties on 71 instances of violations against the Rule on Pre-Open Cancellations; c) secured approval to amend rules on Cancellation of Matched Order for the purpose of establishing safeguards against any possible abuse of the rule or any false market movements; and d) facilitated 109 requests to cancel Matched Trades with corresponding fees.

The Department coordinates with the members-brokers, the Securities Clearing Corporation of the Philippines (SCCP), Philippine Central Depository, Inc. (PCD), Settlement Banks, Transfer Agents and Custodian Banks in its task of ensuring that all trades executed are final and irrevocable. In 1999, it processed a total of 2.2M trades with value of P2.6B; penalized five violations against cash settlements and 23 instances on violations against securities settlements.

A significant achievement of the *Administration Department* is the agreement forged with Fort Bonifacio Development Corporation and Capital Consortium Inc. (FBDC) for the relocation of PSE's principal headquarters to the Fort Bonifacio Global City. To stand on the donated 2,100 sq. m. lot, the PSE building, which will have a skybridge connection to another stretch of additional donated office spaces at the Capital Place condominium, will house a total of 12,000 sq. m. gross floor area of office spaces. The new center of operations, with its unified headquarters and trading floor designed to achieve greater operational efficiency and better delivery of services, is expected to bring about a globally competitive PSE headquarters in terms of building plan, structure and facilities.

Another administration highlight is the construction of a separate entry point for the public. Conceived to provide a more professional, transparent and orderly service and to secure a more efficient security system at the Exchange – the new entrance strategically positions the Public Information and Assistance Center. It gives the public and investors easy access to the trading viewing gallery where PSE has put in place amenities such as a cafeteria and restrooms.

Correspondingly, the department had several offices refurbished to promote a more professionally





conducive and efficient workplace. The renovations brought about the rationalization of office spaces to a level that, not only ensures greater flexibility and optimum efficiency in the workforce but, also enhances the dignity of their profession.

Finance & Investments *Group*

The Finance & Investments Group manages the company's financial resources, financial control environment and financial transaction processing and systems. It has two departments: Treasury and Accounting, and two sections: Payroll/HR-related Matters and Budget.

The Treasury Department is in charge of the receiving of cash, processing of disbursements, placement of funds, and tax compliance and reporting. The Accounting Department, on the other hand, takes charge of the management of the accounting system, the maintenance of books of accounts, preparation of financial statements, coordination with the external auditors in the preparation of the audited financial statements, billings and collection monitoring, and preparation of the bank reconciliation statements.

The Payroll and HR-related Matters Section handles the payroll preparation, servicing of the financial requirements of employees, compliance with government remittance and reporting requirements, and maintenance of all employee-related accounts. The Budget Section is in charge of the coordination of budget preparation and consolidation, compliance with budgets and reports on budget implementation. It also works very closely with the Accounting Department in the projection of net income and tax position of the Exchange.

Business Development & Information *Group*

Six departments compose the Business Development & Information Group: the Product Development, Market Development, Research and Public Information, Corporate Communications, PSE Training Institute and the PSE Rule Book/Task Force Quality Unit—components that are in the core of the Exchange's thrust to be an economic catalyst.

The *Product Development Department*, in 1999, obtained SEC approval of the PSE Securities Borrowing and Lending (SBL) and Short-Selling Rules; and the SME Capital Market Listing Rules. The Department, which helps advance growth in the stock market through the expansion and development of financial instruments and the listing of trading facilities at the Exchange, was instrumental in the drafting of the BIR Guidelines for the tax-exempt status of SBL Transactions.

The year also saw the Department intensifying its proactive stance by conducting nationwide educational and informative campaigns that highlighted the SME Capital Market and gave a brief introduction on the stock market and PSE's new products. Through these initiatives, the PSE came up with a line-up of eight SMEs that have strong intentions to list on the SME Capital Market.

For the *Market Development Department*, the year was characterized with more extensive and close interaction with both the private sector and government in the advancement and strengthening of the securities market. One vital product of its effort to broaden society's choices is the development, in 1999, of a secondary market for debt securities. Thus, the com-



processed to produce statistical publications, namely, the PSE Weekly Report, PSE Monthly Report and PSE Fact Book. User-friendly, these publications present useful and specific data; and thus used as reference in intelligent decision-making concerning investments.

In January 1999, the Public Information and Assistance Center (PIAC) was put under the charge of the Research and Information Department that paved the way for more efficient and comprehensive information dissemination to the general public. On June 7, 1999, its physical facilities and the PSE Souvenir/Book Shop at the West Wing Entrance of the PSE Center were formally opened at a launching ceremony attended by some PSE governors and member-brokers. These twin additions have enabled PIAC to expedite the resolutions of queries (walk-in, telephone, mail and e-mail) from the public, boosting the Center's competence in the delivery of services. The PSE Souvenir/Book Shop, as the central distribution channel of all PSE publications, enhances public awareness of the Exchange and practically serves as the conduit between the public and the PSE and the stock market. Finally on December 2nd, PIAC, as a goodwill gesture, sponsored the visit of the 26th Ship for South East Asia Youth Program delegates to the PSE. The delegates attended a mini-lecture and introduction on the role of the Exchange to the Philippine economy.

The *Corporate Communications Department* exists in support of the institution's marketing strategy and vision. As such, it is responsible for the promotional and marketing exposure of the Exchange. It also serves as a link, in many cases the intermediary between the institution and the general public which includes media, government and investors. To this end, it monitors daily news articles on PSE; sends out press and photo releases to the tri-media, and facilitates press briefings or conference on current PSE issues and events.

The Department has similarly taken pains to promote and educate the public on the Exchange's business. The media coverage of the General Assembly of the East Asian and Oceanian Stock Exchanges Federation, and the launching of the PSE website are fruits of its efforts. In celebration of PSE's 7th anniversary on December 23, 1999, it initiated the publication of a news

supplement in two major dailies – effectively increasing public awareness of PSE. It has also become aggressive in advertising, placing PSE institutional ads in major dailies and financial publications all-year round. It likewise provides artistic support and lay-out services in the creation of primers, brochures and manuals.

The Department has been very active in keeping the public informed about the various projects of PSE groups/departments, using as tools both advertising and the press. Its regular press updates on PSE's Y2K preparations and compliance, in fact, made such an impact that its successful cross-over to the year 2000 became the focus of various television news programs. In 1999, the Department enhanced its relationship with media by providing a functional press working area for accredited members of the print and broadcast media covering the PSE.

Because PSE is a collegial body of various independent corporations, PSE's Corporate Communications can be said to be distinct from other corporate communications departments. It attends to the basic communication needs of the Exchange as one body even as it services a particular need of each member. In essence, it is a source and receiver of information. As a processing unit of information, it has become an integral part of the whole operations of the PSE. It is perhaps not incorrect to state that, in this department, the value and management of information have taken on an extraordinary dimension.

Giving support to the Group's functions and reinforcing the Exchange's intent to be a dynamically relevant component of the Philippine Capital Market is the *PSE Training Institute*. Thus, it has given special emphasis to developing professionalism among and of all market participants – member-brokers, investing public, listed companies, regulators and the PSE management and staff – through continuous learning and education. It provides seminars, workshops and trainings that mirror the Training Institute's dedication to the promotion of high standards of professional conduct in the finance and investment industry.

The Training Institute conducted in-house seminars for 65 groups or 2,241 individuals. Of the 65 groups mostly universities, 36 are from Metro Manila and 29 from the provinces. From these groupings, eight are





MBA classes, faculty members, employees of auditing firm; and delegations from the Council of Saudi Chamber of Commerce and Industry headed by the Assistant Secretary General for Foreign Affairs; and from ASEAN National Youth Commission Cultural Exchange Program.

These seminars aim to give the general public a better understanding of the Philippine Stock Market, and hopefully entice them to be actual investors. It also aims to increase public awareness and develop the positive image of the Exchange.

On that same year, the Training Institute organized several regulatory seminars for compliance officers and backroom personnel of the various brokerage houses. These seminars which include Revised Securities Act (RSA), Compliance Officer Certification and the Special Investigation Procedures and Tax Issues Concerning Member-Firms were intended to keep brokerage personnel abreast with the development on the practices and implementation of Securities and Exchange Commission (SEC) and PSE rules and other matters concerning the said issue. The Corporate Governance Forum was also organized in cooperation with the American International Group and this was attended by more than 80 chief operating officers and chief financial analysts of the country's leading companies.

The *PSE Rule Book/Task Force Quality Unit* codifies the rules, guidelines and procedures of the PSE, and other legislative materials emanating from government agencies, into one consolidated, comprehensive Manual of Rules of the Exchange.

Following is a summary of its activities and accomplishments: 1) distribution of PSE Rule Book copies to members; 2) documentation of Flow of Approvals for the Finance and Trading Group; 3) completion of approved procedures for monitoring rule amendments; 4) preparation of guidelines and consolidation of Strategic Plan of PSE for the year 2000; 5) completion of design and development of an automated Rule Amendments Monitoring System; 6) submission of the executive summaries and procedure manuals for the three main groups of PSE: Listings & Disclosure Group, Compliance & Surveillance Group and Automated Trading Group; and 7) partial completion of database for the Rule Amendments Monitoring System.



Office of the General Counsel

The Office of the General Counsel (OGC) renders general and corporate legal services to the PSE. It also undertakes special projects in coordination with other PSE committees and departments, capital market participants and external legal and technical consultants.

In 1999, the OGC successfully worked for the recall of an earlier Securities and Exchange Commission (SEC) order that mandated the PSE to pay its exchange fees on a semestral, instead of an annual, basis. The OGC, in collaboration with the PSE's external counsels, likewise handled the final and favorable resolution of several cases involving the PSE, notably the cases of "PSE vs. Puerto Azul Land, Inc. (PALI), et. al." that was decided by the Supreme Court; and "In the Matter of H.E. Bennett Securities, Inc. and the PSE" which was dismissed by the SEC.

It was also the year when the OGC took a more active role in the PSE's legislative advocacy activities on matters affecting the securities industry and the capital market.

Membership Department

The *Membership Department* oversees all matters relating to membership in the Exchange. Basically, it assists in formulating rules and regulations governing membership as well as the implementation. It is also responsible for handling all membership affairs such as the annual membership meeting, preparation for



international conferences sponsored by the Exchange, sports events and other Exchange functions involving the members. In 1999, the department processed 11 sale/transfer of membership seats; 10 changes in corporate nominees

and eight new designations of corporate nominees; five opening of new branches and 10 changes in corporate name/ownership structure. Active corporate members were 136 while individuals totaled 28. Of these active members, 30 are foreign and 134 are local. There were nine inactive members for the year.

Human Resources

Management Department

The challenge to improve productivity and enhance the quality of output of the Exchange's human resources was the constant guiding principle of the Human Resources Management Department (HRMD) in 1999, as it further reinforced PSE's strategic business goals. HRMD – encouraged by the experts' prediction of a resurgent economy and the development of global orientation – pursued its thrust of improving organizational synergy, managerial and technical competence, and manpower quality.

One hundred eighty employees attended various external training courses, while an even greater number received update briefings on policies, procedures and operations at the homefront as the new PSE Employee Handbook and KRA Monitoring System were put in place. Programs on employee health and wellness, with the annual physical examination as basic benefit, were broadened with the holding of seminars on holistic health management, faster processing of benefits and the shifting to a better health maintenance provider.

Spearheading the corporate-wide team development efforts were the Summer Outdoor Workshop at Splash Island, the highly-acclaimed PSE Chorale, and the well-organized Christmas get-together.

The Department's persistence in building a better human resources component led to the adoption of a more efficient and aggressive recruitment program. It

established liaisons with schools and professional organizations, increased its involvement in job fairs, and introduced the campus recruitment program where 25 practicum trainees with potential for future hiring participated. Likewise giving further impetus to a more precise screening process was the completion of the manual of job descriptions for all positions in the Company. Twenty new employees joined the company in 1999.

In addition to its maintenance functions such as the monitoring of the compensation and benefits system, timekeeping and the key performance areas, as well as its role of managing various personnel systems and data banks – the Department will undertake new projects in 2000, making it an exceptionally busy year. These are the ISO project; the production and regular release of a corporate newsletter; the creation of a comprehensive policies and procedures manual; and the mapping out of various internal training strategies focused on the five Corporate Values – Efficiency, Orderliness, Fairness, Integrity and Transparency.

PSE

Foundation, Inc.

Though rapid technological advances compete with each other at the turn of the new millennium, there are expectations that remain unfulfilled because of unsettling social situations confronting society.

Yet, we are proud of our accomplishments for this year as it gave impetus to our commitment to our mission: to contribute to the creation of an environment that enables the building of a stable economy, of fair, free and favorable societies; of better prospects; improved social integration and humane standards of living for all.

Funded projects for the development of the capital market such as the SME (Small & Medium Enterprise) and the PIAC (Public Information and





Assistance Center) yielded positive results. The SME campaign, launched in the 4th quarter of 1998, has already covered regions I to XII, and is still ongoing to eventually cover the rest of the Philippines. While encouraging the SMEs to list their shares in the stock exchange, the campaign helps build public awareness about the local equities market through seminars and dissemination of stock market materials.

On the other hand, the Public Information & Assistance Center (PIAC) is now in full operation, serving and answering queries and complaints of the investing public.

Close to a total of P1M cash donations were made in 1999, giving priority to youth education, training, recovery and health.

The PSE Foundation, Inc. (PSEFI) committed P0.5M to help build a drop-in center for street children in Payatas, Quezon City. The center, which will be called the Philippine Stock Exchange Foundation Hope Youth Center, will serve as a refuge for street children from domestic violence, abuse and child labor. P200K was donated to the children of Tuloy sa Don Bosco Foundation (Don Bosco) for rice subsidy, while P20K was given to CFC Angkop Foundation (CFCAF) to help fund its arts and theater program that trains poor but talented youths.

Don Bosco and CFCAF were two of the biggest past recipients of PSEFI. A 4-storey school building was donated to Don Bosco in 1996 while a multi-purpose center was given to CFCAF in 1998. At present, Don Bosco is accommodating and feeding 240 street children daily. Out of the 240 children, 120 were already rehabilitated and enrolled in PSEFI-donated Tuloy Sa Don Bosco school under a special curriculum designed for them by the Department of Education Culture & Sports (DECS).

In mid-1999 many people died and thousands of East Timorese were cut off from food supplies and drinking water because of civil unrest in that land. In spite of its meager resources, PSEFI responded to the call of the Humanitarian Mission for East Timor and donated P150K through Caritas Manila.

Toward the end of the year, the PSE management and staff demonstrated their generosity by participating

in the global fund raising campaign for children called "Children's Hour". Majority of the employees donated their one-hour salary to the program while some shared a whole day's wage.

Finally, in keeping with our belief that assistance must be coupled with empowerment, the PSEFI will continue to focus on helping people redeem their worth, realize their potential, and discover and develop their ability to help themselves.

The PCD & the SCCP

The country's stock market saw in 1999 a more relevant and efficient *Philippine Central Depository, Inc.* (PCD), and a more thorough and proficiently structured *Securities Clearing Corporation of the Philippines (SCCP)*. In their continuing efforts to achieve excellence in service, the management and staff of the two bodies have, with consistency and care, chosen tools and employed ways to equip themselves and ensure that they not only deliver, but that they are in step with their more advanced counterparts. Summaries of the year's highlights of both bodies that are presented here speak for themselves.

The *Philippine Central Depository, Inc.* started 1999 by opening its doors to individual investors via the Client Account Registry or CAR facility of the PCD system. This facility allows individual investors to maintain their own securities account separate from their broker's account. Securities transactions in the PCD system are carried out by PCD on behalf of the CAR Participant and in accordance with the Participant's instruction. To provide investors with more options to participate in scripless trading, another new service called the Sub-Account Registry or SAR was introduced in September. SAR enables stock market investors to monitor their individual holdings in PCD since their holdings are not co-mingled with their broker's.

A landmark occasion for PCD is the participation of the Government Service Insurance System (GSIS) in the first quarter of the year. GSIS joins the roster of direct participants in the financial institutions category.

During the year, PCD was actively involved in the following: 1) Philippine Domestic Dollar Transfer System (PDDTS) where PCD provides the clearing facility for domestic dollar transfers

between banks on a real time gross settlement basis; 2) subscription to Stock Rights Offering relative to PCD book-entry shares which is now done through the PCD system; 3) Manulife demutualization process; 4) ABS-CBN Philippine Deposit Receipts offering; 5) Launching of the Securities for Lending Pool facility, a bulletin board system where securities for lending can be posted for other participants to see; 6) New lodgment and uplift procedure with Hongkong Shanghai Banking Corporation the first to adapt the new procedures for its Manulife shares; 7) Y2K preparations and testing; and 8) upgrade of its mainframe computer and network security system.

The **Securities Clearing Corporation of the Philippines (SCCP)** has been steadfast in its pursuit for growth and development. Led by Mr. Carlos L. Velayo, Jr., SCCP Chief Operating Officer, the Philippine clearinghouse prepared itself well and ready to carry out all the three functions that it was mandated to perform. These functions include the (1) Delivery Versus Payment (DVP) method of settlement; (2) Fails Management and Administration of the Clearing and Trade Guaranty Fund (CTGF), and (3) Risk Monitoring and Management.

DVP Method of Settlement

The SCCP has conducted various presentations and meetings as part of an information drive and its continuous efforts to refine the present DVP Settlement System. Enhancements of the System were studied, proposed and reviewed by SCCP together with the SEC and the Accelerating Growth Investment and Liberalization with Equity (AGILE), a US-based capital markets consultancy firm recommended by the USAID. Coordination meetings with the Settlement Banks and with the PCD have also been held to ensure a continuous smooth settlement process.

The DVP Trade Settlement has been in operation since December 7, 1998. On January 22, 1999, the sending of Daily Notices to settlement deadline violators was implemented. From then on, member brokers were given reminders/notices whenever they do not meet the securities delivery, cash payment. In

addition, SCCP has also begun the statistical monitoring of settlement information at both industry and per broker levels, enabling the generation of various settlement reports.

Fails Management and Administration of the CTGF

In its Resolution No. 19, Series of 1999, dated August 11, the Philippine

Stock Exchange (PSE) Board of Governors authorized SCCP to implement the Fails Management System (FMS) as well as manage the CTGF. All rules and operating procedures pertaining to this function have been finalized and are ready for implementation. The FMS has also been redesigned to include the Buy-In/Sell-Out Procedures. With the effective implementation of the FMS, settlement failures have been properly addressed and overnight fails were resolved.

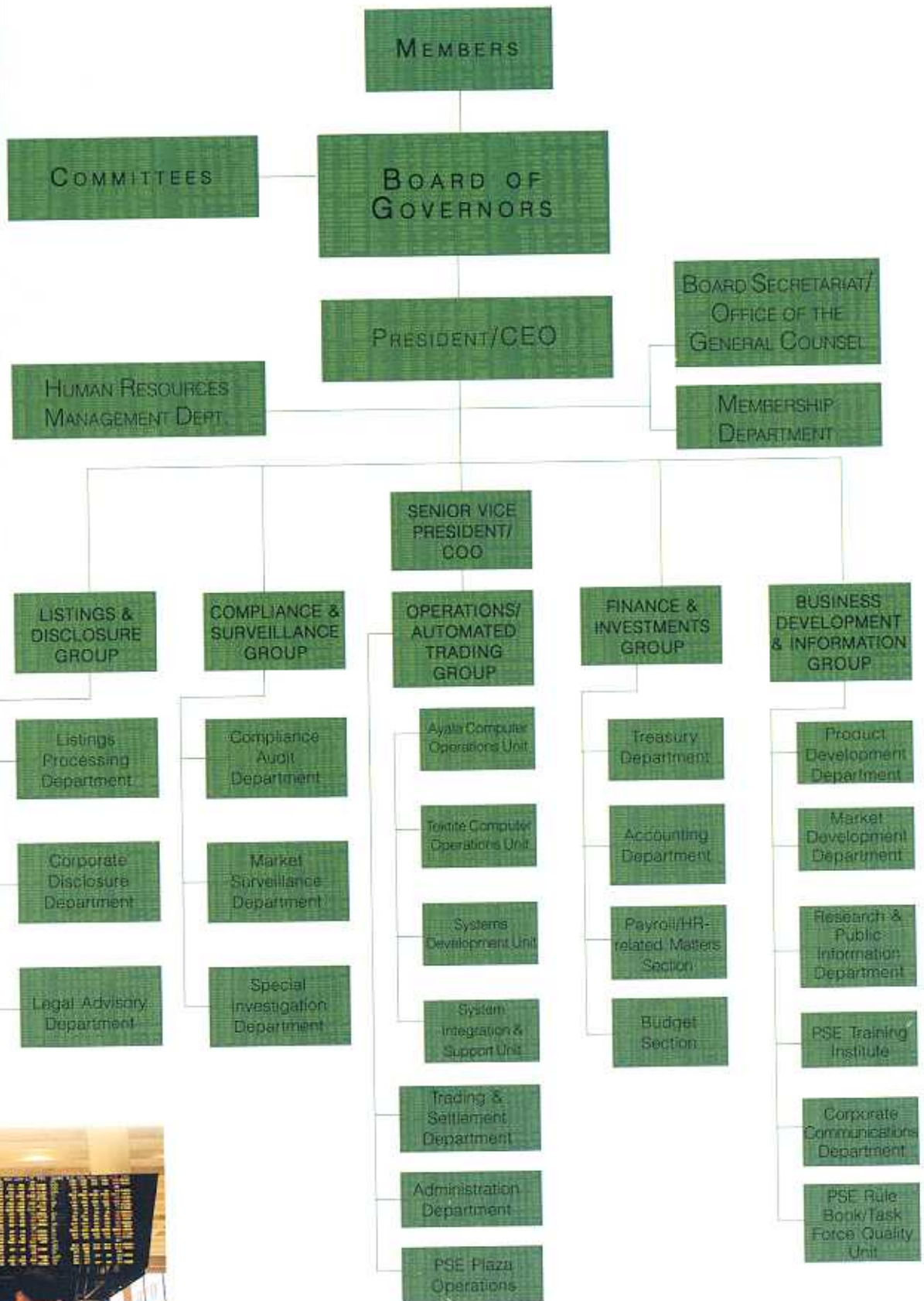
In accordance with the SCCP Rules and Operating Procedures, the SCCP Investment Committee was established. Also, part of the clearing fund was turned over by the PSE to SCCP, as directed by the SEC, at the close of the year.

Risk Monitoring and Management

An important component of the Risk Monitoring and Management function, the Mark to Market Collateral Deposit System which aims to eliminate Market Price Fluctuation Risk, has been developed and is ready for implementation. The related method of calculation, "collateralization" policies and procedures, and implementing guidelines were devised, studied and finalized. Daily Mark to Market calculations of unsettled trades and the generation of the daily reports were already being performed during the second half of the year.



Organizational Chart



LISTING COMMITTEE

Joseph Y. Roxas – Chairman

Ismael G. Cruz

Omar T. Cruz

Filomeno G. Francisco

Federico C. Galang

Ramon C. Garcia, Jr.

David C. Go

Federico C. Lim

Harry G. Liu

Paulino S. Soo

Remy T. Tiguló

Emmanuel Edward C. Co

Management Representatives:

Ma. Isabel T. Garcia

Conchitina Gregorio-Panganiban

FLOOR TRADING & ARBITRATION COMMITTEE

Eddie T. Gobing – Chairman

Federico C. Lim

Manuel M. Mañalac, Jr.

Alejandro T. Yu

Joseph Y. Roxas

Virgilio de Silva, Sr.

Eden Wong

Elphege Wong

Management Representatives:

Efren C. Siron

Raul G. Ortiz

MEMBERSHIP COMMITTEE

Robert G. Coyiuto, Jr. – Chairman

Regina N. Balane

Emmanuel Edward C. Co

Eddie T. Gobing

Harry G. Liu

Edwin L. Luy

Raymond Peter Liao Unlay

Felipe U. Yap

Management Representatives:

Elizabeth C. Dinoy

Elizabeth M. Ravela

COMPUTER COMMITTEE

Emmanuel Edward C. Co - Chairman

Alfred A. Cabangon

Raymond Peter Liao Unlay

Elphege Wong

Ang Biao

Management Representative:

Efren C. Siron

SPORTS COMMITTEE

Edwin L. Luy – Chairman

Eddie T. Gobing

Eddie S. Jose

Raymond Peter Liao Unlay

Elphege Wong

Alejandro T. Yu

Management Representatives:

Elizabeth C. Dinoy

Charito S. Morales

MANAGEMENT AUDIT/ FINANCE COMMITTEE

Augusto M. Cosio, Jr. – Chairman

Ismael G. Cruz

Filomeno G. Francisco

Ramon T. Garcia

Rogildo Lara

Eduardo V. Litonjua, Jr.

Management Representatives:

Corazon A. Padua

Jose Fernando T. Alcantara

Lilian Elizabeth D. Ribaya



BUSINESS DEVELOPMENT COMMITTEE

Omar T. Cruz – Chairman
Conrad F. Bate
Filomeno G. Francisco
Michael Huang
Vicente R. Jayme, Sr.
Rogildo Lara
Edward K. Lee
Joseph R. Madrid
Charles H. Shih
Wilson Sy
Margarito B. Teves
Edwin Villanueva
Francisco F. Villaroman

Management Representatives:

Jose Fernando T. Alicantara
Emily P. Buenaventura

LEGISLATIVE AFFAIRS COMMITTEE

Margarito B. Teves – Chairman
Jose G. Cervantes
Ismael G. Cruz
Rodolfo V. Cruz
Filomeno G. Francisco
Edgardo V. Guevara
Ramon T. Garcia
Harry G. Liu
Joseph Y. Roxas
Wilson Sy
Felipe U. Yap

Management Representative:

Jose Manuel L. Banayad

BUILDING COMMITTEE

Robert G. Coyuto, Jr. – Chairman
Ismael G. Cruz
David C. Go
Harry G. Liu
Wilson Sy
Felipe U. Yap

Management Representative:

Digna R. de los Reyes



BUSINESS CONDUCT & ETHICS COMMITTEE

Trinidad Y. Kalaw – Chairman
Robert G. Coyuto, Jr.
Edgardo V. Guevara
Vicente R. Jayme, Sr.
Federico C. Lim
Harry G. Liu
Felipe U. Yap

Management Representatives:

Ruben L. Almadro
Jinky A. Alora

BY-LAWS STUDY COMMITTEE

Vicente R. Jayme, Sr. – Chairman
Jose G. Cervantes
Filomeno G. Francisco
Ramon T. Garcia
Edgardo V. Guevara
Harry G. Liu

Management Representative:

Jose Manuel L. Banayad

HOUSE COMMITTEE

Alejandro T. de Castro – Chairman, PSE Plaza (Ayala)
Regina N. Balane – Chairman, PSE Centre (Tekitito)

Management Representatives:

Digna R. de los Reyes – PSE Centre (Tekitito)
Manuel L. Lopez – PSE Centre (Ayala)

Financial Highlights

	In Thousand Pesos		
	1999	1998	% Change
RESULTS OF OPERATIONS			
Total Income	208,638	183,498	14
Listing Fees	161,188	124,654	29
Subscription Fees	23,999	24,579	(2)
Total Operating Expenses	197,351	179,715	10
Income From Operations	11,286	3,782	198
Net Income After Tax	53,867	37,499	44
YEAR-END FINANCIAL CONDITION			
Total Assets	1,211,801	986,904	23
Short-term Cash Investments	585,035	389,066	50
Property and Equipment	419,525	441,288	(5)
Total Liabilities	305,421	134,390	127
Due to SEC	78,096	41,101	90
Due to Trade Guarantee Fund	119,201	66,650	79
Members' Equity	881,880	828,013	7

Financial *Statements*

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

The Board of Governors
The Philippine Stock Exchange, Inc.

We have audited the accompanying consolidated balance sheets of The Philippine Stock Exchange, Inc. and Subsidiary, and the parent company balance sheets of The Philippine Stock Exchange, Inc. as of December 31, 1999 and 1998, and the related statements of income and unappropriated retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Philippine Stock Exchange, Inc. and Subsidiary, and of The Philippine Stock Exchange, Inc. as of December 31, 1999 and 1998, and the results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles.

Sylip, Garcia, Velazco & Co.

Makati City
January 31, 2000

BALANCE SHEETS

	Consolidated		Parent Company	
	December 31			
	1999	1998	1999	1998
ASSETS				
Current Assets				
Cash	P53,497,669	P12,309,706	P10,944,888	P4,254,991
Short-term cash investments	585,035,487	389,065,805	585,035,487	389,065,805
Accounts receivable - net (Note 2)	26,076,231	38,278,908	26,574,338	40,931,909
Other current assets (Note 9)	13,938,478	8,049,862	13,919,886	8,013,570
Total Current Assets	678,547,865	447,704,581	636,474,599	442,266,275
Equity Investments (Note 3)	80,464,112	68,020,030	105,964,112	93,520,030
Property and Equipment - net (Note 4)	419,525,271	441,288,188	413,826,685	433,076,768
Other Assets (Note 9)	33,264,090	29,891,127	826,485	1,738,239
	P1,211,801,338	P986,903,626	P1,157,091,881	P970,601,312
LIABILITIES AND MEMBERS' EQUITY				
Current Liabilities				
Accounts payable and accrued expenses (Note 5)	P119,858,599	P59,899,360	P119,649,142	P58,869,591
Income tax payable	3,478,469	2,001,685	3,478,469	2,001,685
Other current liabilities (Note 6)	182,084,029	72,489,235	152,084,029	81,716,690
Total Current Liabilities	305,421,097	134,390,280	275,211,640	142,587,966
Minority Interest in Consolidated Subsidiary	24,500,000	24,500,000	-	-
Members' Equity (Note 7)	881,880,241	828,013,346	881,880,241	828,013,346
	P1,211,801,338	P986,903,626	P1,157,091,881	P970,601,312

See accompanying Notes to Financial Statements.

STATEMENTS OF INCOME AND UNAPPROPRIATED RETAINED EARNINGS

	Years Ended December 31	
	1999	1998
OPERATING INCOME		
Listing related income:		
Listing fees	P161,187,959	P124,653,753
Processing fees	1,086,440	792,000
Membership:		
Subscription fees	23,998,822	24,579,030
Entrance fees	2,269,840	1,700,000
Membership assessment fees	1,442,973	1,318,500
Data feed income	10,207,988	10,414,512
Miscellaneous	8,443,765	20,039,953
	208,637,787	183,497,748
OPERATING EXPENSES		
Compensation and other related staff expenses (Note 8)	62,891,119	57,595,978
Occupancy costs:		
Depreciation	31,309,235	30,479,608
Light, telephone and water	9,590,237	9,276,312
Rent and condominium dues	6,542,589	6,292,990
Security and janitorial services	4,305,530	5,032,323
Repairs and maintenance	2,492,087	2,636,257
Trade guaranty expense (Note 6)	30,000,000	-
Trading technology, computer maintenance and other trading - related expenses:		
Depreciation	13,485,549	29,773,124
Computer repairs and maintenance	4,721,429	4,938,835
Computer link-up	1,717,632	2,980,483
Others	-	86,819
Professional fees	3,250,893	3,664,956
Membership development expenses	3,197,559	3,140,287
Donations and contributions	-	3,000,000
Market development expenses	20,323	2,975,254
Administration expenses:		
Office expenses	2,619,117	3,026,199
Travel and transportation	1,747,204	2,829,833
Conferences, meetings and seminars	561,229	779,521
Others	14,194,103	10,289,197
Provision for doubtful accounts	4,705,580	917,371
	197,351,415	179,715,347
INCOME FROM OPERATIONS	11,286,372	3,782,401
NON-OPERATING INCOME (CHARGES)		
Interest income - net	42,855,937	53,692,590
Equity in net gain (loss) of a subsidiary (Note 3)	12,444,082	(7,727,088)
Foreign exchange gain (loss)	424,483	(199,323)
	55,724,502	45,766,179

(Forward)

	Years Ended December 31	
	1999	1998
INCOME BEFORE INCOME TAX	₱67,010,874	₱49,548,580
PROVISION FOR INCOME TAX (Note 9)	13,143,979	12,049,294
NET INCOME	53,866,895	37,499,286
UNAPPROPRIATED RETAINED EARNINGS AT BEGINNING OF YEAR	164,228,954	126,729,668
UNAPPROPRIATED RETAINED EARNINGS AT END OF YEAR (Note 7)	₱218,095,849	₱164,228,954

See accompanying Notes to Financial Statements.

STATEMENTS OF CASH FLOWS

	Consolidated		Parent Company	
	Years Ended December 31			
	1999	1998	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income	P53,866,895	P37,499,286	P53,866,895	P37,499,286
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	44,794,784	60,252,732	44,794,784	60,252,732
Equity in net earnings (loss) of a subsidiary	(12,444,082)	7,727,088	(12,444,082)	7,727,088
Provision for doubtful accounts	4,705,580	917,371	4,705,580	917,371
Accounts written-off	(4,705,580)	-	(4,705,580)	-
Provision for (benefit from) deferred income tax	837,632	(687,860)	837,632	(687,860)
Changes in operating assets and liabilities:				
Decrease (increase) in:				
Accounts receivable	12,202,677	(12,070,851)	14,357,571	(14,723,852)
Other current assets	(6,726,248)	7,181,603	(6,743,948)	7,188,245
Other assets	(3,372,963)	(11,488,338)	911,754	(494,637)
Increase (decrease) in:				
Accounts payable and accrued expenses	59,959,239	(12,718,657)	60,779,551	(13,638,547)
Income tax payable	1,476,784	1,925,368	1,476,784	1,925,368
Other current liabilities	109,594,794	(2,236,980)	70,367,339	(2,274,816)
Net cash provided by operating activities	260,189,512	76,300,762	228,204,280	83,690,378
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in short-term investments	(32,119,661)	28,098,400	(32,119,661)	28,098,400
Net acquisitions of property and equipment	(23,031,867)	(9,172,498)	(25,544,701)	(10,709,943)
Increase in minority interest in consolidated Subsidiary	-	13,291,200	-	-
Net cash provided by (used in) investing activities	(55,151,528)	32,217,102	(57,664,362)	17,388,457
NET INCREASE IN CASH AND CASH EQUIVALENTS	205,037,984	108,517,864	170,539,918	101,078,835
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	369,780,311	261,262,447	361,725,596	260,646,761
CASH AND CASH EQUIVALENTS AT END OF YEAR	P574,818,295	P369,780,311	P532,265,514	P361,725,596
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION				
Cash and cash equivalents at end of year:				
Cash	P53,497,669	12,309,706	P10,944,888	P4,254,991
Short-term cash investments maturing within three months	521,320,626	357,470,605	521,320,626	357,470,605
Cash payments for income tax	10,790,697	10,811,786	10,790,697	10,811,786

See accompanying Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of The Philippine Stock Exchange, Inc. (Parent Company) and its subsidiary, Securities Clearing Corporation of the Philippines (SCCP), after eliminating significant intercompany balances and transactions.

SCCP has not yet started commercial operations as of December 31, 1999.

Cash Equivalents

Short-term cash investments with maturities of three months or less are considered cash equivalents.

Equity Investments

Equity investments in companies in which the Parent Company's percentage of ownership is 20% or more or where significant influence is exercised are accounted for under the equity method. Under the equity method, the cost of the investments is increased or decreased by the equity in net earnings or losses of the investees since dates of acquisition. Dividends received are treated as a reduction from the carrying value of investments.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are amortized over their estimated useful lives or the remaining periods of the lease agreements, whichever is shorter.

Minor repairs and maintenance are charged to expense as incurred; significant renewals and improvements are capitalized. When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation and amortization are removed from the accounts and any resulting gain or loss is charged to operations for the year.

Foreign Exchange Transactions

Foreign currency assets and liabilities are stated at exchange rates prevailing at balance sheet date. Foreign exchange gains or losses are credited or charged to current operations, except those pertaining to foreign currency liabilities related to the acquisition of property and equipment which are included in the carrying amount of such assets.

Preoperating Expenses

Expenses incurred prior to the start of the Subsidiary's commercial operations are capitalized. These expenses are to be amortized over 5 years from the start of commercial operations.

Deferred Income Tax

The Parent Company applies deferred income tax accounting using the liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to the difference between the financial reporting and the related tax bases of assets and liabilities. Under the liability method, deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Retirement Plan

The Parent Company's retirement expense is determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporate assumptions concerning employees' projected salaries. Unrecognized experience adjustments and past service costs are amortized over the expected remaining working lives of employees.

2. Accounts Receivable

This account consists of receivables from:

	Consolidated		Parent Company	
	1999	1998	1999	1998
Members	₱18,474,988	₱32,253,895	₱18,474,988	₱32,253,895
Listed companies	1,718,700	99,900	1,718,700	99,900
Others	6,707,543	6,750,113	7,205,650	9,403,114
	26,901,231	39,103,908	27,399,338	41,756,909
Less allowance for doubtful Accounts	825,000	825,000	825,000	825,000
	₱26,076,231	₱38,278,908	₱26,574,338	₱40,931,909

Under The Philippine Stock Exchange (PSE) rules, all exchange membership seats are pledged at its full value to the Parent Company to secure the payment of debts due to other members of the exchange arising out of or in connection with the present or future members' contracts. As of December 31, 1999 and 1998, market value of a membership seat at the PSE is about ₱31 million and ₱30 million, respectively.

On this basis, no provision for uncollectible accounts was provided on past due accounts of the member brokers.

3. Equity Investments

This account consists of investments in:

	Consolidated		Parent Company	
	1999	1998	1999	1998
Acquisition costs of:				
Philippine Central Depository, Inc. (PCDI) – 30% owned	₱75,000,000	₱75,000,000	₱75,000,000	₱75,000,000
PCDI redeemable preferred shares	4,294,000	4,294,000	4,294,000	4,294,000
SCCP – 51% owned	-	-	25,500,000	25,500,000
	79,294,000	79,294,000	104,794,000	104,794,000
Accumulated equity in net earnings (loss):				
Balance at beginning of year	(11,273,970)	(3,546,882)	(11,273,970)	(3,546,882)
Equity in net earnings (loss) for the year	12,444,082	(7,727,088)	12,444,082	(7,727,088)
Balance at end of year	1,170,112	(11,273,970)	1,170,112	(11,273,970)
	₱80,464,112	68,020,030	₱105,964,112	₱93,520,030

The Securities and Exchange Commission (SEC), in its letter dated November 16, 1999, directed the Parent Company to reduce not later than March 31, 2000 its ownership in the SCCP to not more than twenty percent (20%) of the outstanding capital stock and for the PCDI to take on the Parent Company's holding without prejudice to whatever agreement PCDI may have with the other stockholders of the SCCP.

4. Property and Equipment

This account consists of:

	Consolidated		Parent Company	
	1999	1998	1999	1998
Buildings	P224,895,034	P224,895,034	P224,895,034	P224,895,034
Trading systems	151,651,129	130,943,201	151,651,129	130,943,201
Building improvements	112,093,376	110,681,662	112,093,376	110,681,662
Computer hardware, software and peripherals	54,805,387	53,570,310	47,422,200	46,284,363
Furniture and fixtures	40,504,684	39,373,846	39,976,828	39,373,846
Office and communication equipment	6,919,561	7,094,330	6,919,561	6,566,474
Transportation equipment	5,338,091	6,154,455	3,838,091	4,654,455
Leasehold improvements	3,598,970	3,598,970	-	-
Others	1,246,945	817,833	1,246,945	817,833
	601,053,177	577,129,641	588,043,164	564,216,868
Less accumulated depreciation and amortization	337,218,060	291,531,607	329,906,633	286,830,254
	263,835,117	285,598,034	258,136,531	277,386,614
Donated shares in condominium corporation	155,690,154	155,690,154	155,690,154	155,690,154
	P419,525,271	P441,288,188	P413,826,685	P433,076,768

Buildings represent the donations of Philippine Realty and Holdings Corporation (PRHC) and Ayala Land, Inc. (ALI).

The PRHC donation is comprised of the Parent Company's offices at the PSE Centre in Pasig City which house exclusively the following: a) trading floors; b) board room; c) executive offices; d) training and education center; and e) research, administrative and accounting offices, library and central files. Such offices were donated by PRHC on September 29, 1993 but were formally turned over to the Parent Company on December 31, 1994 at a value of P 139,542,000.

As provided in the Deed of Donation between PRHC and the Parent Company, the latter shall use the offices exclusively for its stock exchange and stock trading operations for a period of at least 10 years from the date of its occupancy in said offices. However, should the Parent Company fail to locate their trading floor at the donated property, this shall revert to PRHC without need of any further act or deed. However, if within the 10 year period, the Parent Company's stock trading activities shall be conducted off-floor, the trading floor established in the condominium units or portions thereof may, at the Parent Company's option and sole cost, be converted into additional offices for its exclusive use.

On August 25, 1993, ALI donated to the Parent Company the sum of ₱80 million (₱30 million of which through a transfer of rights by the Makati Stock Exchange) to cover the cost of the construction of the unit at the PSE Plaza in Ayala Avenue, Makati City and its appurtenant parking slots, and condominium shares valued at ₱155,690,154.

The deed of donation provides that the units at the PSE Plaza will house one of the trading floors of the Parent Company, the central clearing and depository and a number of parking lots. In addition, the donee shall use the Exchange units for a period of at least ten (10) years from the date of the donee's occupancy of the said units.

ALI established a stock condominium corporation, the Tower One and PSE Exchange Plaza Condominium Corporation, for the purpose of holding title to the parcel of land where the condominium is located and the common areas of the condominium. The donated condominium shares represent the Parent Company's share in the said condominium corporation.

In the special membership meeting on December 11, 1998, the members ratified the acceptance by the PSE Board of Governors of the donation of Fort Bonifacio Development Corporation consisting of land and building for the unified trading hall and headquarters of a unified Exchange, subject to the execution of a final contract and deed of donation.

5. Accounts Payable and Accrued Expenses

This account consists of:

	Consolidated		Parent Company	
	1999	1998	1999	1998
Due to SEC	₱78,096,348	₱41,101,273	₱78,096,348	₱41,101,273
Accrued expenses payable	23,968,011	17,022,354	23,758,554	15,992,585
Accounts payable	17,794,240	1,775,733	17,794,240	1,775,733
	₱119,858,599	₱59,899,360	₱119,649,142	₱58,869,591

The amount due to the SEC represents license fees to operate an exchange imposed under Section 54 of the Revised Securities Act.

6. Other Current Liabilities

This account consists of payable to:

	Consolidated		Parent Company	
	1999	1998	1999	1998
Clearing and Trade Guarantee Fund (CTGF)	₱119,201,295	₱66,650,373	₱89,201,295	₱66,650,373
Account under escrow	27,310,900	-	27,310,900	-
Securities Investment Protection Fund	4,521,096	3,861,724	4,521,096	3,861,724
Subscription payable (SCCP)				9,227,455
Others	31,050,738	1,977,138	31,050,738	1,977,138
	₱182,084,029	₱72,489,235	₱152,084,029	₱81,716,690

The CTGF aims to guarantee brokers' clearing default. The fund consists of members' and the Parent Company's contribution plus interest of the fund.

To hasten the build-up of the CTGF the SEC, on December 7, 1999, issued a directive to the Parent Company to contribute a portion of its income as trade guaranty expense. The amount allocated by the Parent Company to the CTGF amounted to ₱30 million in 1999. In December 1999 and January 2000, the Parent Company transferred ₱30 million and ₱86.8 million, respectively, to SCCP, which is tasked to manage the CTGF.

7. Members' Equity

This account consists of:

	1999	1998
Donated capital (see Note 4):		
ALI	₱235,690,154	₱235,690,154
PRHC	139,542,000	139,542,000
USAID	1,925,250	1,925,250
	377,157,404	377,157,404
Membership contributions:		
Initial cash contributions	186,000	186,000
For computer link-up	8,996,690	8,996,690
For PSE operating expenses	70,000,000	70,000,000
For PSE interiors	126,444,297	126,444,297
Sale of seats	81,000,001	81,000,001
	286,626,988	286,626,988
Unappropriated retained earnings	218,095,849	164,228,924
	₱881,880,241	₱828,013,346

8. Retirement Plan

The Parent Company has a funded, noncontributory defined benefit retirement plan covering all regular employees. The benefits are based on years of service and compensation per year of credited service. The Parent Company's annual contribution to the retirement plan consists of a payment covering the current service cost for the year plus a payment toward funding the actuarial accrued liability. Total retirement expense amounted to P4,024,656 in 1998.

Actuarial valuations are made at least every three years. At December 31, 1999, the latest actuarial valuation, the actuarial present value of retirement benefits amounted to P 10,136,515. The fair value of the plan assets amounted to P 13,181,256. As of December 1999, the net asset value of plan exceeded actuarial retirement benefits by P3,044,741 million. Accordingly, no accrual for retirement was made in 1999. The principal actuarial assumptions used to determine retirement benefits were 10% discount rate, salary increases and return on plan assets.

9. Income Taxes

Provision for income tax consists of:

	1999	1998
Final	₱8,827,878	P10,735,469
Current	3,478,469	2,001,685
Deferred	837,632	(687,860)
	₱13,143,979	P12,049,294

Deferred tax assets amounting to P867,798 and P1,705,430 in 1999 and 1998, respectively, refer to the related tax effects of unamortized past service cost, unfunded retirement liability and allowance for doubtful accounts. These are shown as part of other current assets and other assets accounts in the balance sheets.

A reconciliation of statutory income tax to provision for income tax follows:

	1999	1998
Statutory income tax	₱22,113,588	P16,846,517
Reductions in income tax resulting from:		
Interest income subjected to final tax	(5,754,940)	(7,520,012)
Equity in net (earnings) loss of a subsidiary	(4,106,547)	2,627,210
Nondeductible expense	909,241	-
Income tax rates differential	(17,363)	95,579
	₱13,143,979	P12,049,294

On December 11, 1997, Republic Act No. 8424 entitled "An Act Amending the National Internal Revenue Code, As Amended, And For Other Purposes," was passed into law effective January 1, 1998. Among others, the Act includes the following significant revisions to the rules of taxation:

- Change in the corporate income tax rate from 35% to 34% in 1998, 33% in 1999, and 32% in 2000 and onwards;

- b. Imposition of minimum corporate income tax (MCIT) of 2% of gross income, as defined. MCIT is imposed whenever a corporation has zero or negative taxable income or whenever the amount of the MCIT is greater than the normal tax due from such corporation. Excess MCIT may be carried forward for the three immediately succeeding taxable years;
- c. Imposition on the employer of a final tax on grossed-up monetary value of fringe benefits granted to employees (except rank and file) at the following rates: 34% in 1998, 33% in 1999, and 32% in 2000 and onwards;
- d. Reduction of the interest allowed as a deductible expense by an amount equivalent to a certain percentage of the interest income subjected to final tax as follows: 41% starting January 1, 1998, 39% starting January 1, 1999, and 38% starting January 1, 2000 and onwards; and
- e. Introduction of a three-year net operating loss carryover.

10. Contingencies

The Parent Company is contingently liable for lawsuits or claims filed by third parties, which decisions are either pending in the courts or under negotiation, the outcomes of which are not presently determinable. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material effect on the Parent Company's financial statements.

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as of February 14, 2000

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Telefax: 722-0132
E-mail: Baseccm@info.com.ph

- 122**
BELSON SECURITIES, INC.
 Federico C. Lim (Nominee)
 4/F Belson House, 271 EDSA
 Mandaluyong City
 Tel. Off.: 724-7586 to 90; 724-7580
 Exch.: 891-9860 to 68
 Fax No.: 721-9238
- 123**
BENJAMIN CO CA & COMPANY, INC.
 Benjamin Co Ca (Nominee)
 Rm. 301 Downtown Center Bldg.
 516 Quintin Paredes St., Binondo, Manila
 Tel. Off.: 241-1261; 241-1345
 Exch.: 634-5186 to 90
 Fax No.: 241-1261
- 272**
BERNAD SECURITIES, INC.
 Elphege Wong (Nominee)
 1057 M.H. del Pilar St., Ermita, Manila
 Tel. Off.: 521-1125; 524-5186; 524-5388;
 524-5267; 524-3897; 524-5326
 Exch.: 635-6756 to 80; 635-5665;
 633-9409; 633-9841
 Fax No.: 523-7907
- 207**
BNP PRIME PEREGRINE SECURITIES, INC.
 14th Floor, PCIB Tower 2, Makati Avenue
 cor. H. V. de la Costa Street, Makati City
 Tel. Off.: 891-2681 to 85
 Fax No.: 751-8196
- 126**
BPI SECURITIES CORPORATION
 Unit 911, Tower One & Exchange Plaza,
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 759-4634 to 08; 750-7670 to 73
 Marketing: 891-9262 / 64
 Office of the President: 845-5537
 Exch.: 891-9930 to 31; 891-9260
 Fax No.: 759-4605; 891-9263
- 128**
CAMPOS, LANUZA & COMPANY, INC.
 Gerardo O. Lanuza, Jr.
 Unit 2003-B, PSE Centre
 Exchange Road, Ortigas Center, Pasig City
 P.O. Box 12328 Ortigas Center, 1605 Pasig
 Tel. Off.: 634-6881 to 87
 Exch.: 636-3001 to 05
 Fax No.: 636-1167
- 271**
CAPITOL SECURITIES ONE, INC.
 Sulficio Tagud, Jr. (Nominee)
 31/F PSE Centre West Tower, Exchange
 Road, Ortigas Center, Pasig City
 Tel. No. (Trunkline) 637-0844
 (Marketing) 631-6915; 637-3156
 (Research) 637-3152
 Exch.: 634-6282
 Fax No.: 631-7064
 E-mail: cs1main@mail.info.com.ph
 (Marketing) mktg_cs1@mail.info.com.ph
 (Research) cs1rsch@mail.info.com.ph
 (Operations) ops1cs1@mail.info.com.ph
- 129**
CATHAY SECURITIES CO., INC.
 John Kenneth L. Ocampo (Nominee)
 1203-A East Tower, PSE Centre,
 Exchange Rd., Ortigas Center, Pasig City
 Tel. Off.: 638-3548 to 50
 Exch.: 634-6664; 634-6668
 Fax No.: 638-3570
- 186**
CDIB VENTURE INVESTMENT (ASIA) LIMITED
 Joseph T. G. Tseng (Nominee)
 Unit 1002, Antel Corporate Center
 139 Valero Street, Salcedo Village, Makati City
 Tel. Off.: 867-2181
 Fax No.: 867-2349
- 130**
CENTURY SECURITIES CORPORATION
 Chan Kok Bin
 Rm. 1105 Galleria Corporate Center
 EDSA cor. Ortigas Ave., Quezon City
 Tel. Off.: 633-7044 to 46
 Exch.: 891-9880 to 83
 Fax No.: 633-7047
- 173**
CHRISTFUND SECURITIES (PHILS), INC.
 Esteban Peña Sy (Nominee)
 1577 G. Araneta Avenue, Quezon City
 Tel. Off.: 363-0121
- 134**
**CITICORP SECURITIES INTERNATIONAL
 (RP), INC.**
 Omar T. Cruz (Nominee)
 5/F Citibank Centre
 8741 Paseo de Roxas, Makati City
 Tel. No.: (Trading Rm.) 894-7690; 894-7692
 (Sales) 894-7693 to 99
 (Research) 894-7826 to 29
 (Operations) 894-7844
 Exch.: 891-9561 to 62
 Fax No.: 894-7014
- 133**
CITISECURITIES, INC.
 Edward K. Lee (Nominee)
 Unit 2701 B PSE Centre, East Tower,
 Exchange Road, Ortigas Center, Pasig City
 Tel. Off.: 635-5735 to 40
 Exch.: 634-6976 to 80
 Fax No.: 634-6696
- 135**
CITYTRUST SECURITIES CORPORATION
 Alberto S. Villarosa (Nominee)
 4/F BPI Head Office
 Ayala Avenue cor. Paseo de Roxas, Makati
 Tel. Off.: 845-5725; 845-5733; 759-4607
 Exch.: 891-9260 to 64
 Fax No.: 759-4605
- 387**
COHERCO SECURITIES, INC.
 Wilfred T. Co (Nominee)
 240 Banawe cor. Panatiran Streets,
 Marikina, Quezon City
 Tel. Off.: (Trunkline) 363-7602
 Exch.: 634-1832; 634-1840; 634-1846;
 634-1873; 634-1986; 634-1993
 Fax No.: 364-6240
- 323**
**CREDIT LYONNAIS SECURITIES
 PHILIPPINES, INC.**
 18/F, Tower I, The Enterprise Center,
 6766 Ayala Avenue, Makati City
 Tel. Off.: (General Line) 886-5637 to 46
 (Research) 886-5679 to 80,
 886-5687 or 89; 886-5683
 (General Sales Line) 886-5647
 Exch.: 891-9229; 891-9386 to 87
 Fax No.: (General Line) 886-5692
- 141**
CUALOPING SECURITIES CORPORATION
 Victor Say Hipek (Nominee)
 Suite 1801 Tytana Centre,
 Plaza Lorenzo Ruiz, Binondo, Manila
 Trunkline: 242-4001 to 03
 Direct: 241-0262
 Exch.: 634-5745 to 46; 634-5180; 634-5755
 Fax No.: 241-0352
- 143**
DAVID GO SECURITIES CORPORATION
 David C. Go (Nominee)
 Rm. 309 Federation Center Bldg.
 Muelle de Binondo, Manila
 Tel. Off.: 242-2352; 242-2375 & 79;
 242-2297; 242-2467
 Exch.: 634-5048 to 49; 634-5417,
 634-5178 & 82; 634-6201
 Fax Nos.: 242-2375; 242-2379
- 142**
**DBP-DAIWA SECURITIES SB CAPITAL
 MARKETS PHILIPPINES, INC.**
 Hiroyuki Kaneko (Nominee)
 18th Flr., Citibank Tower
 8741 Paseo de Roxas, Makati City
 Tel. Off.: 813-7344; 813-7454; 813-7467
 Exch.: 891-9096 to 98; 891-9107 to 09;
 891-9118 to 19
 Fax No.: 848-01-05
- 369**
DBS SECURITIES PHILS., INC.
 Harold Yeo (Nominee)
 10/F-11/F Sage House Bldg., 110 Herrera
 St., Legaspi Village, Makati City
 Tel. Nos.: (Trunkline) 812-8361 to 68
 (Research) 751-6538 to 39;
 751-6541 to 42
 (Dealing) 817-6371; 817-6201;
 750-5869
 (Opns./Sett.) 750-5863; 750-5867
 (Accounting) 750-5861
 Exch.: 891-9131 to 33
 Fax Nos.: (Dealing) 815-1113
 (Research) 815-1141
 (Operations) 894-2251
 E-mail: (Marketing) dtssph@philcom.ph
 (Research) dbssecph@philcom.ph
 (Operations) dbssph@philcom.ph
- 145**
DIVERSIFIED SECURITIES, INC.
 Ramon C. Garcia, Jr. (Nominee)
 5th Floor PDCP Bank Centre
 Herrera Street cor. Alfaro Street,
 Salcedo Village, Makati City
 Tel. Off.: 892-2890; 892-4330; 753-5250 to 53
 Exch.: 633-9733; 633-9708; 636-0814;
 634-6630 to 31
 Fax No.: 892-4330
 Email: div888@ovoserve.com
 Website: www.dtrade.net
- 147**
E. CHUA CHIACO SECURITIES, INC.
 Ernesto Chua Chiaco
 115 Renta cor. Juan Luna Sts.,
 Binondo, Manila
 Tel. Off.: 242-5145; 241-9291 & 93
 Exch.: 891-9238 to 39; 891-9246 to 49
 Fax No.: 243-3232

283**EAGLE EQUITIES, INC.****Joseph Y. Roxas**

779 Harvard St., Mandaluyong City

Tel. Off.: 724-1684; 725-2777

Exch.: 634-6684; 634-6659; 634-6283

Fax No.: 725-2777

150**EASTERN SECURITIES DEV'T. CORP.****Benito Tan Guat**

Rm. 703, 7/F Tower 1 & Exchange Plaza

Ayala Ave. cor. Paseo de Roxas, Makati City

Tel. Off.: 848-5491 to 98

Exch.: 891-9340 to 46

Fax No.: 848-5501

149**EASTWEST CAPITAL CORPORATION****Edilberto B. Bravo**

1331 Angono St., Makati City

Tel. Off.: 897-6807; 897-6819 loc. 39

Exch.: 891-9801 to 04

Fax Nos.: 897-6807; 897-6805

Telex: 23120 UBX PH

151**EBC SECURITIES CORPORATION****Genevieve W. J. Go**

Rm. 401 EBC Building

262 Juan Luna St., Binondo, Manila

Tel. Off.: 241-5959; 241-6051 & 79

Exch.: 891-9290 to 94

153**EQUITWORLD SECURITIES, INC.****Antonio A. Lopa (Nominee)**

Suites 807-809 Tower 1 & Exchange Plaza

Ayala Ave. cor. Paseo de Roxas, Makati City

Tel. Off.: (Trunklines) 848-5401 to 06;

848-5408 to 10

(President/GM Off.) 848-5418/19

(Treasury/Transfer Off.) 848-5420

(Accounting Off.) 848-5407

(Personnel/Admin. Off.) 848-5422

Exch.: 891-9755 to 59

Fax No.: 848-5423

154**EVERGREEN STOCK BROKERAGE****& SECURITIES, INC.****Francisco S. Gaisano (Nominee)**

6/F, Tower 1 & Exchange Plaza

Ayala Ave. cor. Paseo de Roxas, Makati City

Tel. Off. & Exch.: 891-9451 to 58

Fax No.: 891-9459 to 60

162**F. YAP SECURITIES, INC.****Folipe U. Yap (Nominee)**

Unit 2301-2302 23/F PSE Centre

Exchange Road, Ortigas Center, Pasig City

Tel. Off.: 635-4125 to 30; 635-4141 to 42

Exch.: 634-5171; 634-5390 to 91;

634-6217 to 18; 634-6917

Fax Nos.: 635-2911 to 12

155**FEB STOCK BROKERS, INC.**

3/F Far East Bank Center

Sen. Gil Puyat Ave., Makati City

Tel. Off.: (Trading) 891-4442 to 44;

845-9888 loc. 9277

(Optns. & Sell.) 845-9321;

845-9323 to 24; 845-9317

Exch.: 891-9084 to 87

Fax No.: 891-4878

243**FIDELITY SECURITIES, INC.**

2/F JTKC Centre

2155 Pasong Tamo, Makati City

Tel. Off.: 818-6774; 812-6267

Exch.: 634-7110; 633-9707/09/11

Fax No.: 810-3538

156**FINVEST SECURITIES COMPANY, INC.**

Rm. 602 Sage House, 110 Herrera St.,

Legaspi Village, Makati City

Tel. Off.: 817-0249; 816-1011;

813-3010 & 16; 816-1250

Exch.: 891-9650 to 56

Fax No.: 817-4475

159**FIRST INTEGRATED CAPITAL SEC., INC.****Manuel M. Manalac, Jr. (Nominee)**

Units 1211-1212 Tower 1 & Exchange Plaza

Ayala Ave. cor. Paseo de Roxas, Makati City

Tel. Off. and Exch.: 759-4320 to 23;

891-9418 to 19

Fax No.: 759-4326

157**FIRST ORIENT SECURITIES, INC.****Trinidad Y. Kalaw (Nominee)**

Suite 1201, 12/F Tower 1 & Exchange Plaza

Ayala Ave. cor. Paseo de Roxas, Makati City

Tel. Off. & Exch.: 891-9240 to 45

Fax No.: 848-6175

160**FORTUNE SECURITIES, INC.****Alberto Gotuaco (Nominee)**

Greenfield Bldg. I, 750 Shaw Boulevard,

Mandaluyong City

Tel. Off.: 631-5432; 631-8651 loc. 134/135/137

Exch.: 891-9330 to 36

Fax No.: 631-4716

161**FRANCISCO ORTIGAS SECURITIES, INC.****Francisco M. Ortigas III (Nominee)**

Rm. 815 Ortigas Bldg., Ortigas Ave.,

Pasig City

Tel. Off.: 631-2674; 631-2733;

635-4952; 631-1231 loc. 67

Exch.: 634-5149 to 53

Fax No.: 631-2668

288**G. D. TAN & COMPANY, INC.****Gilbert Tan (Nominee)**

Unit 2203-A East Tower, PSE Centre

Exchange Road, Ortigas Center, Pasig City

Tel. Off.: 634-6256; 637-6253 to 55;

637-5692 to 87

Exch.: 634-5408 to 09; 634-5405 to 06;

634-6254 to 55; 634-5402; 633-9989

Fax No.: 637-6256

165**G. K. GOH SECURITIES (PHILS.), INC.****Joseph Gregson A. Castillo (Nominee)**

38/F C/D Rulino Pacific Tower

6784 Ayala Avenue, Makati City

Tel. Off.: 811-0930 to 33

Settlements: 811-1104

Accounting: 811-1105

Research: 811-1106

Sales/Dealing: 848-9968 to 69; 811-0009;

848-9971 to 72; 811-0061;

811-0203; 811-0289

Exch.: 891-8582 to 83

Fax No.: 811-1150 to 51

Telex: 62950 GKGSP I N

168**GLOBALINKS SECURITIES & STOCKS, INC.****David L. Wuson (Nominee)**

Rm. 706, Tower 1 & Exchange Plaza

Ayala Ave. cor. Paseo de Roxas, Makati City

Tel. Off.: (Telefax) 848-6341 to 43;

759-4136 to 37

Exch.: 891-9920 to 26

285**GOLDEN TOWER SEC. & HOLDINGS, INC.****Andres Lao Hian Liong**

4/F Vernida I Condominium

120 Amorsolo St., Legaspi Village, Makati City

Tel. Off.: 813-2639; 813-2945

Exch.: 891-9680 to 84

Fax No.: 813-0321

170**GOLDSTAR SECURITIES, INC.****Joseph K. Mancilla (Nominee)**

Unit 2201-B 22/F PSE Centre

Exchange Road, Ortigas Center, Pasig City

Tel. Off.: 636-0197; 633-7485 to 86

Exch.: 634-6765 & 69; 634-6983 & 87

Fax No.: 633-7487

172**GUILD SECURITIES, INC.****Antonio B. Alvarez (Nominee)**

Unit 1215 Tower 1 & Exchange Plaza

Ayala Ave. cor. Paseo de Roxas, Makati City

Tel. Off. & Exch.: 891-9232 to 37; 891-9230

Fax No.: 891-9231

171**GUOCO SECURITIES (PHILS.), INC.****Micky Yong (Nominee)**

15/F BA Lepanto Building

8747 Paseo de Roxas, Makati City

Tel. Off.: 810-6801 to 06

Exch.: 891-9256 to 58

Fax No.: 810-8113

175**H. E. BENNETT SECURITIES, INC.**

Room 207, Fil-Am Resources Building,

231 Juan Luna St., Binondo, Manila

Tel. Off. (Executive Office) 242-5733

Dealing Rm.: 241-6264; 241-6458

Acctg. & Settlements: 241-7369

Exch.: 634-5030 & 87; 634-6235; 634-9833

Telefax: 244-6181

174**HDI SECURITIES, INC.****Chia Kim Teck**

11/F Tower 1 & Exchange Plaza

Ayala Triangle, Ayala Avenue

Cor. Paseo de Roxas, Makati City

Tel. Off.: 891-9597 to 98; 891-9607 to 09;

891-9614 to 17

Exch.: 891-9502 to 10

Telefax: 891-9597

177**HIGHLAND SECURITIES PHILS., INC.****Vicente Jayme, Jr. (Nominee)**

Unit 1604-A, 16/F PSE Centre

Exchange Road, Ortigas Center, Pasig City

Tel. Off.: 634-7401 to 07; 634-7411 to 13

Exch.: 891-9519; 891-9106; 891-9478

Fax No.: 634-7414

- 178**
HK SECURITIES, INC.
 Rodolfo V. Cruz (Nominee)
 Suite 102, Columbia Tower
 Ortigas Avenue, Mandaluyong City
 Tel. Off.: 725-6356 to 57; 724-9967/69;
 724-6336; 724-6325
 Exch.: 891-9521 to 25
 Fax No.: 725-6360
 E-Mail: hksi@worldtelphil.com
- 268**
HSBC SECURITIES (PHILIPPINES), INC.
 Lorenzo S. Lichauco (Nominee)
 8/F, The Enterprise Center, Tower I
 6766 Ayala Avenue, Makati City
 Tel. No.: (General Line) 886-5980
 Exch.: 891-9195 to 96
 Fax Nos.: (General) 886-5979
 (Sales) 886-5973
 (Research) 886-5978
 (Operations) 886-5967
 E-mail: hjcp@phic.com.ph
- 179**
I. ACKERMAN & COMPANY, INC.
 Irving I. Ackerman (Nominee)
 Suite 705, 7/F Tower I & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 891-9070 to 72; 891-9074 & 75
 Exch.: 891-9070 to 76
 Fax No.: 891-9353
- 180**
I. B. GIMENEZ SECURITIES, INC.
 Ignacio B. Gimenez (Nominee)
 Unit 2703-A 27/F PSE Centre Tower I
 Exchange Road, Ortigas Center, Pasig City
 Tel. No.: (Operations) 634-2344 to 48
 (Trading Room) 636-1121 to 35;
 637-3849; 637-3824 to 43
 Exch.: 634-8262 to 65
 Fax No.: 634-2349
- 140**
IGC SECURITIES, INC.
 Ismael G. Cruz
 Suite 1006 Tower One & Exchange Plaza
 Ayala Triangle, Ayala Avenue, Makati City
 Tel. Off.: 759-4802 to 04; 891-9190 to 94
 Exch.: 891-9190 to 94
 Fax No.: 891-9194
 E-mail: igcsec@manila.com.ph
- 182**
IMPERIAL DE GUZMAN, ABALOS & CO., INC.
 Leonides C. Tictulco (Nominee)
 Greenfield Building I, 750 Shaw Boulevard,
 Mandaluyong City
 Tel. Off.: 633-2600 & 86; 631-8651 loc.
 144 to 146 & 148
 Exch.: 634-5161 & 68; 634-5739,
 634-5718 to 18
 Fax No.: 633-4718
- 108**
INDOSUEZ W. I. CARR (PHILIPPINES), INC.
 Emmanuel L. Samson (Nominee)
 17/F Citibank Tower, 8741 Paseo de Roxas,
 Makati City
 Tel. Off. and Exch.: (General) 848-0906
 (Dealing Rm) 848-0881 to 82;
 750-1117 to 18
 (Research) 848-0876
 (Operations) 848-0878
 Fax Nos.: (Research) 750-5611
 (Dealing Rm) 750-5612
 (Operations) 750-5618
 (General) 750-5610
- 121**
ING BARING SECURITIES (PHILS.), INC.
 Cesar Luis F. Bate (Nominee)
 20/F Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: (Dealing) 840-8400 / 891-9898
 Exch.: 848-5213; 848-5228,
 840-8480; 840-8483
 Fax Nos.: (Administration) 891-9777
 (Research) 891-9727
 (Dealing) 891-9797
 (Foreign Settlement) 891-9747
 (Local Settlement) 891-9767
 (Barings Int'l. Finance) 891-9838
 (Accounting) 891-9779
 (Information Tech.) 891-9722
 E-Mail: louie.bate@ing-barrings.com
- 183**
INTRA-INVEST SECURITIES, INC.
 Edgardo V. Guevara (Nominee)
 11/F ACT Tower, 135 Sen. Gil J. Puyat
 Ave., Salcedo Village, Makati City
 Tel. Off.: 893-4107; 813-8293; 813-8295,
 813-7863 to 64; 893-4114; 813-8294
 Exch.: 891-9206 to 08; 891-9197 to 98
 Fax No.: 892-1290
- 181**
INVESTORS SECURITIES, INC.
 Edward Go (Nominee)
 Unit M-VI-A Gallery Bldg
 Amoroso St., Makati City
 Tel. Off.: 843-1877; 843-1210
 Exch.: 891-9440 to 46
 Fax No.: 817-9989
- 188**
J. M. BARCELON & COMPANY, INC.
 Amparo V. Barcelon (Nominee)
 Rm. 301 3/F Pako Bldg., Pedro Gil cor. Dart
 & Gen. Luna Sts., Paco, Manila
 Tel. Off.: 529-6809
 Exch.: 635-0235 to 36; 635-5134
 Fax No.: 725-1004
- 125**
JAKA SECURITIES CORPORATION
 Katrina C. Ponce-Enrile (Nominee)
 Unit 814 Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 848-7122 to 24
 Exch.: 848-6413 to 15
 TeleFax: 848-7121
- 185**
**JARDINE FLEMING EXCHANGE CAP.
 SECURITIES, INC.**
 Conrado F. Bate (Nominee)
 22/F Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 General Line: 841-9800
 Exch.: 891-9310 to 15
 General Fax: 841-9802
- 265**
JOCRISON SECURITIES, INC.
 Jose Chong
 Unit 3003D, East Tower - PSE Centre,
 Exchange Road, Ortigas Center, Pasig City
 Tel. No.: 635-5156 to 59
 Fax No.: 635-5160
- 169**
JSG SECURITIES, INC.
 Jorge S. Go (Nominee)
 4/F A & T Building,
 244 Escolta St., Binondo, Manila
 Tel. Off.: 241-0594 to 98; 242-9424
 Exch.: 631-8887; 633-0285; 637-3159 to 61
 Fax No.: 242-9392
- 190**
KEPPEL SECURITIES PHILIPPINES, INC.
 Chan Yee Liang (Nominee)
 9/F, Units 9A & 9B, Country Space I
 Building, Sen. Gil Puyat Avenue, Makati City
 Tel. Off.: 812-2956 to 58; 813-3116 to 19;
 812-2966 to 67
 Exch.: 891-9470 to 74
 Fax No.: 813-8938
- 189**
KERRY SECURITIES (PHILS.), INC.
- 191**
KEY SECURITIES, INC.
 Koo Kiao-Go
 Unit 1410 Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 891-9320
 Exch.: 891-9320 to 22
 Fax No.: 848-6179
- 305**
L. M. GARCIA SECURITIES CORP.
 Leo McGuire Garcia (Nominee)
 Suite 1806A PSE Centre, Exchange Road,
 Ortigas Center, Pasig City
 Tel. Off.: 634-6211 to 12
 Telefax: 634-7167
- 193**
LARRGO SECURITIES COMPANY, INC.
 Maria Paz R. Laurel
 2/F Rufino Building
 6784 Ayala Ave., Makati City
 Tel. Off.: 810-1183; 810-1353 & 54;
 810-1440 & 46
 Exch.: 891-9530 to 33
 Fax No.: 817-2486
- 195**
LITONJUA SECURITIES, INC.
 Eduardo V. Litonjua, Jr. (Nominee)
 Rm. 205 DITZ Building
 444 T. M. Kalaw St., Manila
 Tel. Off.: 521-1951 to 57
 Exch.: 634-7178; 634-7478 to 79;
 634-5713; 632-7525
 Fax No.: 521-7692
- 197**
**LOPEZ, LOCSIN, LEDESMA &
 COMPANY, INC.**
 Dionisio Lopez (Nominee)
 Unit 702, 7/F Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 891-9642 to 43
 Exch.: 891-9640 to 41
 Fax No.: 848-6651
- 198**
LUCKY SECURITIES, INC.
 Eddie T. Gobing (Nominee)
 Unit 1402-B PSE Centre
 Exchange Road, Ortigas Center, Pasig City
 Tel. Off.: 634-6826; 634-6747 & 63;
 634-6796
 Exch.: 634-5382 to 84; 634-5411;
 634-5750 to 51; 634-5707
 Fax No.: 634-6826
- 199**
LUY'S SECURITIES COMPANY, INC.
 Enrique Luy
 1000 A. Mabini St., Ermita, Manila
 Tel. Off.: 525-1011; 523-5991; 523-1040;
 523-8311 to 19
 Exch.: 634-5175 to 76; 634-6523 to 24;
 634-6850 to 51
 Fax Nos.: 521-2098; 521-2104

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MAGNUM INTERNATIONAL SECURITIES, INC.
Cheah Yoke Phow (Nominee)
Unit 2403 PSE West Tower, PSE Centre
Exchange Road, Ortigas Center, Pasig City
Gen. Line: 637-0721 to 40
Fax Nos.: (General) 637-3724
(Research) 637-3729

200
MANDARIN SECURITIES CORPORATION
Charles H. Shih (Nominee)
1000 A, Mabini St., Ermita, Manila
Tel. Off.: 525-1011; 523-5991; 523-1040,
523-83-11 to 19
Exch.: 634-6517 to 20
Fax Nos.: 521-2098; 521-2104

201
MARIAN SECURITIES, INC.
Richard L. Lee (Nominee)
Universal Family Center Building
2232 Pasong Tamo Extension, Makati City
Tel. Off.: 819-1134
Exch.: 891-9309; 891-9315 to 18

202
MARINO OLONDRIZ Y CIA
Marino Jose Olondriz
Unit 2305-A, 23/F PSE Centre
Exchange Road, Ortigas Center, Pasig City
Tel. Off.: 633-2829 to 32; 633-2833,
634-5170 & 77
Exch.: 634-6219 to 21
Fax No.: 633-2835
Ext. Off.: 902 Solidbank Bldg.,
Dasmarinas St., Binondo, Manila
Tel. Off.: 242-1957; 243-0240

203
MARK SECURITIES CORPORATION
Mark S. Dayrit (Nominee)
14/F Tower 1 & Exchange Plaza
Ayala Ave. cor. Paseo de Roxas, Makati City
Tel. Off.: 848-7137 (connecting all Depts.)
Exch.: 891-9210 to 14
Fax No.: 848-5150
E-Mail: marksec@pworld.net.ph

204
MARKET CAPITAL & SECURITIES, INC.
Nestor S. Aguila (Nominee)
Unit 2402-B PSE Centre West Tower
Exchange Road, Ortigas Center, Pasig City
Tel. Off.: (Operations) 637-3624/32; 637-4243
(Trading Room) 637-3629,
637-3631; 637-3633 to 35
(Research) 637-4245
Exch.: 891-9143 to 44
Telex: (Operations) 637-4242
(Exchange) 891-9140

208
MDR SECURITIES, INC.
Manuel D. Recto (Nominee)
Unit 1806, 18/F, Medical Plaza Ortigas
Bldg., San Miguel Ave., Ortigas Center,
Pasig City
Tel. Off.: 910-3124 to 25; 638-3899; 636-4788
Exch.: 891-9224 to 28
Fax No.: 638-3899

205
MERCANTILE SECURITIES CORP.
Astrid Melody Lim (Nominee)
20/F PDCC Bank Centre
8737 Paseo de Roxas, Makati City
Tel. Off.: 819-7415 to 20; 813-3131;
813-3151 & 56
Exch.: 891-9350 to 58
Fax No.: 818-6930

206
MERIDIAN SECURITIES, INC.
Ronaldo S. Salonga (Nominee)
Unit 2702-B & 2702-C, 27/F PSE Centre
Exchange Road, Ortigas Center, Pasig City
Tel. Off.: 635-6261 to 65
Exch.: 634-8931 to 36
Fax No.: 634-6937

338
MERRILL LYNCH SECURITIES PHILIPPINES, INC.
Joseph R. Madrid (Nominee)
Unit 19C, Citibank Tower, Citibank Plaza
8741 Paseo de Roxas, Makati City
Tel. Off.: 814-5700
Exch.: 891-9162; 891-9222
Fax No.: 814-5788

210
MOUNT PEAK SECURITIES, INC.
William Gaweco (Nominee)
748 C. K. Bldg., Juan Luna St.,
Binondo, Manila
Tel. Off.: 241-7990 & 92; 241-8043; 243-1953
Exch.: 891-9601 to 05
Fax No.: 241-8042

267
MULTI-GRADE SECURITIES CORP.
Nolan M. Dapul (Nominee)
Unit 1515, 15/F Tower 1 & Exchange Plaza
Ayala Ave. cor. Paseo de Roxas, Makati City
Tel. Off.: 759-4133 to 34; 759-4371
Exch. & Sales (a.m. & p.m.): 891-9514 to 17
Fax No.: 759-4135

211
NEW WORLD SECURITIES, INC.
Joan Chai Chu (Nominee)
Rm. 202, Fil-Am Resources Building
231 Juan Luna St., Binondo, Manila
Tel. Off.: 242-1743 & 59; 242-17-67
Exch.: 634-6950 to 51; 634-5711 to 12;
634-5721
Fax No.: 242-1743

213
NIEVES SANCHEZ, INC.
Nieves Sanchez (Nominee)
Rm. 400, Fil-Am Resources Building
231 Juan Luna St., Binondo, Manila
Tel. Off.: 241-7142; 241-6890
Exch.: 891-9306 to 08
Fax No.: 241-6890

214
NOMURA SECURITIES PHILIPPINES, INC.
James H. Slade (Nominee)
18/F, Tower 2, The Enterprise Center
6766 Ayala Avenue cor. Paseo de Roxas
Makati City
Tel. No.: 886-5240
Fax No.: 886-5250

227
OCBC SECURITIES PHILS., INC.
Eileen Au (Nominee)
Unit 2502-A, PSE Centre-West Tower
Exchange Rd., Ortigas Center, Pasig
Tel. Off.: 635-5765
Fax No.: 635-5766

215
OPTIMUM SECURITIES CORPORATION
Eddie S. Jose
No. 11 E.O. Bldg. corner United & 2nd Sts.
Bo. Kapitolyo, Pasig City
Tel. Off.: 631-7831 to 36; 631-3989; 633-2629
Exch.: 891-9580 to 87
Fax No.: 631-8834
Telex: 43198

245
ORION-SQUIRE CAPITAL, INC.
Chong Hyun Park (Nominee)
21/F, Chatham House Condominium
116 Valero cor. Herrera Streets,
Salcedo Village, Makati City
Tel. Off.: 887-1201 to 12; 887-5092 to 97
Exch.: 891-9324 to 28
Fax No.: 887-1221

218
PAN ASIA SECURITIES CORPORATION
Mariano Tanengilan
Rm. 910, Tower 1 & Exchange Plaza
Ayala Ave. cor. Paseo de Roxas, Makati City
Tel. Off.: 848-5153 to 54
Exch.: 891-9170 to 74
Fax No.: 848-5154

219
PAPA SECURITIES CORPORATION
Myron C. Papa
6/F S & L Bldg., DeLa Rosa cor.
Esteban Sts., Legaspi Village, Makati City
Tel. Off.: 817-8433 & 79; 817-8454;
815-1307 & 08
Exch.: 891-9630 to 34
Fax No.: 815-1308
Telex: 63115 PSCOR PN

287
PARAGON STRATEGIC HOLDINGS, INC.
Peter Kan (Nominee)
c/o Grand Plaza Hotel Corporation
10th Floor, The Heritage Hotel Manila
Roxas Blvd. Cor EDSA Ext., Pasay City
Tel. No.: 891-8938
Fax No.: 891-8825

221
PARIBAS ASIA EQUITY (PHILS.), INC.
Matthew Sutherland (Nominee)
25/F Pacific Star Building, Sen. Gil Puyat
Ave. cor. Makati Ave., Makati City
Tel. Off.: 816-3471 to 76; 810-4671 to 74
Exch.: 891-9790 to 97
Fax Nos.: 819-2653 & 54
Telex: 3679 AERPHIL

282
PCCI SECURITIES BROKERS CORP.
Federico C. Galang (Nominee)
3/F PCCI Corporate Center
118 Alfaro St., Salcedo Village, Makati City
Tel. Off.: 893-39-20; 893-38-23 to 24,
893-43-40 to 41
Exch.: 891-9952 to 55
Fax No.: 893-43-40

131
PCIB SECURITIES, INC.
20/F, PCIB Tower 1, Makati Ave. cor.
H.V. dela Costa St., Makati City
Tel. Off.: (Off. of VP & GM) 891-2023,
(Mktg. & Sales) 891-2026,
891-2082 to 89
(Research) 891-2024 to 25
(Options) 891-2028; 840-7000
loc. 2427; 2475; 2497
(Risk Policy & Compliance)
840-7000 loc. 2496
Exch.: 891-9008 to 09; 891-9039,
891-9045 & 49; 891-9079
891-9084 to 87

250

PEARLBANK SECURITIES, INC.
Juanita U. Tan (Nominee)
 Suite 1003, Tytana Plaza Building
 Plaza Lorenzo Ruiz, Binondo, Manila
 Tel. Off.: 241-0076 to 77; 241-0267
 817-2095 to 96; 817-2089;
 817-2080
 Exch.: 891-9408
 Fax No.: 241-0139

276

PHIL-PROGRESS SECURITIES CORP.
Jose G. Cervantes (Nominee)
 G/F, PPL Bldg., United Nations Avenue
 corner San Marcelino Street, Manila
 Tel. Off.: 526-4207 to 10
 Exch.: 891-8579 to 80; 891-8506
 Fax No.: 526-4202

138

**PHILEOALLIED SECURITIES
 (PHILIPPINES), INC.**
Wong Theng Kwai (Nominee)
 Unit 906, 9/F Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 848-5539; 848-5540
 Exch.: 891-9281 to 83; 759-4035
 Fax No.: 848-5541
 E-mail: csi@snap.portalinc.com

132

PHILIPPINE TA SECURITIES, INC.
 E-1204 PSE Centre, Exchange Road,
 Ortigas Center, Pasig City
 Tel. Off.: 638-0656
 Exch.: 891-9265 to 69; 891-9276 to 79
 Fax Nos.: 631-7942
 E-mail: esataps@pacific.net.ph

222

PIERCE INTERLINK SECURITIES, INC.
Luciano P. Ong, Sr. (Nominee)
 Unit 1412 Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off. (pm only) & Exch. (am only):
 891-9436; 891-9529; 891-9534 to 36
 Fax No.: 891-9429

234

PJB PACIFIC SECURITIES (PHILS.), INC.
Loo Chee Keong (Nominee)
 7/F, World Centre,
 330 Sen. Gil Puyat Avenue, Makati City
 Tel. Off.: 867-8727 to 38
 Exch.: 891-9781 to 84
 TeleFax (Office) 867-8571 to 72
 Fax No. (Trading Floor) 891-9780
 E-mail: pjbadmin@pjb.com.ph

223

PLATINUM SECURITIES, INC.
Rodolfo V. Feliciano (Nominee)
 Unit 801, Antel 2000 Corporate Centre,
 121 Valero St., Salcedo Village, Makati City
 Tel. Off.: 887-1178; 887-1179
 Exch.: 891-9301 to 05

224

PNB SECURITIES, INC.
Augusto Cosio, Jr. (Nominee)
 3/F PNB Financial Center,
 Roxas Blvd., Pasay City
 Tel. Off.: 526-3510; 526-3678; 526-3463
 Dealing: 526-3555 to 58; 526-3478
 Exch.: 891-9840 to 50
 Fax No.: 526-3477

225

PREMIUM SECURITIES, INC.
Antonio Y. Tee
 Unit 1415, 14/F Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 848-5915 to 17
 Exch.: 891-9590 to 95
 Telefax: 848-5917

226

PROBITY SECURITIES MANAGEMENT CORP.
Virgilio De Silva (Nominee)
 Unit 2304A, West Tower, PSE Centre
 Exchange Road, Ortigas Center, Pasig City
 Tel. Off.: 634-6925; 637-3352
 Exch.: 634-6921; 634-6923 & 24;
 633-9732; 633-9835; 634-6927
 TeleFax: 634-6926

228

PRYCE SECURITIES, INC.
Salvador P. Escaño (Nominee)
 18/F, Pryce Center,
 1179 Chino Roces Avenue
 Cor. Bagtikan Street, Makati City
 Tel. Off.: 699-9141
 Exch.: 891-9940 to 49
 Telex: 23573 PRYCE PH;
 45832 PRYCE PM;
 66031 PRYCE PN
 Fax No.: 899-6024

229

PUBLIC SECURITIES CORPORATION
George L. Tsai (Nominee)
 Executive Office:
 U1214, Tower One & Exchange Plaza,
 Ayala Ave. cor. Paseo de Roxas, Makati
 Backroom Office:
 U1111, Tower One & Exchange Plaza,
 Ayala Ave. cor. Paseo de Roxas, Makati
 Tel. Off.: 891-9175; 891-9494 to 95
 Exch.: 891-9490 to 93
 Fax No.: 891-9495

230

QUALITY INVESTMENT & SECURITIES CORP.
Alfred Cu (Nominee)
 Suite 1802 Tytana Plaza Building
 Oriente St. cor. Plaza Lorenzo Ruiz,
 Binondo, Manila
 Tel. Off.: 241-0072; 241-0486; 241-4238;
 241-0547; 241-6781; 241-7530/9
 Exch.: 891-9180 to 88
 Fax No.: 241-0166
 E-mail: qualsec@monika.com.ph

231

R & L INVESTMENTS, INC.
Rene R. Lee (Nominee)
 825 Lee St., Mandaluyong City
 Tel. Off.: 724-5207
 Exch.: 891-9201 to 05
 E-Mail: RLINVEST@SFLCOM.PH
 Fax No.: 724-7210

233

R. COYIUTO SECURITIES, INC.
Robert Coyiuto, Jr. (Nominee)
 5/F, Corinthian Plaza, Paseo de Roxas,
 Legaspi Village, Makati City
 Tel. Off.: 811-3064 to 67; 811-3190
 Exch.: 634-5035; 634-6204 to 07;
 634-6897; 634-6669
 Fax No.: 811-3073

236

R. NUBLA SECURITIES, INC.
Ralph Nubla, Jr.
 Rm. 300, 3rd Floor, Fil-Am Resources Bldg.
 231 Juan Luna St., Binondo, Manila
 Tel. Off.: 242-1595 to 96; 242-1770
 Exch.: 634-6525 to 27;
 634-6326; 634-5936
 Fax No.: 242-1666

238

R. S. LIM & COMPANY, INC.
Alejandro T. Yu (Nominee)
 1509 Galvani Street, Makati City
 Tel. Off.: 843-4313; 844-7235; 844-2245
 Exch.: 891-9660 to 71
 Fax No.: 844-2245
 E-mail: rslim@manila.com.ph

152

RASHID HUSSAIN SEC. (PHILS.), INC.
Tan Hak Yek (Nominee)
 33/F, Rufino Pacific Tower
 6784 Ayala Avenue, 1226 Makati City
 Tel. Off.: (General) 811-0855
 (Dealing) 811-0860
 Exch.: 891-9005 to 07
 Fax No.: (General) 811-0866
 (Dealing) 811-0302

217

RCBC SECURITIES, INC.
Alicia Rita M. Arroyo (Nominee)
 Unit 1008 Tower One, Ayala Triangle
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 848-5183 to 87
 Exch.: 891-9101 to 05
 Fax No.: 848-5279
 E-mail: aarroyo@brn.net

235

REGINA CAPITAL DEVELOPMENT CORP.
Marita A. Limlingan
 Unit 806 Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 848-5482 to 84,
 891-9415 to 17 (p.m. only)
 Exch.: 891-9410 to 17
 Fax No.: 848-5482 to 84

209

REGIS PARTNERS, INC
Emmanuel O. Bautista (Nominee)
 23/E Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: (Trunkline) 894-6600
 (Exec. Dir) 894-6602 to 04
 (Research) 894-6636 to 48
 (Dealing) 894-6650 to 60
 (Operations) 894-6623 to 35
 Exch.: 811-0076 to 79; 811-0073
 Fax Nos.: (Operations) 894-6605; 894-6622
 (Research) 894-6638
 (Dealing) 894-6665

289

RIZAL EQUITIES, INC.
Alberto L. Monreal (Nominee)
 Suite 2302B West Tower, PSE Centre,
 Exchange Road, Ortigas Center, Pasig City
 Tel. No.: 634-8808 to 11
 Exch.: 631-5231; 631-5237; 631-5242
 Telefax: 634-8813

239

RTG & COMPANY, INC.
 Ramon T. Garcia (Nominee)
 Unit 602, Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 848-5455; 891-9480 to 85;
 Exch.: 891-9480 to 82; 891-9484 to 85
 Fax No.: 891-9483

240

S. J. ROXAS & COMPANY, INC.
 Simplicio J. Roxas (Nominee)
 Unit 612 Tower 1 & Exchange Plaza,
 Ayala Avenue cor. Paseo de Roxas, Makati
 Tel. Off.: 848-5065 to 69
 Exch.: 891-9708 to 09; 891-9714 to 16;
 891-9439
 Fax No.: 891-9447

279

**SANTANDER INVESTMENT SECURITIES
 (PHILS.), INC.**
 Vicente B. Castillo (Nominee)
 27/F Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 848-5847
 Exch.: 848-5836 to 38
 Fax No.: 848-6554; 759-4190 & 93

241

SAPPHIRE SECURITIES, INC.

113

SARANGANI SECURITIES, INC.
 Arthur W. Antonino
 5/F APMC Building, 136 Amorsolo cor.
 Gamboa Sts., Legaspi Village, Makati City
 Tel. Off.: 817-5806; 817-5815; 817-5834
 Exch.: 891-9176 to 79

115

SB EQUITIES, INC.
 Remy Tigulo (Nominee)
 16/F, Security Bank Centre,
 6776 Ayala Avenue, Makati City
 Tel. Nos.: (President) 891-1092
 (Manager) 891-1116
 (Acq.) 813-3441; 813-3349
 (Settlement) 891-1031 or 37
 (Trading Office) 891-1021
 Exch.: 891-9677 to 79; 891-9685 to 86
 Fax No.: 813-3349
 E-mail: SBEquities@securitybank.com.ph

368

SECURITIES 2000, INC.
 Ho Soo Ching (Nominee)
 Unit 2203 B West Tower, PSE Centre
 Exchange Road, Ortigas Centre, Pasig City
 Tel. Off.: 638-0700 to 19
 Exch.: 636-0905, 634-6690; 637-8820,
 633-8832
 Fax No.: (Research) 637-9404
 (Settlement) 637-9405;
 (Sales) 637-9406
 Website: www.sec2000.com.ph

148

SECURITIES PLUS, INC.
 Eduardo L. Gaspar (Nominee)
 27/F East Tower, PSE Centre,
 Exchange Road, Ortigas Center, Pasig City
 Tel. Off.: 632-0905
 Exch.: 634-5412 to 16; 634-8616 & 70

242

SECURITIES SPECIALISTS, INC.
 Francisco Villaroman (Nominee)
 Casa Blanca, 1447 M. Adriatico St.,
 Ermita, Manila
 Tel No.: (All Departments) 523-5595
 (Backroom) 523-8251 loc. 758
 (Trading Room) 523-8251 loc. 751/762
 526-6832; 524-6238
 Exch.: 891-9701 to 03
 Fax No.: 526-0466
 E-Mail: secspec@poboxes.com

258

SG SECURITIES (PHILIPPINES), INC.
 Claude Toutou (Nominee)
 21/F, Antel Corporate Centre
 139 Valero St., Salcedo Village, Makati City
 Trunkline: 841-0777
 Exch.: 848-5542 to 44; 848-5074
 Fax No.: 849-2900

286

SOLAR SECURITIES, INC.
 Johnny S. Yap (Nominee)
 Unit 3002 East Tower, PSE Centre
 Exchange Road, Ortigas Center, Pasig City
 Trunklines: 636-6302; 637-0952
 Direct Lines: 634-6651; 634-6653
 (Dealing) 636-6302; 6370952
 Fax No.: (General) 634-6715
 (Acctg./Settlement) 635-2466
 Exch.: 636-6302; 637-0952; 634-6869,
 634-6878; 634-6898

247

STANDARD SECURITIES CORPORATION
 Domingo Herrera
 Rm. 1202, 12/F Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 848-6149 to 51
 Exch.: 891-9760 to 66
 Fax No.: 848-6009

192

STRATEGIC EQUITIES CORPORATION
 Roberto Z. Lorayes (Nominee)
 U-603 & U-610-611 Tower 1 & Exchange Plaza,
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: (Auto-Trunk) 848-5159
 Exch.: 891-9620 to 21
 Fax Nos.: 848-5164 to 65

246

SUMMIT SECURITIES, INC.
 Harry Liu (Nominee)
 Unit 2102-B 21/F PSE Centre
 Exchange Road, Ortigas Center, Pasig City
 Tel. Off.: 631-1032 to 37
 Sales/Res.: 631-8335 & 37; 631-8339 to 40
 Exch.: 634-6230 to 31; 634-5992,
 634-6955 to 57
 Fax No.: 631-1033

248

SUN HUNG KAI SECURITIES (PHILS.), INC.
 Ong Tee Jin (Nominee)
 15/F Citibank Tower,
 Paseo de Roxas, Makati City
 Tel. Off.: 813-2041 to 52
 Exch.: 891-9215 to 18
 Fax No.: 813-2059

249

SUPREME STOCKBROKER, INC.
 Eduardo C. Arroyo, Jr. (Nominee)
 15/F Tower 1 & Exchange Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Off.: 891-9403 to 07
 Exch.: 891-9401 to 05
 Fax No.: 891-9404

251

TANSENGCO & COMPANY, INC.
 Francisco O. Tansengco (Nominee)
 Rm. 208 Padilla de los Reyes Bldg.
 232 Juan Luna St., Binondo, Manila
 Tel. Off.: 241-6887
 Exch.: 634-6675 & 85; 633-1310;
 634-8230
 Fax Nos.: 241-7155

252

**THE FIRST RESOURCES MANAGEMENT
 & SECURITIES CORPORATION**
 Ma. Vivian Yuchengco
 Rms. 801-802, 8/F Tower 1 & Exch. Plaza
 Ayala Ave. cor. Paseo de Roxas, Makati City
 Tel. Office & Trading Floor: 848-6311 to 18
 Fax No.: 848-6272

328

**THING ON SECURITIES LTD.
 PHILIPPINES, INC.**
 Betty Ngo Wong (Nominee)
 1136 Soler Street, Binondo, Manila
 Tel. Off.: 245-3093 to 95
 Exch.: 636-5793 to 97
 Fax No.: 245-2785

212

TIR SECURITIES (PHILS.) CORPORATION
 Arnold A. Alafritz (Nominee)
 Unit 1007 PSBank Tower Sen. Gil J. Puyat
 Ave. cor. Tindalo Street, Makati City
 Tel. Off.: 759-3500 to 03
 Fax No.: 759-3503

280

TOPWIN SECURITIES, INC.
 Tomas V. Apacible (Nominee)
 31/F, Rufino Pacific Tower,
 6784 Ayala Ave. cor. Herrera St., Makati City
 Tel. Off.: 811-0947 to 49; 811-0261 to 65
 Exch.: 891-9080 to 83
 Fax No.: 811-0520

253

TOWER SECURITIES, INC.
 Raymond Peter Liso Unlay (Nominee)
 Unit 1802-C PSE Centre
 Exchange Road, Ortigas Center, Pasig City
 Tel. Off.: 635-4448 to 49; 636-4144; 634-6726
 Exch.: 633-9411; 634-5146 to 48
 Fax No.: 635-4145
 E-mail: tower@compass.com.ph

254

TRANS-ASIA SECURITIES, INC.
 Eugene Ong (Nominee)
 Rm. 801 S State Centre Building
 333 Juan Luna St., Binondo, Manila
 Tel. Off.: 242-2823; 242-3031; 242-1031
 Exch.: 634-5725 to 27; 634-5752 to 54
 Fax No.: 242-3031

256

TRENDLINE SECURITIES CORPORATION
Rm. 503 Tytana Building
Plaza Lorenzo Ruiz, Binondo, Manila
Tel. Off.: 241-0142; 241-0054; 241-0387
Exch.: 891-9430 to 35
Fax No.: 241-0591

257

TRI-STATE SECURITIES, INC.
Gregorio T. Chan (Nominee)
Unit 1007, 10/F Tower 1 & Exchange Plaza
Ayala Ave. cor. Paseo de Roxas, Makati City
Tel. Off.: 848-5044 to 46
Off. & Exch.: 891-9361 to 65
Fax No.: 848-5047

136

TRITON SECURITIES CORPORATION
Edwin L. Luy (Nominee)
7/F 1000 A, Mabini St., Ermita, Manila
Tel. Off.: 523-6311 to 25
Exch.: 635-5531 to 35
Fax No.: 525-0906

259

UCPB SECURITIES, INC.
Joseph N. Pineda (Nominee)
Suite 1612, 16/F Tower 1 & Exchange Plaza
Ayala Ave. cor. Paseo de Roxas, Makati City
Tel. Off.: 848-5678 to 81
Exch.: 891-9730 to 37
Fax No.: 848-5682

345

UNICAPITAL SECURITIES, INC.
Rogildo Lara (Nominee)
4/F Majalco Bldg., Trasierra cor. Benavidez
Legaspi Village, Makati City
Tel. Off.: 750-2030; 812-2514/99
Exch.: 638-4046 to 47
Fax No.: (Settlements) 750-2033
(Research) 750-8293

260

UOB SECURITIES (PHILIPPINES), INC.
Michael Huang (Nominee)
Unit 9-C, Chatham House Condominium
116 Valdeor cor. Herrera Streets,
Salcedo Village, Makati City
Tel. No.: 887-1066 to 69; 887-1170,
887-1366
Exch.: 634-6258; 634-6257
Fax No.: 887-7972

100

UPCC SECURITIES CORPORATION
Edgardo A. Kalaw (Nominee)
Unit 94, 9/F, Legaspi Suites, 178 Salcedo
Street, Legaspi Village, Makati City
Tel. No.: 892-8855
Fax No.: 892-0215
E-mail: upcc_mkr@manila.com.ph

261

URBANCORP SECURITIES, INC.
Teodoro C. Borjongan (Nominee)
23/F Urban Bank Square, Urban Ave
Cor. Sen. Gil Puyat Ave., Makati City
Tel. Off. (Dealing) 878-0575 to 78
(Ops) 878-0570/72; 878-0581
(Research) 878-0323; 878-0316
Exch.: 891-9610 to 11
Fax Nos.: 887-9900; 887-9901
E-mail: ui@urbanbank.com

263

VENTURE SECURITIES, INC.
Eusebio Tanco
Unit 811, 8/F Tower 1 & Exchange Plaza
Ayala Ave. cor. Paseo de Roxas, Makati City
Tel. Off.: 848-6503 to 05
Exch.: 891-9420 to 24
TeleFax: 848-6503

184

VICKERS BALLAS SECURITIES (PHILS.), INC.
Edwin Villanueva (Nominee)
5/F Tower 1 & Exchange Plaza
Ayala Ave. cor. Paseo de Roxas, Makati City
Trunkline: 759-4488
Tel. Off.: 848-5726 to 31
Exch.: 891-9933 to 38
Fax No.: 759-4556

266

VICAL SEC. & STOCK BROKERAGE, INC.
Frank Sy Gaisano (Nominee)
658 Carlos Palanca St., Quiapo, Manila
Tel. Off.: 734-9771 to 75; 734-9525
Exch.: 891-9710 to 13
Fax No.: 734-9501

264

VISA SECURITIES CORPORATION
Vicelli Churchill Say (Nominee)
Suite 1022 Tytana Centre,
Plaza Lorenzo Ruiz, Binondo, Manila
Tel. No.: 241-0352
Exch.: 634-5734; 634-5729
Fax No.: 241-0352

333

**WARBURG DILLON READ SECURITIES
(PHILS.), INC.**
Lip Tang Seet (Nominee)
19/F Tower 1 & Exchange Plaza, Ayala Ave.
cor. Paseo de Roxas, Makati City
Tel. Off.: 754-8889
Exch.: 634-6662; 634-6909; 634-6210
Fax No.: 754-8810

269

WEALTH SECURITIES, INC.
Wilson Sy (Nominee)
21/F Philippine Stock Exchange Centre
Exchange Road, Ortigas Center, Pasig City
Tel. Off.: 634-5038 to 42
(Operations) 637-3048 to 50
(Settlement) 635-6964
(Accounting) 637-2389; 637-4144
Exch.: 634-6222 to 29; 633-9707,
633-9710 to 11
Fax No.: 634-5043

270

WELLEX GLOBAL EQUITIES, INC.
Rhoderick Santos (Nominee)
6/F Tower 1 & Exchange Plaza
Ayala Ave. cor. Paseo de Roxas, Makati City
Tel. Off.: 848-6231
Exch.: 891-9380 to 85
Fax No.: 848-6220

158

WINCORP SECURITIES, INC.
John Anthony B. Espiritu (Nominee)
Unit 1605 Tower 1 & Exchange Plaza
Ayala Ave. cor. Paseo de Roxas, Makati City
Tel. Off.: 891-9645 to 49
Exch.: 891-9288 to 89; 891-9295 to 89

146

WISE SECURITIES PHILS., INC.
Ramon L. Mapa (Nominee)
9th Floor, Dharmais Center, 142 Amorsolo
St., Legaspi Village, Makati City
Trunkline: 819-1836
Dealing: 840-1517 to 24
Exch.: 891-9670 to 78
Fax No.: 840-1527 to 28

273

WONG SECURITIES CORPORATION
Eden Wong (Nominee)
1402-B A, Mabini cor. Sta. Monica St.,
Ermita, Manila
Tel. Off.: 521-7794; 521-2774; 521-2245
Exch.: 634-5728; 634-5735 to 37
Fax No.: 521-6862

274

**WORLDSEC INTERNATIONAL SEC.
(PHILS.) INC.**
Cecilia Dolendo Suarez (Nominee)
10/F Tower 1 & Exchange Plaza
Ayala Ave. cor. Paseo de Roxas, Makati City
Trunkline: 848-6360
Dealing Room: 848-6383
Exch.: 891-9915 to 19
Fax No.: 848-6373
E-mail: worldsec@worldsec.com.ph

275

YAO & ZIALCITA, INC.
Carmelita C. Yao
Yao Bldg, 577 A, Bonifacio Drive,
Port Area, Manila
Tel. Off.: 527-4019 to 21; 527-3924
Trunkline: 527-8986 to 90
Exch.: 634-5172 & 81; 634-69-44 to 46;
634-62-84 to 86
Fax No.: 527-4025

277

YAPTINCHAY SECURITIES CORP.
Suite 2001-A 20/F PSE Centre
Exchange Road, Ortigas Center, Pasig City
Trunkline: 634-8682; 634-6701; 634-8671
Direct: 634-8669
Exch.: 634-8682; 634-6701;
634-8669; 634-8671
Fax No.: 634-8669

278

YU & COMPANY, INC.
Johnny Yu (Nominee)
Unit E 1606-B PSE Centre, Exchange
Road, Ortigas Center, Pasig City
Tel. Off.: 634-7577; 634-6611 & 18
Exch.: 634-6248 to 50; 634-6679 & 83
Fax No.: 634-5918
E-mail: Yuno@sf.com.ph

Listed Companies

AS OF 31 DECEMBER 1999

BANKS AND FINANCIAL SERVICES

Banks

ASIA TRUST DEVELOPMENT BANK, INC.
BANCO FILIPINO SAVINGS & MORTGAGE BANK
BANK OF THE PHILIPPINE ISLANDS
CHINA BANKING CORPORATION
CHINATRUST (PHILIPPINES) COMMERCIAL BANK CORPORATION
EQUITABLE BANKING CORPORATION
EAST ASIAN BANK & TRUST COMPANY
METROPOLITAN BANK & TRUST COMPANY
PDCP DEVELOPMENT BANK, INC.
PHILIPPINE BANK OF COMMUNICATIONS
PHILIPPINE NATIONAL BANK
PHILIPPINE SAVINGS BANK
PHILIPPINE TRUST COMPANY
PRUDENTIAL BANK
RIZAL COMMERCIAL BANKING CORPORATION "A"
RIZAL COMMERCIAL BANKING CORPORATION "B"
SECURITY BANK CORPORATION
SOLIDBANK CORPORATION
THE PHILIPPINE BANKING CORPORATION
UNION BANK OF THE PHILIPPINES
URBAN BANK, INC.

ASIA
BF
BPI
CHIB
CHTR
EBC
FEB
MBT
PDCP
PBC
PNB
PSB
PTC
PB
RCB
RCBB
SECB
SBC
TPB
UBP
URB

Financial Services

BANKARD, INC.
FILIPINO FUND, INC.
FIRST ABACUS FINANCIAL HOLDINGS CORPORATION
MANULIFE FINANCIAL CORPORATION
PCI LEASING & FINANCE, INC.
VANTAGE EQUITIES, INC.

BKD
FFI
FAF
MFC
PCL
V

COMMERCIAL - INDUSTRIAL

Communication

ABS-CBN BROADCASTING CORPORATION
DIGITAL TELECOMMUNICATIONS PHILIPPINES, INC.
EASYPHONE COMMUNICATIONS PHILIPPINES, INC.
GLOBE TELECOM, INC. "A"
GLOBE TELECOM, INC. "B"
LIBERTY TELECOMS HOLDINGS, INC.
MANILA BROADCASTING COMPANY
MANILA BULLETIN PUBLISHING CORPORATION
PHILIPPINE LONG DISTANCE TELEPHONE CO. "Common"
PHILIPPINE TELEGRAPH & TELEPHONE CORPORATION
PILIPINO TELEPHONE CORPORATION

ABS
DCTL
ECP
GLO
GLOB
LIB
MBC
MB
TEL
PTT
PTEL

Power & Energy

MANILA ELECTRIC COMPANY "A"
MANILA ELECTRIC COMPANY "B"
PETRON CORPORATION
TRANS-ASIA OIL & ENERGY DEVELOPMENT CORPORATION

MER
MEHB
PCOR
TA

Transportation Services

ASIAN TERMINALS, INC.
INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.
KEPPEL PHILIPPINES MARINE, INC.
LORENZO SHIPPING CORPORATION
NEGROS NAVIGATION COMPANY, INC.
WILLIAM, GOHONG & ABOTIZ, INC.

ATI
ICT
KPM
LSC
NW
WGA

Construction & Other Related Products

AGP INDUSTRIAL CORPORATION "A"
AGP INDUSTRIAL CORPORATION "B"
ALSONS CEMENT CORPORATION
BACNOTAN CEMENT CORPORATION
CONCRETE AGGREGATES CORPORATION "A"
CONCRETE AGGREGATES CORPORATION "B"
DAVAO UNION CEMENT CORPORATION
EEI CORPORATION
FORTUNE CEMENT CORPORATION
HICEMENT CORPORATION
MARIWASA MANUFACTURING CORPORATION
NASPIT LUMBER COMPANY, INC. "A"
NASPIT LUMBER COMPANY, INC. "B"
PACIFIC CEMENT COMPANY, INC.
PHILIPPINE NATIONAL CONSTRUCTION CORPORATION
REPUBLIC CEMENT CORPORATION
REPUBLIC GLASS HOLDINGS CORPORATION
SANITARY WARES MANUFACTURING CORPORATION

AGP
AGPB
ALC
BCC
CA
CAB
DUC
EEI
FCC
HCC
MMW
NAS
NASB
POC
PNC
RCM
REG
SWM

Food, Beverage & Tobacco

ALASKA MILK CORPORATION
COSMOS BOTTLING CORPORATION
JOLLIBEE FOODS CORPORATION
LA TONDENA DISTILLERS, INC.

AMC
CBC
JFC
LTDI

LIBERTY FLOUR MILLS, INC.
PHILIPPINE TOBACCO FLUE CURING & REDRY CORPORATION
PURE FOODS CORPORATION "A"
PURE FOODS CORPORATION "B"
RFM CORPORATION
SAN MIGUEL CORPORATION "A"
SAN MIGUEL CORPORATION "B"
SELECTA DAIRY PRODUCTS, INC.
SWIFT FOODS, INC.
UNIVERSAL ROBINA CORPORATION
VITARICH CORPORATION

LPM
TFC
FF
PFB
RFM
SMC
SMCB
SLT
SFI
URC
VITA

Holding Firms

A. SORIANO CORPORATION
ABACUS CONS. RESOURCES & HOLDINGS, INC. "A"
ABACUS CONS. RESOURCES & HOLDINGS, INC. "B"
ABOTIZ EQUITY VENTURES, INC.
ACQJE HOLDINGS, INC.
AIR PHILIPPINES INTERNATIONAL CORPORATION
ALLIANCE GLOBAL GROUP INC.
ALSONS CONSOLIDATED RESOURCES, INC.
ANGLO-PHILIPPINE HOLDINGS CORPORATION
APC GROUP INC.
ARMSTRONG HOLDINGS, INC.
ASIA AMALGAMATED HOLDINGS CORPORATION
ATN HOLDINGS, INC. "A"
ATN HOLDINGS, INC. "B"
ATOK-BIG WEDGE COMPANY, INC. "A"
ATOK-BIG WEDGE COMPANY, INC. "B"
AYALA CORPORATION
BACNOTAN CONSOLIDATED INDUSTRIES, INC.
BAGUIO GOLD HOLDINGS CORPORATION
BALABAC RESOURCES & HOLDINGS CO., INC.
BASIC CONSOLIDATED, INC.
BENPRES HOLDINGS CORPORATION
BHI HOLDINGS, INC.
BOULEVARD HOLDINGS, INC.
CROWN EQUITIES, INC.
DMCI HOLDINGS, INC.
EAST ASIA POWER RESOURCES CORPORATION
EBECOM HOLDINGS, INC.
EVER GOTESCO RESOURCES & HOLDINGS, INC.
F & J PRINCE HOLDINGS CORPORATION "A"
F & J PRINCE HOLDINGS CORPORATION "B"
FILESTATE CORPORATION
FIL-HISPANO HOLDINGS CORPORATION
FILINVEST DEVELOPMENT CORPORATION
FIRST PHILIPPINE HOLDINGS CORPORATION
GLOBAL EQUITIES, INC.
GUOCO HOLDINGS (PHILIPPINES), INC.
HOUSE OF INVESTMENTS, INC.
IONICS CIRCUITS, INC.
JG SUMMIT HOLDINGS, INC.
KEPPEL PHILIPPINES HOLDINGS, INC. "A"
KEPPEL PHILIPPINES HOLDINGS, INC. "B"
MABUHAY HOLDINGS CORPORATION
MACROASIA CORPORATION
MAGNUM HOLDINGS, INC.
MARSTEEL CONSOLIDATED, INC. "A"
MARSTEEL CONSOLIDATED, INC. "B"
MEDCO HOLDINGS, INC.
MEGAWORLD CORPORATION
METRO PACIFIC CORPORATION
MBI, INC.
MIC HOLDINGS CORPORATION
PETROFIELDS CORPORATION "A"
PETROFIELDS CORPORATION "B"
PHILCOMSAT HOLDINGS CORPORATION
SEAFRONT RESOURCES CORPORATION
SIMF DARBY PHILIPPINES, INC.
SOLID GROUP INC.
SOUTHEAST ASIA CEMENT HOLDINGS, INC.
TANDUAY HOLDINGS, INC.
UNION RESOURCES & HOLDINGS COMPANY, INC.
UNIWIDE HOLDINGS, INC.
WATERFRONT PHILIPPINES, INC.
WELLEX INDUSTRIES, INC.
WISE HOLDINGS, INC. "A"
WISE HOLDINGS, INC. "B"
ZEUS HOLDINGS, INC.

ANS
ABA
ABAB
AEV
AJO
AIB
AGI
ACR
APO
APC
AHI
AAA
ATN
ATNB
AB
ABB
AC
BCI
B
BAL
BSC
BPC
BH
BHI
CEI
DMC
PWR
EBE
EVER
EJP
EJPB
FC
FI
FDC
FHI
GEI
GLO
HI
IGN
JGS
KPH
KPHB
MHC
MAC
MH
MC
MCS
MED
MEG
MFC
MB
MET
PEF
PETB
PHC
SPM
SFP
SGL
CMT
TDY
UNI
UW
WP
WR
WHI
WHIB
ZH

Manufacturing, Distribution & Trading

A BROWN COMPANY, INC.
BOGO MEDELLIN MILLING COMPANY
CENTRAL AZUCARERA DE LA CARLOTA

BRN
BMM
CAC

PSE Milestones 1992-1998



1992

Eduardo C. Lim – Chairman
Robert Coyiuto, Jr. – President

- 14 July: Incorporation of the Philippine Stock Exchange, Inc. (PSE)
- 11 August: Deed of Donation between PSE and Philippine Realty and Holdings Corporation was executed
- 10 September: PSE organized
- 12 October: Approval of the Capital Markets Development Project by the National Economic and Development Authority (NEDA) Board thus calling for the release of a US\$1 million grant by the USAID to put PSE in operation
- 23 December: Joint Declaration on the Unification of the Stock Exchanges was signed by the chairmen of the Manila Stock Exchange (MSE) and Makati Stock Exchange (MkSE)

1993

Eduardo C. Lim – Chairman
Eduardo de los Angeles – President

- 7 January: Deed of Donation between PSE and Ayala Land, Inc. was executed
- 20 March: First General Membership Meeting at the Asian Development Bank; Functional unification of the MSE and MkSE with twin trading floors belonging to a single Exchange
- 6 July: PSE's Articles of Incorporation and By-Laws were approved by the SEC
- 2 September: First professional President and Chief Executive Officer took office to imbibe a sense of professionalism into the PSE

1994

Robert Coyiuto, Jr. – Chairman
Eduardo de los Angeles – President

- 4 March: SEC granted PSE the license to operate and simultaneously canceled the licenses of the MSE and MkSE
- 25 March: One Price-One Market Exchange was achieved through the successful computer link-up of the two trading floors
- 30 September: Inauguration of the PSE Centre in Pasig City

1995

Roberto Z. Lorayes – Chairman
Eduardo de los Angeles – President

- 31 March: Philippine Central Depository, Inc. (PCD) established
- 16 April: Inauguration of the PSE Plaza in Makati City
- 28 August: Installation of the PSE's computerized Surveillance System which enhanced the police powers of the Exchange on trading violations
- 16 October: PSE accepted as the 37th full pledge member of the Federation Internationale des Bourses de Valeurs (FIBV)
- 7 November: Eduardo C. Lim designated as Chairman Emeritus
- 10 November: PSE Foundation was incorporated to engage in community and social activities
- 13 November: Implemented the Unified Trading System using the single-order-book system on a MakTrade software where all orders are posted and matched in one computer

1996

Wilson L. Sy – Chairman
Vitaliano N. Nariagas II – President

- 9 October: Incorporation of the Association of Securities Analysts of the Philippines
- 27 November: Certain amendments to PSE By-Laws were approved by the SEC, notable of which were – a) on the composition of the Board of Governors (BOG), three members shall be non-brokers, one of whom shall be the President; b) the Compliance Department may examine the books and records of any member and/or his brokerage firm; c) result of the examination shall be under the consideration of the Business Conduct Committee; and d) conduct an annual audit of the financial condition of the members along with the inspection of their books to determine compliance to SEC and PSE Rules
- 2 December: The Communication Front-End System went online, which provided a gateway that allowed PSE member-brokers to directly connect their own private trading systems to the MakTrade System
- 16 December: PSE granted by the SEC, on a temporary basis, the status of a Self-Regulatory Organization (SRO); PCD was granted license to operate



1997

Wilson L. Sy – Chairman

Jose Luis U. Yulo, Jr. – President

- 10 January: PCD commenced operations; Start of equities conversion from scrip-based settlement process to the book-entry system (BES)
- 8 March: Three non-broker members (including the President and CEO) form part of the 15-man PSE BOG
- August: PSE BOG approved the creation of another board for the listing of Small and Medium Enterprises (SME) within the existing PSE Listing Board
- 8 August: Inauguration of the MSE Memorabilia at the PSE Centre in Pasig City
- 2 October: PSE enters a Memorandum of Understanding (MOU) with Bolsa de Comercio de Buenos Aires and Mercado de Valores de Buenos Aires S.A. that provided a mechanism that will develop the channels of communication and foster a continuing relationship for the benefit of the financial services industry in the Philippines and Argentina
- 13 October: MOU signed between PSE and the Santiago Stock Exchange to establish a link for the sharing of information
- 20 November: New IPO distribution system, mandated by SEC-BED Memorandum Circular No. 04, Series of 1997, was adopted
- 10 December: MOU on mutual sharing of information was signed by PSE and the Bolsa de Valores de Lima
- 11 to 12 December: PSE hosted the Working Committee Meeting of the FIBV aimed at discussing areas of cooperation on improving global securities market transactions and enhancing protection to issuers and investors
- 15 December: PSE goes into scripless trading after PCD finished conversion of all active issues into its book-entry settlement system

We had charted a course with a clear destination. A clear destination to revitalize and reposition the Philippine Stock Exchange into a globally competitive full-service exchange by the year 2004, especially in the Asean region.

-Jose Luis U. Yulo, Jr./Report of the President

1998

Harry G. Liu – Chairman

Jose Luis U. Yulo, Jr. – President

- March: PSE Training Institute created
- May: Public Information and Assistance Center launched
- 29 June: SRO status conferred to the PSE by President Fidel V. Ramos
- 8 July: PSE adopted the policies of the SEC by incorporating in its rules 42 provisions of the Revised Securities Act in its effort to effectively discipline erring member-brokers
- 30 July: SEC approved the Listing Rules on the Small and Medium Enterprise Capital Market
- 3 August: The Y2K compliant version of the Marketworks was put into production simultaneous with the upgrade of all MakTrade terminals to the Windows 95 version of the program
- 26 August: PSE and the Department of Trade and Industry signed a Memorandum of Agreement (MOA) that called for the immediate implementation of a nationwide information campaign and for the creation of a nomination process for the SMEs to be listed on the SME Capital Market.
- 27 August: PSE BOG approved the rules and guidelines on the voluntary suspension of member-brokers
- 18 September: PSE and the Mindanao Business Council signed a MOA to identify and tap SMEs in Mindanao for listing on the SME Capital Market
- 25 September: MOA between PSE and the Board of Investments to promote, support, strengthen and encourage the development of the Philippine Capital Market
- 28 September: PSE signed a MOU with the Bureau of Treasury and Access Holdings, Inc. to pursue a program to tap potential savings of small savers and investors and to list the savings bond in PSE's Bond Board
- 29 September: MOA on Securities Borrowing and Lending (SBL) and Short Selling was signed between PSE and the Department of Finance to formulate and/or amend rules and regulations that will guide the successful implementation of SBL and Short Selling
- 17 November: PSE signed a MOU with the Australian Stock Exchange to facilitate the exchange of information
- 7 December: Securities Clearing Corporation of the Philippines (SCCP) obtained a provisional license to operate and started its dry run



Philippine Stock Exchange

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Fax: 6345920; 6345113 E-mail: research@pse.org.ph **PHILIPPINE STOCK EXCHANGE PLAZA:** Ayala Triangle, Ayala Avenue, Makati City, Philippines
Tel. (Trunk): 891-9001 to 03 Fax: 891-9004