

FOREIGN FIRMS TO BE ALLOWED MANILA LISTING.By **Chaitanya Kalbag**, Reuters

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MANILA, Aug 18 - Foreign companies will be allowed to list their stock on the two stock exchanges in Manila in a move expected to attract foreign investors, Securities and Exchange (SEC) Commissioner Monico Jacob told Reuters.

Jacob said the decision followed an inquiry by the Private Development Corporation of the Philippines (PDCP), which wanted to know if one of its foreign clients could gain a listing.

He did not disclose the name of the firm, but SEC sources said it was Boulder Gold NL of Australia.

"We told the PDCP that listing of foreign firms is not prohibited by the Revised Securities Act," Jacob said.

He said foreign companies would have to register with the SEC before they were listed and obey Philippine disclosure laws, which include submission of the firm's prospectus and publication of quarterly results.

Jacob said it was up to the Philippine Central Bank to decide whether or not foreign companies could repatriate profits in foreign exchange.

Development corporation officials were not available for comment.

Jacob said he hoped the central bank would make it mandatory for foreign firms to invest the proceeds from underwriting primary issues in the Philippines.

The SEC sources said the development corporation, which would underwrite the Boulder Gold issue, had said in its application that the Australian company would invest proceeds from the issue in local projects. They did not give details.

President Rolando Atienza of Anscor Hagedorn Securities Inc, the largest Philippine stockbroker, said he welcomed the SEC decision because it would expand the supply of securities on the Manila and Makati stock exchanges.

Atienza said, noting Philippine law barred outflows of foreign exchange for the purchase of shares, "It's not clear how foreign companies would increase their equity base by listing here unless, as in the case of a mining company, they plan to develop claims in the Philippines using their peso revenue."

"But the SEC decision will increase the supply of high-grade companies on our exchanges," he said. "It will give a better feel to the market."

Atienza said he would rank only 20 of the 131 companies currently listed on the two stock exchanges as "high grade".

(Anscor is part of the Soriano group.)

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