

Japan machine orders at highest in two years in November, add to fourth-quarter rebound signs

JAPAN'S machinery orders climbed to the highest in two years in November, adding to signs that the economy was rebounding in the final quarter of last year before the Omicron variant emerged.

Core machine orders, a leading indicator of capital investment, rose 3.4%

from the previous month to ¥900.3 billion (\$7.9 billion), the highest level since Nov. 2019, a month after a sales tax increase, according to figures from the Cabinet Office.

The monthly gain was almost three times the 1.2% gain forecast by

analysts. Orders increased 11.6% from year-earlier levels.

The gain suggests capital investment was picking up after virus restrictions were lifted with infection cases falling and vaccination rates rising in November.

"We think business investment surpassed its pre-virus level this quarter and will continue to rebound over the coming quarters," wrote Tom Learmouth at Capital Economics in a note. He sees non-residential investment rising 3% from the

previous quarter in upcoming gross domestic product data for the last quarter.

Going forward, the new Omicron variant and a rebound in infections pose a renewed threat to the economic recovery.

Daily nationwide virus cases have topped 25,000 again. While low by global standards, the level is close to Japan's record for the pandemic and could trigger renewed restrictions in Tokyo if hospital beds continue to fill up. — **Bloomberg**

China's GDP beats views but momentum cooling

BEIJING — China's economic growth was faster than expected in the final quarter of 2021 but still its weakest pace in one-and-a-half years, with the central bank cutting loan rates to cushion slowing momentum in the world's second-largest economy.

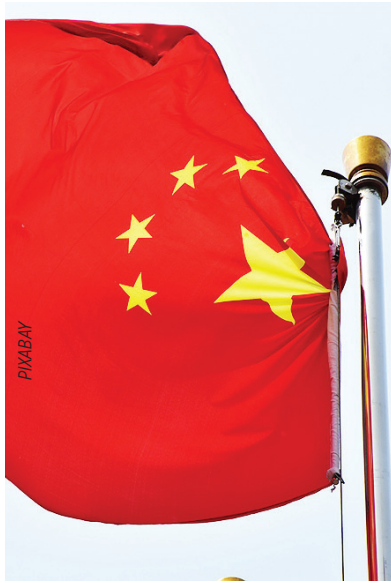
The country faces headwinds from regulatory curbs, property sector woes and sporadic coronavirus disease 2019 (COVID-19) outbreaks.

Gross domestic product (GDP) expanded 4.0% in the October-December period from a year earlier, against 4.9% growth in the third quarter, National Bureau of Statistics data showed on Monday. Analysts had forecast a rise of 3.6% in a Reuters poll.

The economy grew 8.1% in 2021, faster than a forecast 8.0% and well above a government target of "above 6%" and 2020's revised growth of 2.2%.

On a quarter-on-quarter basis, GDP rose 1.6% in October-December, compared with expectations for a 1.1% rise and a revised 0.7% gain in the previous quarter.

China's economy got off to a strong start in 2021 as activity rebounded from a pandemic-induced slump the previous year, but it has lost steam due to a property downturn, debt curbs and strict COVID-19 curbs which have hit consumption.



Chinese leaders have pledged more support for the economy, which is facing multiple headwinds into 2022.

China's central bank on Monday unexpectedly cut the borrowing costs of its medium-term loans for the first time since April 2020, leading some analysts to expect more policy easing this year to cushion an economic slowdown.

The People's Bank of China (PBOC) said it was lowering the interest rate on 700 billion yuan (\$110.2 billion) worth of one-year medium-

term lending facility (MLF) loans to some financial institutions by 10 basis points to 2.85% from 2.95% in previous operations.

"Economic momentum remains weak amid repeated virus outbreaks and a struggling property sector. As such, we anticipate another 20 bps of cuts to PBOC policy rates during the first half of this year," said analysts at Capital Economics, in a note.

Weak consumption data also clouded the outlook, with retail sales in December missing expectations with only a 1.7% increase from a year earlier, the slowest pace since Aug. 2020. Analysts in the poll had expected them to grow 3.7% after rising 3.9% in November.

Several Chinese cities went on high COVID-19 alert ahead of the Lunar New Year holiday travel season, as the Omicron variant reached more areas including Beijing.

A bright spot was industrial output, up an annual 4.3% in December, picking up from a 3.8% increase in November, and better than a 3.6% increase in a Reuters poll.

Fixed asset investment rose 4.9% in 2021, compared with the 4.8% increase tipped by analysts and 5.2% in the first 11 months of the year. — **Reuters**

Unilever to weigh raising offer for Glaxo consumer unit

UNILEVER Plc has held talks with banks about additional financing for a potential sweetened offer for GlaxoSmithKline Plc's consumer products division, according to people familiar with the matter.

Some financial firms have discussed lending enough for a bid higher than £50 billion (\$68 billion) — the latest of three offers Glaxo has rejected for a bundle of brands including Advil painkiller and Sensodyne toothpaste.

Unilever hasn't made a final decision on using the firepower, said the people, who requested anonymity as they aren't allowed to speak publicly. The owner of Ben & Jerry's ice cream and Dove soap could eventually sell some non-core assets from

the Glaxo portfolio to buyers including private equity firms, which could help fund an acquisition, the people said.

Glaxo over the weekend said it had rejected Unilever's offers as too low after the UK consumer-products company confirmed its approach. The drugmaker said it's sticking with plans to spin off the portfolio of brands.

GROWTH PROSPECTS

Glaxo's board is open to proposals but the latest bid late last year was not within a range the company would consider, the people said. The pharma giant talked up growth prospects for the unit, formed through a combination of its consumer labels

with those of Pfizer, Inc., which retains a minority stake.

A takeover would be one of the largest globally in the past twelve months, and would come at a time when merger and acquisition activity is at an all-time high. It would also be Unilever's biggest-ever deal, advancing Chief Executive Officer Alan Jope's ambition to execute bigger and bolder acquisitions to reshape the company's roster of labels.

Shortly after taking the helm in 2019, Jope signaled that the company was ready to progress past the tamer takeover strategy of former CEO Paul Polman, who had focused on incremental deals in fast-growing sectors such as male grooming and home care. — **Bloomberg**

FDIs, from SI/1

"Not until they [candidates] discuss the specifics and operational aspects of their conceptual platforms, it would be too early to judge. But what is sure is the results of the upcoming elections will play a role in driving investor confidence," Mr. Rivera said in a Viber message.

Foreign investors will also be keeping an eye on economic indicators like

inflation trends, economic output, fiscal deficit, debt level, and dollar buffers, as well as election survey results, Mr. Guinigundo said.

Meanwhile, Andre de Silva, Head of Global Emerging Markets Rates Research at HSBC, said investment flows may also improve if the Philippines becomes part of key emerging market indices.

"There has been some discussion that there might be a prospect of index inclusion in some emerging market key indices for Serbia and others like the Philippines. If we had that, then that could add something, we are waiting if that would materialize, but nothing anytime soon," Mr. De Silva said.

For this year, the BSP expects FDI inflows to reach \$8.5 billion.

Haus Talk, from SI/1

Trade Secretary Ramon M. Lopez expressed hope the Haus Talk IPO would inspire more micro, small and medium enterprises to scale up their operations.

"We enjoin you (Haus Talk) to do your own 'Build, Build, Build' expansion plans as these economic activities not only contribute to increasing access to housing, but these construction activities will surely generate a multiplier effect in terms of job generation," Mr. Lopez said during the listing ceremony.

HOUSING DEMAND

Despite the Omicron-driven surge in coronavirus cases, Haus Talk pushed through with its IPO, betting on the continued demand for middle-income and low-income housing.

"It's not an easy feat to go public after almost three decades and during a pandemic at that. But we've always

seen challenges as an opportunity to show strength. We may change our strategy, but our vision remains the same," Ms. Madlambayan said during the press conference.

"There is also still a housing backlog of 6.7 million, which only demonstrates the need for more affordable housing solutions such as HTI's," she added.

Haus Talk Chair and Vice-President of Business Development Terence D. Madlambayan said in a statement that the company has seen an "ever-growing clamor for quality yet affordable housing options in preferred locations among Filipinos, who are budget-conscious, even during a pandemic."

Established in the 1980s by the Madlambayan family from Pangasinan, Haus Talk currently has existing properties in Antipolo, Laguna, Marikina, and Metro Manila.

"[HausTalk] doesn't go for the big developments, they will look at five-to-10-hectare projects, bite-size," said ICCP's Mr. Ocampo. "They're very easy to manage as a project. They are able to execute the lots easier and faster."

HausTalk said it will be allocating P25.1 million for capital expenditures and P10 million for the acquisition of new technologies.

"That will include the acquisition of a new ERP (enterprise resource planning) system. We are also investing into construction equipment to make our production more efficient," the company said via e-mail.

Haus Talk was one of the companies in PSE's handholding program for potential IPO listing applicants, which aimed to encourage more firms to go public. — **Luisa Maria Jacinta C. Jocsnon**



Republika ng Pilipinas
LUNGSOD NG MAKATI
SANGGUNIANG PANLUNGSOD OF MAKATI

PRESENT:

Vice Mayor
Councilor
Councilor
Councilor
Councilor
Councilor
Councilor
Councilor
Councilor
Councilor
Councilor
Councilor
Councilor
Councilor
Councilor
LNB President
SK President

HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO – Presiding Officer
HON. DENNIS B. ALMARIO
HON. MARIA DOLORES M. ARAYON
HON. MARTIN JOHN PIO Q. ARENAS
HON. SHIRLEY C. ASPILLAGA
HON. BENEDICT B. BANIQUED
HON. ARNOLD J. CRUZ
HON. ISRAEL S. CRUZADO
HON. VIRGILIO V. HILARIO, JR.
HON. LUIS S. JAVIER, JR.
HON. LEONARDO M. MAGPANTAY
HON. ARMANDO P. PADILLA
HON. TOSCA CAMILLE T. PUNO-RAMOS
HON. RENE ANDREI Q. SAGUISAG, JR.
HON. KRISTINA T. SAROSA
HON. JOSE C. VILLENA IV
HON. ANNA ALCINA M. YABUT
HON. MARIBEL F. VITALES
HON. RODOLFO C. SAN PEDRO, JR.

ALSO IN ATTENDANCE:

Secretary to the Sanggunian ATTY. DINDO R. CERVANTES

Upon motion of Hon. L.S. Javier, Jr., duly seconded, the Sangguniang Panlungsod of Makati unanimously approved City Ordinance No. 2022-004 on third and final reading.

CITY ORDINANCE NO. 2022-004

Authors: Hon. A.P. Padilla, Hon. R.A.Q. Saguisag, Jr., Hon. B.B. Baniqued, Hon. V.V. Hilario, Jr., Hon. L.S. Javier, Jr., Hon. D.B. Almario, Hon. A.J. Cruz, Hon. J.C. Villena, IV and Hon. R.C. San Pedro, Jr.

Co-Authors: Hon. M.D.M. Arayon, Hon. M.J.P.Q. Arenas, Hon. T.C.T. Puno-Ramos, Hon. K.T. Sarosa, Hon. A.A.M. Yabut and Hon. M.F. Vitales

AN ORDINANCE DECLARING THE ANNUAL INVESTMENT PROGRAM FOR C.Y. 2022 OF BARANGAY SAN LORENZO TO BE IN CONFORMITY WITH EXISTING LAWS, RULES AND REGULATIONS.

WHEREAS, R.A. No. 7160, otherwise known as the Local Government Code of 1991, provides that the barangay development council shall prepare the barangay development plans based on local requirements;

WHEREAS, Section 114 (a) of the same Code states that the policies, programs, and projects proposed by local development councils shall be submitted to the sanggunian concerned for appropriate action;

WHEREAS, the pertinent provisions of the abovementioned law likewise imply that the Sangguniang Panlungsod shall have the power to review/approve the public investment programs of the barangays;

WHEREAS, the Sangguniang Barangay of San Lorenzo, by virtue of Barangay Resolution No. 10-2021-A-02, adopted its Annual Investment Program for C.Y. 2022, a copy of such Resolution, including its supporting documents, is hereto attached and made an integral part hereof as **Annex "A"**;

WHEREAS, the Honorable Members of the Sangguniang Panlungsod of Makati extensively reviewed the abovementioned document, including its attachments;

WHEREAS, after careful perusal of available documents, it was ruled upon by the Members of the Sangguniang Panlungsod of Makati that the proposed Annual Investment Program for C.Y. 2022 of the Sangguniang Barangay of San Lorenzo is compliant with the minimum requirements as prescribed by existing laws, rules and regulations; hence, this Ordinance.

NOW, THEREFORE, BE IT ENACTED, AS IT IS HEREBY ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, BY VIRTUE OF THE POWERS VESTED IN IT BY LAW, IN SESSION ASSEMBLED, that:

Section 1. The Annual Investment Program for C.Y. 2022 of Barangay of San Lorenzo is hereby declared to be in conformity with existing laws, rules and regulations.

Section 2. The *Joint Endorsement* issued by the Urban Development Department (UDD) and Budget Department dated 16 December 2021, which attests that the Annual Investment Program for C.Y. 2022 of Barangay San Lorenzo substantially complies with the provisions of pertinent laws, rules and regulations, is hereby adopted *in toto*, a copy of such *Joint Endorsement* is hereto attached and made an integral part hereof as **Annex "B"**;

Section 3. The provisions of this Ordinance are hereby deemed separable. If any provision hereof should be declared invalid or unconstitutional, the remaining provisions shall remain in full force and effect.

Section 4. This Ordinance expressly repeals City Ordinance No. 2021-294 and all other ordinances, resolutions and executive orders which are inconsistent with any of the provisions of this Ordinance.

Section 5. Let copies of this Ordinance be furnished to the Office of the Mayor, Office of the City Administrator, Law Department, Budget Department, Accounting Department, Urban Development Department, Department of the Interior and Local Government (DILG)-Makati City, Liga ng mga Barangay, Sangguniang Barangay of San Lorenzo and other departments, offices, and agencies concerned for their information, guidance and reference.

Section 6. This Ordinance shall take effect immediately upon its approval.

ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, in its Regular Session held on 7 January 2022.

Certified true and correct by:

ATTY. DINDO R. CERVANTES
Secretary to the Sangguniang Panlungsod

Attested by:

HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO
Vice Mayor & Presiding Officer

Approved by:

HON. MAR-LEN ABIGAIL S. BINAY
City Mayor