

SEC revokes license of Cashtrees after violations

THE Securities and Exchange Commission (SEC) has revoked the license of Cashtrees Lending Corp. for launching and operating unregistered online lending platforms amid a moratorium imposed by the commission.

In an order dated March 16, the SEC found that Cashtrees Lending committed eight violations regarding the moratorium of new online lending platforms.

The lending company also committed another eight violations on the disclosure requirements on advertisements of financing companies and lend-

ing companies and reporting of online lending platforms.

"The findings were supported by the results of the joint operation of the SEC Enforcement and Investor Protection Department (EIPD) and the Philippine National Police Anti-Cybercrime Group on February 12 for the implementation of a warrant to search, seize, and examine computer data against Cashtrees Lending," the SEC said in a media release.

In its report following the operation, Cashtrees Lending was found to have launched and operated eight unrecorded online

lending platforms (OLPs) after the moratorium took effect on Nov. 2, namely: Rush Loan, Easy Money, Good Pocket, Lucky Start, Swipe Cash, 365 Cash, Mega Loan, and Gold Peso.

The SEC said it imposed the moratorium in response to the "emergence of financial technology companies engaging in predatory lending, taking advantage of cash-strapped Filipinos in need of quick loans by charging high interest rates and imposing strict payment terms."

Cashtrees Lending also failed to comply with the requirement that lending and financing com-

panies must report their OLPs to the commission prior to their launch and operation.

Lending companies must also disclose in their advertisements and OLPs' specific information, such as their corporate names, SEC registration numbers, and certificates of authority.

"Due to the multiple violations committed by [Cashtrees Lending] in launching the eight unrecorded OLPs and due to the additional violations... [Cashtrees Lending] showed its wanton disregard of the commission's rules and regulations," the revocation order read.

"As the online lending industry is strictly regulated, companies who are either unwilling or unable to comply with the rules imposed cannot be allowed to continue to operate," it added.

The revocation of Cashtrees Lendings brings to 37 the total number of financing and lending companies with canceled licenses due to various violations.

To date, the SEC has also revoked the primary registration of a total of 2,082 lending companies for their failure to secure the requisite secondary licenses. — **Luisa Maria Jacinta C. Joeson**



Securities and Exchange Commission
PHILIPPINES

Rate,
from SI/1

BSP Deputy Governor Francisco G. Dakila, Jr. said they expect inflation to average 4.3% this year, above the 2-4% target and faster than the previous 3.7% estimate. Inflation in February was 3%. The central bank also raised its inflation forecast for next year to 3.6% from 3.3%.

He said their Dubai crude price projection was \$102.23 per barrel, higher than \$83.33 at the previous meeting after factoring the worsening war. The price is expected at \$88.21 per barrel next year from \$75.69.

The Philippines has limited trade with Russia and Ukraine but is a net oil importer. Prices of gasoline, diesel and kerosene have increased by P14.90, P19.20 and P16.35 a liter this year.

"Higher domestic oil prices are expected to dampen domestic growth prospects," Mr. Diokno said. "A sustained increase in domestic oil prices may result in the dis-anchoring of inflation expectations, which could lead to second-round effects and further dampen domestic demand."

Meanwhile, the governor said the central bank was considering a cut in the reserve requirement ratio for banks. "We might do so in the second half of the year."

The BSP might raise the key rate by 75 bps by the end of the year, said Emilio S. Neri, Jr., lead economist at Bank of the Philippine Islands. The possibility of an unscheduled BSP rate hike had also increased amid the weaker peso and volatile oil prices, he added.

"A more significant risk to the country's economic prospects is the depreciation of the peso, which will increase the cost of oil that the country imports from abroad on top of the increase brought by the conflict in Ukraine," he said in a note.

The Fed's upcoming rate increases would be crucial in managing local inflation expectations and interest rate differentials, Michael L. Ricafort, chief economist at Rizal Commercial Banking Corp., said in a separate note.

The Monetary Board will hold its next policy review on May 19.

UNCTAD,
from SI/1

"As a result of the conflict, oil and gas prices have surged from already elevated levels, wheat prices have reached levels not seen since the late 2000s, and a wide range of other items including fertilizers, metals and manufacturing inputs are facing severe supply shortages," the UN body said.

UNCTAD said some countries might take advantage of higher prices and demand for their commodity exports, while developing countries would face harder economic challenges.

"Hardly any country will be immune from the deterioration of global growth prospects, although a few may benefit from higher prices and demand for their commodity exports," it said.

"On the other hand, developing economies that were in a precarious situation due to debt obligations, supply shocks and term-of-trade and exchange rate swings will see their economic performance deteriorate even further," it added.

The Russia-Ukraine war had caused disruptions to global trade and is likely to have longer-term effects on its structure.

"In the short term, price effects and scarcity are spilling over onto economies more dependent on Ukrainian and Russian exports, especially of commodities, ranging from oil to minerals and food," it added.

Sought for comment, Foundation for Economic Freedom President Calixto V. Chikiamco said via Viber message that UNCTAD might be conservative on its projection.

"The UNCTAD projection may be on the conservative side, perhaps due to the uncertainty how the Ukraine war will end and many are oil importing nations. Also, another possible headwind is if China, which is a major trading partner of Southeast Asia, goes into lockdown due to the rising COVID-19 cases," Mr. Chikiamco said. — **Revin Mikhael D. Ochave**

S&P,
from SI/1

"With US interest rates on the rise, dollar-funding costs will be a key watchpoint for borrowers such as Indonesia and the Philippines, which actively issue in dollars," it said.

"However, the immediate effect of rising interest costs will likely remain manageable. Both governments over the past two years have made more use of domestic debt markets to fund higher fiscal deficits," it added.

The credit rating company said members of the Association of Southeast Asian Nations might experience higher interest burden amid a sustained increase in both foreign and local currency rates. The Philippines, Indonesia and Malaysia are among countries that have increased debt levels during the pandemic.

Outstanding Philippine government debt has risen by a fifth to P11.73 trillion, pushing the debt-to-GDP ratio to a 16-year high of 60.5%. This is higher than the 60% threshold considered manageable by multilateral lenders for developing economies. — **Luz Wendy T. Noble**

Scammers,
from SI/1

The partnership would allow UnionBank to work with Globe in identifying fraudulent customers who hide behind prepaid mobile numbers. "We could warn our customers about these potential scammers," UnionBank Chief Information Security Officer Jose Paulo G. Rufo told the forum.

The deal would also boost the lender's ability to check usage patterns and locate scammers through their mobile activities. The information could be analyzed and forwarded to the police and National Bureau of Investigation so they could go after syndicates, he added.

UnionBank is seeking to partner with more telecommunication providers and other merchants, Data Privacy Officer Maria Francesca R. Montes said. The bank has a similar arrangement with the Credit Card Association of the Philippines, she said. — **Luz Wendy T. Noble**

FULL STORY



Read the full story by scanning the QR code with your smartphone or by typing the link <bit.ly/Scam032522>



Republic of the Philippines
Department of Transportation
CIVIL AERONAUTICS BOARD



CAB Case No.: EP-000569-P-AORD-022022

14 March 2022

MRS. GLAIZALIN GARCIA

Airport Duty Officer
Gulf Air
4th & 6th Floors
Citibank Center Paseo
De Roxas
Makati City
Metro Manila
Philippines 1226

Dear **Mrs. Garcia,**

Please be informed that your request on behalf of Gulf Air for AUTHORITY to operate Summer schedule flight/s (Passenger and Cargo) is hereby APPROVED. Details are as follows:

Request Version	Carrier IATA code	Flight number	Effective From	Effective To	DOP	DepApt	Dep Time	Arr Apt	Arr Time (LT)	Seat	Aircraft Code	Service Type	Code Share
O	GF	0155	27-MAR-22	29-OCT-22	1234567	MNL	1245	BAH	1705	281	789/26000	J	PR
O	GF	0154	27-MAR-22	29-OCT-22	1234567	BAH	2055	MNL	1130+1	281	789/26000	J	PR

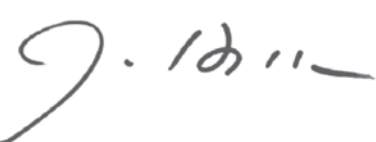
Please note that under current aviation regulations to stem the spread of COVID 19, any incoming international flights to Manila shall have an additional operations clearance from the Manila International Airport Authority (MIAA); in compliance with the directives of the National COVID-19 Task Force, inbound flights are subject to seal allocations granted by the MIAA from time to time.

Gulf Air is hereby reminded that this approval is ad hoc in nature because of the changing face of the pandemic and the continued adjustments that have to be made by the National Task Force to curb the spread of COVID-19, and in no case not beyond air traffic rights agreed to in the Air Services Agreements.

This approval is issued on the basis of the runway and terminal capacity slot clearance issued by the NAIA Slot Coordinator and pursuant to the authority delegated to the Executive Director and the Deputy Executive Director under CAB Resolution No. 95, Series of 2003 and also conditioned on full compliance with Joint DOTC-DT I Administrative Order No. 1.

All approvals issued by this Office in favor of any carrier may be suspended and/or withheld without prior notice pending the payment of any penalties which may have been assessed by this Office. All air carriers with any unpaid penalties are hereby reminded to settle the same.

Very truly yours,


CARMELO L. ARCILLA

Executive Director