Philippine Stock Exchange index (PSEi) 6,259.54 ▼42.17 PTS. ▼0.66%

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BusinessWorld

PSEi MEMBER STOCKS

AC	Ayala Corp.	P696.00	-P4.00	-0.57%
ACEN	ACEN Corp.	P6.31	+P0.03	+0.48%
AEV	Aboitiz Equity Ventures, Inc.	P57.45	-P0.55	-0.95%
AGI	Alliance Global Group, Inc.	P9.07	+P0.07	+0.78%
ALI	Ayala Land, Inc.	P25.00	-P0.55	-2.15%
AP	Aboitiz Power Corp.	P31.40	+P0.65	+2.11%
BDO	BDO Unibank, Inc.	P119.80	-P3.00	-2.44%
BPI	Bank of the Philippine Islands	P93.20	-P0.80	-0.85%
CNVRG	Converge ICT Solutions, Inc.	P15.14	+P0.22	+1.47%
EMI	Emperador, Inc.	P20.30	+P0.05	+0.25%
GLO	Globe Telecom, Inc.	P2,174.00	+P32.00	+1.49%
GTCAP	GT Capital Holdings, Inc.	P483.80	-P1.20	-0.25%
ICT	International Container Terminal Services, Inc.	P181.90	+P0.90	+0.50%
JFC	Jollibee Foods Corp.	P236.00	-P1.00	-0.42%
JGS	JG Summit Holdings, Inc.	P47.30	-P1.20	-2.47%
LTG	LT Group, Inc.	P8.70	-P0.03	-0.34%
MBT	Metropolitan Bank & Trust Co.	P51.85	-P0.15	-0.29%
MEG	Megaworld Corp.	P2.17	——	
MER	Manila Electric Co.	P300.20	-P4.80	-1.57%
MONDE	Monde Nissin Corp.	P13.36	+P0.40	+3.09%
MPI	Metro Pacific Investments Corp.	P3.57	-P0.03	-0.83%
PGOLD	Puregold Price Club, Inc.	P30.05	+P0.30	+1.01%
RLC	Robinsons Land Corp.	P16.28	-P0.12	-0.73%
SCC	Semirara Mining and Power Corp.	P41.00	-P0.05	-0.12%
SM	SM Investments Corp.	P808.00	-P11.50	-1.40%
SMC	San Miguel Corp.	P97.65	——	
SMPH	SM Prime Holdings, Inc.	P34.05	-P0.15	-0.44%
TEL	PLDT, Inc.	P1,620.00	-P20.00	-1.22%
URC	Universal Robina Corp.	P116.10	+P0.80	+0.69%
WLCON	Wilcon Depot, Inc.	P29.70	+P0.20	+0.68%

Tourist arrivals in Asia-Pacific surge, says UNWTO

INTERNATIONAL tourist arrivals in the Asia-Pacific (APAC) region have surged in the seven months to July this year, but the numbers are still far from pre-pandemic levels, according to the United Nations World Tourism Organization (UNWTO).

In a statement on Monday, the UNWTO said its latest World Tourism Barometer showed that arrivals in the APAC region rose by 165% during the January-to-July period this year.

"Asia and the Pacific (+165%) saw arrivals more than double in the first seven months of 2022, though they remained 86% below 2019 levels, as some borders remained closed to non-essential travel," it said.

Further, the organization said that international tourism from January to July posted a 172% increase compared with the same period last year, which is equivalent to 57% of pre-pandemic levels.

"An estimated 474 million tourists travelled internationally over the period, compared to the 175 million in the same months of 2021. An estimated 207 million international arrivals were recorded in June and July 2022 combined, over twice the numbers seen in the same two months last year. These months represent 44% of the total arrivals recorded in the first seven months of 2022," the UNWTO said.

According to the UNWTO, Europe and the Middle East posted 74% and 76% of 2019 levels, respectively, during the period. Other regions that recorded strong growth during the seven months include the Americas at 103% and Africa at 171%.

"Tourism continues to recover steadily, yet several challenges remain, from geopolitical to economic. The sector is bringing back hope and opportunity for people everywhere. Now is also the time to rethink tourism, where it is going and how it impacts people and planet," UNWTO Secretary-General Zurab Pololikashvili said.

John Paolo R. Rivera, associate director at the Asian Institute of Management's Dr. Andrew L. Tan Center for Tourism, said in a Viber message that arrivals in the APAC region were below pre-pandemic levels because it remained cautious compared with other regions.

"APAC is not as liberal as the US and Europe. APAC tourism is affected because they rely on foreign tourists," Mr. Rivera said.

However, Mr. Rivera said that the figures do not have a "significant" effect on the Philippines due to its domestic tourism.

"The Philippines is not significantly affected because our tourism industry can flourish with domestic tourism alone accounting for 80% of tourism receipts. Foreign tourists are just [a] bonus for us," Mr. Rivera said.

Meanwhile, the UNWTO said that its panel of tourism experts is cautiously optimistic for the rest of 2022.

"Prospects for the remainder of the year are cautiously optimistic," it said. "Almost half of experts (47%) see positive prospects for the period September-December 2022, while 24% expect no particular change and 28% consider it could be worse."

The UNWTO added that the experts have reversed their projection for a return of international tourism to pre-pandemic levels in the near term.

"Some 61% of experts now see a potential return of international arrivals to 2019 levels in 2024 or later while those indicating a return to pre-pandemic levels in 2023 has diminished (27%) compared to the May survey (48%)," it said.

"According to experts, the economic environment continues to be the main factor weighing on the recovery of international tourism. Rising inflation and the spike in oil prices results in higher transport and accommodation costs, while putting consumer purchasing power and savings under pressure," it added.

For Mr. Rivera, the UNWTO's projection may not apply to the Philippines due to its target market.

"I think they are rushing it because they believe tourism will recover as fast as it collapsed in 2020. Travel and tourism will definitely recover but at a different pace because it is transitioning into a more resilient one given the lessons learned from the pandemic," Mr. Rivera said.

"This may not be the case in the Philippines because Filipinos are reliable target market for Philippine tourism. We keep money circulating in our country. And it's cheaper to travel in the Philippines now given currency depreciation," he added. — **Revin Mikhael D. Ochave**

Accenture set to continue hybrid work in Philippines

ACCENTURE, Inc. will keep a hybrid work arrangement in the Philippines, a company official said, as its employees ease into a "flexible and omni-connected future of work."

"We've proven that we can do and stay productive without having to go to the office. But we also knew that there are some things that we cannot do from home alone. And so, as we said, our future is going to be a hybrid," Accenture (Philippines) Country Managing Director Manolito T. Tayag said in a forum led by Makati Business Club.

"And we know that for all industries there are going to be very few who will stay 100% working from home and there are very few who are going to be 100% back to the office," he added.

Mr. Tayag said the future of work for the information technology and business process management industry and for other industries will be defined by the requirements of their people and clients.

Apart from keeping the hybrid setup, Mr. Tayag cited a need to reimagine workspaces.

"We had to redesign them for more collaboration-focused activities and multi-purpose offices for engagement and this is something we had to make investments on as well," he added.

He also pointed to enhancing the employee experience in the new setup, which he calls "omni-connectedness" in which Accenture uses new technology including new collaboration tools, the metaverse, and artificial intelligence.

Mr. Tayag said that part of future-proofing work is to invest in employees' technical and soft skills. "We need to invest in the skills of the future and among them are both technical and soft skills."

Among the technical skills he cited are cloud computing, data science, analytics, and artificial intelligence.

He also cited the importance of sustainability in future-proofing work, calling it "the new digital."

"It is important to champion sustainability. Just as in the past, we said that every business is a digital business, moving forward every business is a sustainable business," Mr. Tayag said.

"[In Accenture], we use the larger umbrella of sustainability which will include many areas beyond the environment. It includes, in fact, many of the sustainable goals of the United Nations," he added.

Among Accenture's sustainability efforts are a net-zero path, accelerating equality in terms of inclusion and diversity programs, and embedding sustainability services.

Mr. Tayag said that he believes that the industry will continue to have the opportunity to create hundreds of thousands more jobs in the next five to six years.

"And as we create these quality jobs, we will continue to remain a pillar of the Philippine industry," he added.

Quoting Accenture's Chief Executive Officer Julie Therese Sweet, Mr. Tayag said that "in order to be a great place to work, [we need to] have access to clients in the industry and we have to be creator of talents through investments and technology."

"And that is the way so that we will continue to be able to not only survive but to thrive and be successful and grow in the future and become a major player in the Philippine economy," Mr. Tayag added. — **Justine Irish D. Tabile**

Citicore says its power plants fully operational after typhoon

CITICORE Renewable Energy Corp. said on Monday that all its power plants are fully operational following the onslaught of Typhoon Karding.

"As of 11 a.m. of Sept. 26, Citicore Solar (CS) Arayat and Bulacan are fully operational and 100% online," Citicore President and Chief Executive Oliver Y. Tan said in a media release on Monday.

Mr. Tan said that Citicore's operations and maintenance team are monitoring all operating plants to ensure uninterrupted power services in areas affected by the typhoon.

He assured the company's stakeholders and its plants' surrounding communities of continuous service despite the minor damage caused by the typhoon.

In the company's press release, it said that CS Tarlac 2 is also ready and on standby.

"CS Tarlac 2 is working closely with Tarlac Electric, Inc. for the restoration of electricity in affected areas," it said.

Further, Mr. Tan said that some facilities with minor damage are under inspection. He said that restoration works continue, but will not affect the operational capacity of the power plants.

He said that while the operations and maintenance team is patrolling the affected power plants, "we are also extending our assistance to our host communities and coordinating with the local government units for any help we can give."

Data from Citicore's website showed that Citicore Solar Bulacan, Inc. operates the 15-megawatt-peak utility-scale solar photovoltaic power plant. The company recently energized its 72-megawatt Arayat-Mexico solar farm.

On Sunday, the Philippine Atmospheric, Geophysical and Astronomical Services Administration placed areas in the provinces of Bulacan, Pampanga, Quezon, and Nueva Ecija under Tropical Cyclone Wind Signal No. 5. — **Ashley Erika O. Jose**

Federal Land, partners top off second tower of mixed-use project

FEDERAL Land, Inc., together with Nomura Real Estate Development Co., Ltd. and Isetan Mitsukoshi Holdings Ltd., topped off the second tower of its The Seasons Residences, the firm said on Monday.

"The event marks the structural completion of the second tower of the development — a testament to Federal Land's commitment to developing well-built structures and bringing in a piece of Japan in Bonifacio Global City (BGC)," the firm said in a press release.

Federal Land capped off Natsu Tower, the second tower of the Seasons Residences which is a mixed-used development inspired by the four seasons of Japan.

"[It] marries Japanese tradition of innovation and excellence with Filipino sense of community," the company said.

The Seasons Residences will feature four towers of "high-end homes, curated amenities, and the first Mitsukoshi in the country."

Mitsukoshi is an international department store based in Japan under Isetan Mitsukoshi Holdings. It will open at the podium level of the Seasons Residences.

The development is part of Federal Land's Grand Central Park — a master-planned community in BGC and an integrated-use development that is home to Grand Hyatt Manila.

According to the company's website, the target completion date for the Seasons Residences is on Dec. 31, 2027, with Sunshine Fort North Bonifacio Realty Development Corp. as its developer.

Federal Land is a real estate developer and a subsidiary of the listed holding firm GT Capital Holdings, Inc. — **Justine Irish D. Tabile**

Weaker demand spells end of shipping boom

THE cost of shipping goods from China has slumped to the lowest level in more than two years as the world economy stumbles, dimming prospects for container carriers that turned in record profits during the pandemic.

A 40-foot shipping box from the world's largest port of Shanghai to Los Angeles fetched $3,779 last week, the first time the spot price was below $4,000 since September 2020 and half the level of three months ago, according to Drewry. More declines are expected in the next few weeks, it said.

While the value of Chinese exports was still rising through August, it's expected to continue to slow down. That's a symptom of multiple headwinds hitting developed and developing economies alike, from soaring inflation and a surging dollar to central bank interest-rate hikes and trade disruptions blamed on Russia's war in Ukraine.

"It's fair to say that the demand outlook for the trans-Pacific and container shipping generally is receding quickly," said Simon Heaney, a senior manager of container research at Drewry.

In what's typically the peak season for seaborne trade, global demand for Chinese goods is waning instead as consumers cut back spending because of inflation and the shift away from goods toward services.

Factories in Europe and the rest of Asia are also scaling back production. China's economic slowdown is also cutting into import demand, with companies in Asia and Europe seeing weaker growth or declines in orders from Chinese companies.

For the world's shipping lines, it's providing some relief to their packed sailing schedules yet threatening to slow an eye-popping run of profitability driven during the pandemic by stronger-than-normal consumer demand for household items.

"While it's more clear that the second quarter of 2022 will be an earnings peak, I think any talk of bust and return to pre-pandemic earnings levels — or lack thereof — is premature," said John McCown, an industry veteran and founder of Blue Alpha Capital.

Shares of Copenhagen-based A.P. Moller-Maersk A/S hit the lowest since March 2021 on Friday, and Germany's Hapag-Lloyd AG slumped to the lowest since June last year. Cosco Shipping Holdings Co., China's biggest carrier, reached a 17-month low. Shares of Honolulu-based Matson, Inc., a smaller player that has operated an express Asia-to-US service across the Pacific, are worth about half of their record high set in March.

It was just about two years ago that US import demand started to surge, leading to a queue of cargo ships off the coast of Southern California through 2021 that eventually reached a high of 109 in January this year. As of Friday, the line to enter the ports of Los Angeles and Long Beach had eight vessels.

US container imports aren't falling off a cliff, but they're slowing down to more normal levels seen before COVID-19.

The steady fall in spot container rates is putting pressure on carriers that have been pushing to sign more long-term contracts with customers as those prices soared into early 2022. Maersk, for instance, said recently it has about 72% of its long-haul volume on contracts.

Walmart, Inc., Amazon.com, Inc. and Ikea were among companies that signed contracts when spot prices were at near-record levels, according to analysis firm Xeneta, but as inflation bites importers in the US and Europe want to ship fewer goods from Asia, it said.

Many of the carriers' customers want to re-negotiate for discounts.

Agents and freight forwarders in Asia have received calls recently from cargo owners asking to lower their shipping costs, with some exporters complaining about the unfairness of paying almost twice as much on contracts than the spot market. Shipping companies want exporters to bulk up their volumes, but many are refusing to because of the weaker economic outlook. — ***Bloomberg***

FULL STORY

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