

Underemployment,
from SI/1

“In a region where our neighbors are also aggressively competing for investments, we must leverage on these changes to the country’s policy regime by ensuring that we urgently address on-the-ground concerns related to the ease of doing business. Investors must not be kept waiting — we must create an enabling regulatory environment that makes it easy for them to set up shop, expand, and generate the high-quality jobs we need,” he said in a statement.

Mr. Balisacan said the government will work to improve health, nutrition and education-related programs to maintain the Filipino workforce’s competitiveness.

“Investments in human capital will ensure that the growing working-age population will be able to maximize the job, market, and technological opportunities made available to it and allow the country to reap the benefits of the demographic dividend,” he said.

In March, the size of the total labor force slipped to 51 million from 51.27 million in February but higher than the 49.85 million total labor force a year earlier.

This brought the labor force participation rate (LFPR) — the share of the Filipino workforce to the total working age population of 15 years old and older — to 66% in March from 66.6% in February, and 65.4% in the same period last year.

PSA data showed the number of employed Filipinos stood at 48.58 million in March, 216,000 lower from 48.80 million in February. Year on year, this was a 1.61 million increase from the 46.98 million employed Filipinos in March 2022.

Due to the lower number of employed workers, the employment rate went up to 95.3% in March from 95.2% in February and 94.2% in the same month a year ago.

Wage and salary earners accounted for the largest share of the labor force at 61.6%.

Mr. Mapa said some young people might have opted out of the workforce to go back to school as the PSA observed a drop in the number of workers in the 15-24 age group.

The Department of Finance (DoF) said March’s employment rate reflected the continuous improvement in the labor market.

“With labor force participation up and unemployment and underemployment down, more Filipinos are actively joining the labor force and getting jobs,” Finance Secretary Benjamin E. Diokno said. “These continued improvements indicate that our economy is poised for continued recovery and growth.”

Lending,
from SI/1

Credit for production activities increased 8.9% in March, slightly faster than the 8.7% growth seen in February.

This was driven by borrowings for electricity, gas, steam, and air-conditioning supply (12.5% in March from 9.3% in February); wholesale and retail trade, and repair of motor vehicles and motorcycles (10.5% from 9.3%); financial and insurance activities (13.1% from 12.5%); manufacturing (9.1% from 8.3%); and real estate activities (4.2% from 3.8%).

However, loan growth slowed for information and communication (16.9% in March from 18.6% in February); public administration and defense, compulsory social security (8.4% from 11.8%); mining and quarrying (7.3% from 13.4%); and agriculture, forestry and fishing (3.9% from 4.9%).

BSP data also showed a 41% decline in loans for professional, scientific and technical services, a reversal of the 107% growth in February.

“Moving forward, we will likely see a deceleration in bank lending growth, especially in sectors for production, since we expect the BSP to keep its policy rate relatively tight this year,” Ms. Velasquez said.

BSP data also showed household borrowings expanded by 21.3% in March, unchanged from February.

Credit card loans grew by 27.9% in March, slower than the 29.4% in February. Salary-based general purpose consumption loans also grew by 67%, easing from 69.9% in the prior month.

The services sector remained the top employer in March with an employment rate of 59% of the total workforce, followed by agriculture at 23.5% and industry at 17.5%.

Month on month, higher employment was seen in construction (up by 286,000); transportation and storage (up by 183,000); mining and quarrying (up by 108,000); Manufacturing (up by 102,000); administrative and support services activities (up by 86,000).

Meanwhile, month-on-month job losses were recorded in wholesale and retail trade, repair of motor vehicles and motor vehicles and motorcycles (down by 289,000); agriculture and forestry (down by 259,000); accommodation and food service activities (down by 240,000) fishing and aquaculture (down by 90,000).

An employed Filipino on average worked 40 hours in a week in March, slightly higher than the 39.5 hours in the previous month and 40.6 in March last year.

“Overall, it has been positive, and we are seeing a sustained reopening demand as evidenced by transport, accommodations, and restaurant sector activities,” Union Bank of the Philippines, Inc. Chief Economist Ruben Carlo O. Asuncion said in a Viber message.

However, he noted labor demand may weaken after the summer months as seasonal jobs tend to decline.

Jose “Sonny” G. Matula, president of the Federation of Free Workers, said there is a need to boost and modernize the agriculture sector to generate high-quality jobs.

“Integrating agriculture with manufacturing can open new avenues for job creation and economic growth,” he said in a Viber message.

“By investing in modern agricultural technologies, such as smart farming and precision agriculture, we can increase productivity, improve crop yields, and create sustainable, high-quality jobs for our citizens.”

Year on year, agriculture and forestry had the largest decline in employment in March with a 607,000 drop from a year prior, the PSA said.

In April 2005, the PSA revised the definition of joblessness as people without work; currently unavailable for work; and seeking work or not seeking work because they believe that no work is available or waiting for results of a previous job application due to temporary illness disability, bad weather, or waiting for rehire or job recall.

On the other hand, borrowings for motor vehicles inched up by 0.5%, improving from the 1.3% decline seen in February.

“For consumer loans, we expect credit card loans to remain resilient as Filipinos move to cashless lending and take advantage of deferred payments,” Ms. Velasquez said.

M3 GROWTH STEADY

Meanwhile, money supply expanded by 6% year on year to P16.2 trillion in March, recording the same rate of expansion in February.

Money supply, or M3, is considered as the broadest measure of liquidity in an economy.

Month on month, M3 rose by about 0.2%, the BSP said in a separate statement.

In March, domestic claims rose by 12.4%, slightly faster than the 11.6% in February.

Net borrowings of the central government expanded by 9.6%, slowing from the 9.9% growth in February.

Net claims on the central government increased by 21.4% in March, faster than the revised 17.5% in February. Claims in the private sector jumped by 9.6%, slower than February’s 9.9%.

Meanwhile, net foreign assets (NFA) declined by 4.2% in March, worsening from the 3.1% contraction in February.

“The NFA of banks declined mainly on account of higher bills payable. Similarly, the BSP’s NFA position fell by 0.9% in March,” the BSP said.

SEC clears Repower Energy’s initial public offering

THE Securities and Exchange Commission (SEC) has cleared the registration of shares by Repower Energy Development Corp. for an initial public offering (IPO) as well as the participation certificates by Fora Services, Inc. for a condotel in Tagaytay.

“In its May 4 meeting, the Commission En Banc resolved to render effective the registration statements of Repower Energy covering 650,000,002 common shares and of Fora Services covering 164 certificates of participation,” the SEC said in a press release on Monday.

Repower Energy is the hydro-power arm of Pure Energy Holdings Corp., while Fora Services

is a wholly-owned subsidiary of Filinvest Hospitality Corp. The regulator said its nod is subject to the companies’ compliance with certain remaining requirements.

The SEC approved the IPO of Repower Energy for 200-million common shares with an overall lotment of 30 million common shares priced at P5 apiece. It said the shares will be listed and traded on the main board of the Philippine Stock Exchange.

The company expects proceeds of up to P949.5 million from the offering which it will use to fund the equity portion of its hydro-power projects, development and/or acquisition of renewable energy

projects, and operating and working capital requirements.

The initial offer period is from June 5 to 14 with its listing on June 23. China Bank Capital Corp. is the sole issue manager, lead underwriter, and sole book-runner for the transaction.

Repower Energy oversees the operation of six hydropower plants with a combined capacity of 10.146 megawatts.

Meanwhile, Fora Services plans to fund its Quest Hotel Tagaytay project by offering 164 certificates of participation priced at a range of P187,700 to P440,700 each.

The company expects net proceeds from the offering to amount

to P33.3 million, which it targets to use for expenses, technical fees, working capital buyouts, as well as working capital requirements.

Filinvest Land, Inc. will offer and sell the certificates through its network of registered brokers and securities salesmen.

The certificates will be offered and sold to the buyers of the 164 rooms in the hotel, which will be operated and managed as a condotel. Certificate holders will be entitled to receive a payment of distributable participation interest annually and room use privilege for up to 14 nights in the condotel per year. — **A. H. Halili**

Globe sells telco towers for P5.4B

GLOBE Telecom, Inc. has sold 447 telecommunications towers to Unity Digital Infrastructure, Inc. from which the Ayala-led company expects P5.4 billion in proceeds.

Globe President and Chief Executive Officer Ernest L. Cu said in a briefing on Monday that the sale and leaseback of the towers are “under the same terms and conditions [as] our past transactions.”

The deal comes as the company shifts “from telco to techno,” he said. It was forged with the joint venture between Aboitiz InfraCapital, Inc. (AIC) and Partners Group., and includes associated passive telecommunications infrastructure.

“We are confident that our partnership with Unity will enable us to further streamline our operations and promote technology as a tool to upgrade the standard of living across the nation, especially in Visayas and Mindanao, consistent with our vision

of digital inclusivity,” he said in a press release.

Around 84% of the sold towers are ground-based while the remaining 16% are rooftop towers. Globe expects to recognize an estimated pre-tax net transaction gain of P1.8 billion upon the closing of the transaction.

For an initial period of 15 years, the sold towers, which are located in Luzon, will be leased back to Globe.

“This partnership between Unity and Globe will allow us to support mobile network operators in enhancing connectivity across the country, bringing even more Filipinos into the digital age,” said Cosette V. Canilao, president and chief executive officer of AIC.

Globe Chief Finance Officer Rosemarie Maniego-Eala said the company will receive the proceeds in tranches “as we turn over the towers to Unity similar to what we have done with our other tower portfolio.”

Unity expects the success of the transaction to further expand its digital footprint and portfolio of strategic locations in the Philippines as it will increase its portfolio of assets in the county to more than 2,000 towers and small cell poles.

“This is a significant step towards realizing our vision of positioning Unity as a leading telecommunications infrastructure provider that can deliver positive stakeholder impact over the long term through closing the country’s digital divide,” said Andrew Kwok, Managing Director, co-head for private infrastructure in Asia of Partners Group.

If actualized, Globe’s total towers sold will reach 7,506. The expected proceeds will be used to finance the company’s capital expenditures and maturing debts.

When asked whether the company is planning to sell more towers, Ms. Maniego-Eala said: “We will see if there are any more opportunistic transactions for

balance here. But by and large, I think we’re only targeting 7,000. So, the fact that we’re at 7,500 is already over our target.”

In the first quarter, the company’s capital expenditures amounted to P17.6 billion, which it said was lower by 16% that its spending in the same period last year.

For 2023, the company said that it had earmarked a capex budget of \$1.3 billion, a 30% reduction from its budget in 2022.

In the media release, Globe described Partners Group as a global private markets firm that has invested over \$195 billion in private equity, private real estate, private debt, and private infrastructure on behalf of its clients globally.

AIC, the infrastructure arm of the Aboitiz group, develops economic estates as well as projects in water, digital infrastructure, transport and mobility.

Globe shares were unchanged on Monday at P1,710 each. — **Justine Irish D. Tabile**

EdgePoint, DITO activate their first colocation partnership

TELECOMMUNICATIONS infrastructure company EdgePoint Infrastructure Sdn. Bhd.’s through its local EdgePoint Towers, Inc. has activated its first tower colocation tenancy partnership with DITO Telecommunity Corp.

The site, located in a 48-meter ground-based tower in Tanay, Rizal, is expected to be ready for installation in under two weeks.

“The site enables DITO Telecommunity to serve more than 139,000 residents in the area,” EdgePoint Infrastructure said in a press release.

“The activation also kicks off a partnership between EdgePoint and DITO Telecommunity that will

see the rollout of planned colocation projects across Luzon,” it added.

EdgePoint Infrastructure Chief Executive Officer Suresh Sidhu said the company is focusing on making its tower network available to all operators for faster deployment.

“We are committed to ensuring the ready availability of accessible and reliable wireless telecommunications infrastructure to support all mobile network operators and Internet service providers in the Philippines, thereby improving service quality to their customers,” Mr. Sidhu said.

Previously, the company announced its partnership with Globe Telecom, Inc. aimed at increasing both tower and colocation sites in the Philippines.

The partnership, which requires EdgePoint Infrastructure to provide a network of sites, is said to support Globe’s expansion plans across the country.

To date, its EdgePoint Infrastructure’ Philippine unit operates 2,557 active sites, which it plans to increase to 3,000 by the end of 2023.

The EdgePoint group owns and manages a total of 14,000 towers across Malaysia, Indonesia and the Philippines. — **Justine Irish D. Tabile**

Debt,
from SI/1

He added that outstanding debt may continue to rise ahead of government dollar bond offerings.

National Treasurer Rosalia V. de Leon last month said that the government is planning to launch a retail dollar bond offering this May. The government might sell \$1.5 billion worth of 5.5-year debt, she said.

As of end-December, the country’s debt-to-gross domestic product (GDP) ratio stood at 60.9%, improving from the 63.7% ratio as of end-September.

This is lower than the 61.8% target under the medium-term fiscal framework, but still above the 60% threshold considered manageable by multilateral lenders for developing economies.

The government aims to cut the debt-to-GDP ratio to less than 60% by 2025, and further to 51.5% by 2028.

This year, the government’s borrowing plan is set at P2.207 trillion.

Philippines Inc.,
from SI/1

“This, combined with generally solid capitalization and adequate provision of nonperforming loans, has kept risk premia reasonable; and allowed Philippine companies to fund at relatively competitive rates even during periods of market turmoil and at longer tenors,” S&P said.

The debt watcher also said that some of larger groups in the country have banking operations or are major shareholders in banks, and this may pose as a moderate system weakness.

“Related party lending is often limited and generally well-disclosed. But a sharp deterioration in the credit profile or capitalization of either a group’s banking subsidiary or affiliate, or the group itself, could induce event risk, accelerate contagion effect, and tighten funding availability to the large corporate sector,” S&P said.

S&P also sees an annual lending growth of about 7-9% in 2023-2024.

The growth of lending activities among large banks in the Philippines was “broadly steady” at 10.1% in March from 10% in February, according to preliminary data from the central bank. — **Keisha B. Ta-asan**

Manulife Investment Management

Manulife Investment Management and Trust Corporation
10th Floor NEX Tower, 6786 Ayala Avenue, Makati City, 1229 Philippines

Balance Sheet as of March 31, 2023

Assets	Amount	Board of Directors
Deposit in Banks	P 297,364,938.30	Gianni Fiacco Chairman of the Board
Available-for-Sale (AFS) Financial Assets (Net)	405,836,163.74	Boon Choy Wong Vice Chairman
Accrued Interest Income from Financial Assets (Net)	4,219,469.44	Macaria Trinidad Gaspar Director/President and CEO
TC Premises, Furniture, Fixture and Equipment (Net)	21,798,908.22	Rahul Hora Director
Deferred Tax Asset	101,825.40	Edwin Magpantay Director
Other Assets (Net)	214,288,556.36	Luz Lorenzo Independent Director
Total Assets	P 943,609,861.46	Atty. Rene B. Betita Independent Director
Liabilities		Raul C. Diaz Independent Director
Finance Lease Payment Payable	P 3,779,149.00	
Due to Bangko Sentral ng Pilipinas	7,590,132.47	
Income Tax Payable	37,859,804.62	
Other Taxes and Licenses Payable	4,067,929.46	
Accrued Other Expenses	38,081,754.16	
Provisions	11,703,999.35	
Other Liabilities	116,276,958.84	
Total Liabilities	P 219,359,727.90	
Stockholder's Equity		
Paid-in Capital Stock	300,000,000.00	
Retained Earnings	415,508,219.77	
Undivided Profits	21,850,533.15	
Other Comprehensive Income	(13,108,619.36)	
Total Stockholder's Equity	P 724,250,133.56	
Total Liabilities and Stockholder's Equity	P 943,609,861.46	
Contingent Accounts		
(1) Trust Accounts	P 171,819,567,004.30	
(2) Deficiency Claims Receivable	0.00	
(3) Items Held as Collateral	0.00	
(4) Late Payment Received	0.00	
(5) Derivatives	0.00	
(6) Others	0.00	
Total Contingent Accounts	P 171,819,567,004.30	
Additional Information		
Return on Equity (ROE)	12.00%	
Return on Assets (ROA)	10.00%	
Percentage of total trust fees to AUM	0.07%	
DOSRI Loans and Receivables	0.00	
Past Due DOSRI Loans and Receivables	0.00	
Total outstanding investments to DOSRI and related parties	0.00	

We, Macaria Trinidad F. Gaspar and Gerlie R. Aman of the above mentioned trust corporation, do solemnly swear that all matters set forth in the Balance Sheet are true and correct to the best of our knowledge and belief.

Macaria Trinidad F. Gaspar (SGD)
President and CEO

Gerlie R. Aman (SGD)
Treasurer and Head of Operations

Subscribed and Sworn to before me this May 4, 2023, affiants exhibiting to me their Passport No. P8443094A issued in DFA Manila on 08.22.2018 and Driver's License No. N03-99-27367 issued on 12.27.2021.

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John Domingo A. Ponce, Jr.
Notary Public
Until December 31, 2023
IBP No. 260608 /PTR No. 9565652