

Financial institutions sustain growth in 2018

BANKS, insurance firms, and other financial companies continued to expand in 2018, albeit at a slightly slower pace from the year before.

Philippine Statistics Authority data showed that the growth in the financial intermediation sector’s gross value added (GVA) remains robust at 7.2% to P681.01 billion last year, although this was slower than the previous year’s 7.6% rise.

Banking institutions, which make up 46.6% of the sector’s total output, saw their GVA grow by 8.3% to P317.35 billion. This was slower than the 9.4% growth recorded a year prior.

Likewise, insurance firms and other financial firms doing “activities auxiliary to financial intermediation” grew at slower paces of 2.4% (to P110.3 billion) and 5.3% (P36.5 billion), respectively, from 5.2% and 7.1% in 2017.

On the other hand, non-bank financial intermediation companies saw their gross revenue accelerate to 8.6% from the previous year’s 6.5% expansion. Last year, non-bank firms earned P216.85 billion.

Data from the Bangko Sentral ng Pilipinas showed cumulative bottom line among banks was P179.71 billion in 2018, 6.9% higher than the P168.07 billion in 2017.

Thirty-five universal, commercial, thrift, and rural banks made it to the latest Top 1000 list, with a combined P798.34 billion in gross revenue.

Universal banks accounted for P645.99 billion of the total, with BDO Unibank, Inc. (No. 7 in the overall



ranking) remaining the top earner with P158.44 billion in gross earnings. Metropolitan Bank & Trust Co. (No. 22) had gross revenue of P78.81 billion, while the Bank of the Philippine Islands (No. 23) recorded P76.62 billion in gross revenue.

Philippine Savings Bank (No. 138) leads thrift banks in this year’s ranking with P19.55 billion in gross revenue, an 11.2% increase from 2017.

Among foreign banks, Citibank, N.A. (No. 91) was the highest earner, taking in P28.94 billion in gross top line, 21.8% higher compared to the previous year.

Meanwhile, Insurance Commission data showed total premiums rising by 11.7% to P290.15 billion in 2018 from P259.82 billion posted a year ago.

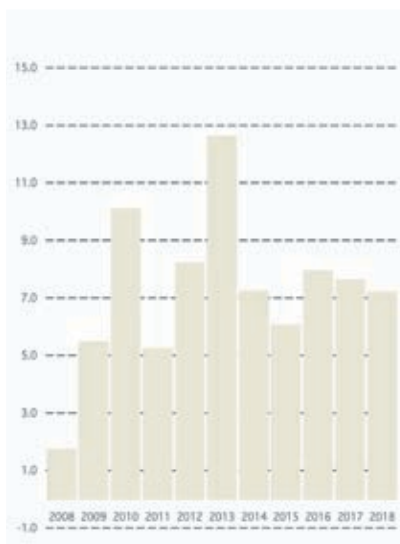
Fifteen life insurers made the cut on the Top 1000 Corporations list. Together, they posted a combined P289.39 billion in gross revenue.

Sun Life of Canada (Philippines), Inc. leads with P51.03 billion in gross revenue, 13.5% down from the previous year, to land in the No. 41 spot on the main listing. It is followed by The Philippine American Life and General Insurance (Philam Life) Co., with P43.24 billion, up by 5.2% and taking the No. 55 spot.

Nonlife insurance firms reported total gross revenue of P27.96 billion, a 15.8% jump from 2017, with Prudential Guarantee and Assurance, Inc. (No. 491) taking the helm with P5.47 billion in gross revenue, up by 10.3%. — **Marissa Mae M. Ramos** ■

GROSS VALUE ADDED

Financial and Insurance Activities
Growth in Percent (at constant 2000 prices)



SECTOR AT A GLANCE

YEAR	GROSS REVENUE % change	NET SALES % change	NET INCOME P billion	TOTAL ASSETS % change	TOTAL LIABILITIES % change	STOCK-HOLDERS' EQUITY % change	RETURN ON EQUITY	RETURN ON SALES	DEBT-TO-EQUITY RATIO
2014	1.7	4.9	422.00	11.7	11.7	11.7	0.1	0.4	3.3
2015	7.0	6.6	443.85	8.4	8.5	8.0	0.1	0.4	3.1
2016	8.9	7.6	442.45	11.0	11.7	8.6	0.1	0.4	3.1
2017	18.6	15.0	506.98	11.4	11.8	9.8	0.1	0.4	3.7
2018	38.0	17.3	799.98	12.6	11.1	17.6	0.2	0.6	3.3

Source: Financial statements from the SEC and companies included in the Top 1000