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Inflation,
from S1/1

This brought average inflation in the first 10 months to 6.4%, still above the BSP's 6% full-year forecast.

At its Nov. 16 policy meeting, the BSP raised its baseline inflation forecast to 6% in 2023 (from 5.8% in September) and to 3.7% in 2024 (from 3.5%), but cut its 2025 inflation estimate to 3.2% (from 3.4%).

"A few analysts cited the weaker-than-expected global economic growth, recent deceleration of global oil prices, and improvement in domestic food supply owing to non-monetary government interventions (e.g., food importation) as possible downside risks to the inflation outlook," the BSP said.

The survey also showed that the majority of the analysts expect the BSP to maintain the policy rate at the current level until the first quarter of 2024.

The BSP kept its benchmark interest rate steady at a 16-year high of 6.5% at its policy meeting last week. Since it began its aggressive monetary tightening cycle in May 2022, the BSP has raised borrowing costs by a total of 450 basis points (bps).

"By end-2024, most analysts anticipate the BSP to reduce the key policy rate by a range of 50 bps to 200 bps and expect further easing of about 25 bps to 200 bps in 2025," it added.

TARGETS

Meanwhile, the BSP said Philippine economic growth from this

year to 2025 could miss the government's targets.

"Projected gross domestic product (GDP) growth could settle below the Development Budget Coordination Committee's target of 6-7% for 2023 and 6.5-8% for 2024 and 2025," the central bank said.

"The estimated growth path reflects primarily the impact of subdued global economic conditions as well as the lagged impact of the policy rate adjustments," it added.

However, the BSP noted that its full-year GDP forecasts from 2023 to 2025 were revised higher from the previous Monetary Policy Report due to the improved growth in the third quarter driven by accelerated government spending.

The Philippine economy grew by 5.9% in the third quarter, faster 4.3% in the second quarter but slower than 7.7% a year ago.

For the first nine months, economic growth averaged 5.5%, still below the government's 6-7% full-year target. To reach the lower end of its goal, the economy would need to grow by 7.2% in the fourth quarter.

"This could be offset partly by the impact of higher real policy rate as well as the estimated impact on agriculture of El Niño weather conditions," the BSP said.

The latest advisory from the state weather bureau showed that a moderate-to-strong El Niño is present in the tropical Pacific and is expected to continue until the second quarter of 2024.

PetroWind expands wind project

PETROWIND Energy, Inc. has started constructing the second phase of its 36-megawatt (MW) Nabas wind power project in Aklan, which is targeted to be completed next year.

In a media release over the weekend, the unit of Yuchengco-led listed firm PetroEnergy Resources Corp. said it would add six turbine generators to the existing 18 of the first phase.

The expansion will enable the company to increase the wind project's capacity to 50 MW from 36 MW.

PetroWind has secured the necessary permits from the Department of Energy (DoE) and the Department of Environment and Natural Resources (DENR) and other local government units.

PetroWind is a joint venture of PetroGreen Energy Corp. (PGEC), the renewable energy arm of PetroEnergy, EEI Power Corp., and BCPG Public Co. Ltd. of Thailand.

"The commencement of this project underscores our commitment to help address the growing demand for power in the Visayas grid while fostering sustainable development in the countryside and long-term partnerships



PETROWIND ENERGY, INC.

with our stakeholders," said Yrel Ventura, senior manager for environment and community relations manager of PGEC.

As part of its sustainability framework, the company, in partnership with the DENR, adopted a 41-hectare forest plantation and was able to plant about 50,000 seedlings through its annual tree-planting activity with host communities.

It has also invested more than P175 million in bioengineering solutions for its ridge-to-river rehabilitation program.

In the third quarter, PetroEnergy reported an attributable net income of P167.95 million, up 51.3% from P111.03 million recorded last year. Gross revenues increased by 47.6% to P959.51 million from P649.92 million previously. — **Sheldeen Joy Talavera**

PSE says Holcim to be delisted on Nov. 27

LISTED construction material supplier Holcim Philippines, Inc. is set to be officially delisted from the local bourse on Nov. 27, stock market operator Philippine Stock Exchange, Inc. (PSE) said.

PSE said it had approved Holcim's petition for voluntary delisting and accordingly ordered the delisting of the company's shares from the PSE's official registry effective Nov. 27, based

on Memorandum CN - No. 2023-0064 dated Nov. 17 posted on the PSE website.

Holcim's stockholders approved the voluntary delisting plan on Sept. 22 while its board of directors gave the go-signal on June 29.

The PSE suspended the trading of Holcim shares when Holderfin B.V. bought 594.95 million common shares or 9.22% of the company's outstanding capital

stock from Sumitomo Osaka Cement Co., Ltd.

As a result, Holcim's public float fell to 5.05%, or below the minimum requirement for listed firms. Holderfin conducted a tender offer for 325.58 million of Holcim's issued and outstanding common shares at P5.33 apiece.

Holcim posted a P164.33-million net income in the third quarter, a reversal of the

P173.47-million net loss last year. The company's net sales from July to September fell 21% to P5.5 billion from P6.94 billion a year ago.

Based on its website, Holcim has cement manufacturing facilities in La Union, Bulacan, Misamis Oriental, and Davao, as well as aggregates and dry mix business and technical support facilities for building solutions. — **Revin Mikhael D. Ochave**

PLDT commits to use AI in enhancing operations

PANGILINAN-LED PLDT Inc. has expressed its commitment to tap and utilize artificial intelligence (AI) to boost and enhance its operations.

In a media release, the listed telecommunications company said it is ready to tap AI-powered technologies to enhance its operations, particularly in improving customer service.

"It is not enough to merely adopt AI — we must do so with a deep sense of ethics and responsibility. We need to safeguard customer and employee rights, uphold privacy and security, and champion diversity and inclusivity. Corporate governance principles must be at the core of the adoption of every new technology," Alfredo S. Panlilio, president

and chief executive officer of PLDT and its wireless subsidiary Smart Communications, Inc., said in a media release on Saturday.

The company has also expressed its interest in exploring AI-powered technologies to enhance its network operations.

"In an increasingly interconnected world, AI has the potential to revolutionize the way we operate,

with opportunities to enhance efficiencies, improve customer experiences, ensure data accuracy, and rationalize costs," Mr. Panlilio said.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**



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