

Vehicle,
from S1/1

The Philippine central bank has raised borrowing costs by a cumulative 450 basis points between May 2022 and October 2023, bringing the key rate to a 16-year high of 6.5%.

CAMPI-TMA data showed sales growth of commercial vehicles and passenger cars slowed to single digits in November.

Sales of commercial vehicles, which made up nearly three-fourths of the monthly sales, went up by 7.7% to 28,114 units in November.

Month on month, commercial vehicle sales inched up by 0.3%.

Broken down, light commercial vehicle sales went up by 6% to 21,427 units, while sales of Asian utility vehicles increased by 13.6% to 5,609 units in November.

Sales of light trucks and heavy trucks increased by 20.9% and 14.5% to 649 and 95 units, respectively.

On the other hand, medium truck sales dipped by 0.9% to 334 units in November.

Meanwhile, passenger car sales increased by 7.1% to 9,569 units in November from 8,931 units a year ago. However, sales of passenger cars dropped by 5.14% month on month.

Despite the slower growth in November, CAMPI-TMA members sold 390,654 units in the eleven-month period, up by 23.9% from 315,337 units a year ago.

For the January-to-November period, commercial vehicle sales jumped by 22.2% to 290,989 units, while passenger car sales rose by 29% to 99,665 units.

Mr. Gutierrez said the eleven-month tally puts the industry on track for full recovery to pre-pandemic levels.

"We already achieved 92% of our 2023 forecast in November; we may even exceed our sales forecast of 423,000 units if sales performance in the last three months is sustained," said Mr. Gutierrez.

CAMPI earlier revised its 2023 sales target to 423,000 units from 395,000 units previously. If realized, this would be 20% higher than the 352,596 vehicles sold in 2022.

Toyota Motor Philippines Corp. remained the market leader with a 46.2% share as eleven-month sales rose by 15% to 180,480 units.

Mitsubishi Motors Philippines Corp. came in second with a 53.8% increase in sales to 71,833 units from January to November.

In third spot is Ford Motor Co. Phils., Inc. as sales jumped by 33.3% to 28,586 units.

Rounding out the top five were Nissan Philippines, Inc., which saw a 27.7% increase in sales to 24,743 units, and Suzuki Phils., Inc. whose sales fell by 8% to 16,676 units. — **Justine Irish D. Tabile**

Publishers,
from S1/1

Without the pressures of distributing to bigger bookstores, she and her managing publisher, Oliver Ortega, get to choose which books to sell.

Mr. Ortega said they sell books that are absent in mall-based bookstores.

"We want to curate books along certain themes like LGBTQ+, climate activism and the maritime conflict with China," he said in an e-mail. Books with these themes are best sellers.

Ms. Santiago said the book *EDSA Uno* by her mother Angela Stuart-Santiago sold like hotcakes after the 1986 People Power revolution was removed as a 2024 holiday.

"Content that gets the most responses will always be the ones that engage with current issues," she said.

Registered Philippine book sales more than tripled to P10.27 billion amid a coronavirus pandemic in 2021, according to a report by the National Book Development Board.

BOOK FAIRS

Faye Cura, a poet and co-founder of Gantala Press, said they started selling to their own press and independent bookstores to avoid high consignment fees.

"By selling our books in independent bookstores and pop-up fairs, we get to support small businesses and strengthen our community of people and groups that believe in our books and our advocacy," she said via e-mail.

Gantala Press, which does not have a physical store, sells books on its website and at book fairs.

Calling itself the first and only publisher of titles about and written by women, a chunk of Gantala Press' sales go to peasant and women support groups.

By staying independent, the publishing house manages to keep prices between P300 and P500.

Discounts from publishers usually dictate book prices, Ms. Santiago said. Printing presses owned by universities like the Ateneo de Manila University and University of the Philippines have been very generous in giving them discounts, allowing them to keep prices down, she added.

Books at Everything's Fine cost as little as P295 and as much as P2,000, including foreign books, which are more expensive due to shipping and foreign exchange costs.

The digital economy did not only affect distribution but also book marketing.

"Interestingly enough, TikTok has been, perhaps in recent years, the top driver of awareness about a particular title," Mr. Dy said.

Ms. Santiago calls readers who feature their books on social media platforms like Instagram and TikTok their "unsung heroes" because they drive sales.

Milflore Publishing earns more by selling directly to readers and bookstores like Fully Booked and independent bookshops.

"Bookstores, like most retail establishments, take a discount from the suggested retail price of a consumer item," Ms. Flores said. This is where they take their margins and expenses such as mall rentals and staff wages.

"When the consumer buys directly from the publisher, the publisher will earn more — as would the author in our case — because the royalty percentages are based on the net amounts received by the publisher," she added.

Book fairs are also a living proof that Filipinos enjoy buying directly from publishers.

Ms. Cura expects fairs to be more accommodating to publishers that can't afford regular booth fees.

"We hope that more small presses are given space in big book fairs to diversify the kinds of books that reach schools and the general public," she said in Filipino.

Publishers and small bookshops have stood the test of time — including a global pandemic and the digital age — and has helped avid Filipino readers.

"The question has always been 'How can we make the books that we want to read ourselves make a decent profit and ensure that the authors also earn from their work?'" Ms. Santiago said.

Banks,
from S1/1

In late October, the Monetary Board raised policy rates by 25 basis points (bps) in an off-cycle hike, which brought the benchmark rate to 6.5%. Between May 2022 and October 2023, the BSP has raised borrowing costs by a cumulative 450 bps.

Bad loans, also known as nonperforming loans (NPLs), jumped by 6.8% to P374.27 billion in the July-to-September period from P350.44 billion in the same period a year ago.

This brought the NPL ratio — the share of soured loans to the total loan portfolio — to 3.62% from 2.91% in the same quarter a year ago.

Loans are considered to be nonperforming if any principal and/or interest are left unpaid for more than 90 days from the contractual due date or accrued interests for more than 90 days have been capitalized, refinanced, or delayed by agreement.

Meanwhile, the nonperforming asset (NPA) ratio — the share of NPLs and foreclosed properties to total assets — further eased to 0.89% from 1.1% a year ago.

Relative to total assets, foreclosed real and other properties stood at 0.25% in the third quarter, lower than 0.28% posted in the same period last year.

Total loan loss reserves went up by 8.4% to P413.09 billion during the July-to-September period from P381.25 billion a year ago.

These big banks median capital adequacy ratio (CAR) — the lender's ability to absorb losses from risk-weighted assets — reached 21.54% in the third quarter, better than the 19.6% median a year ago. However, this was lower than the 21.75% median CAR in the second quarter.

FULL STORY

Read the full story by scanning the QR code with your smartphone or by typing the link <tinyurl.com/ykulgqc4>

Remittance,
from S1/1

"The average cost of sending \$200 to East Asia in the leading least cost corridors was generally under 3% in the second quarter of 2023, thus achieving the Sustainable Development Goal (SDG) target. The fees for sending money to the Philippines were the lowest among the least expensive destinations," it said.

Remittances have become a crucial support for lower middle-income countries, the World Bank said.

"Remittances have become the premier source of finance for lower middle-income countries, exceeding the more volatile foreign direct investment flows in 2023 by more than \$250 billion," it said.

Remittance inflows can also be used to help support the country's debt management.

"Remittances also can play an important role in improving a country's ability to repay debt, due to their large size relative to other sources of foreign exchange, countercyclical nature, and indirect contribution to public finances," the World Bank said.

It cited a 2017 framework by the World Bank and International Monetary Fund that showed the contribution of remittances to debt sustainability.

"Similarly, econometric results show that the inclusion of remittances in the denominator of the debt-to-export ratio in middle-income countries with large remittance receipts would improve the sovereign rating by one notch," it said.

The World Bank said remittances are one of the few sources of private external finance that are likely to continue to expand in the next decade.

"As debt indicators have worsened in the lower middle-income countries, and sovereign risks increased, countries may benefit from efforts to attract diaspora investors who may view investment opportunities in their countries of origin through a more favorable lens than do institutional investors from the Global North," it added. — **Luisa Maria Jacinta C. Jocsion**

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