

Insurer Cigna abandons pursuit of Humana, plans \$10-billion share buyback

US HEALTH insurer Cigna has ended its attempt to negotiate an acquisition of rival Humana after the pair failed to agree on price, two sources familiar with the situation said on Sunday, as the company announced plans to buy back \$10 billion worth of shares.

A Cigna-Humana combination would have created a company with a value exceeding \$140 billion, based on their market values, but was certain to attract fierce antitrust scrutiny. The discussions came six years after regulators blocked mega-deals that would have consolidated the US health insurance sector.

The deal talks ended due to the parties not being able to agree on price, two sources familiar with the situation said. There remains the possibility of a tie-up in the future, those sources said.

Cigna, however, on Sunday announced plans to do an additional \$10 billion in share repurchases, bringing total repurchases to \$11.3 billion.

"We believe Cigna's shares are significantly undervalued and repurchases represent a value-enhancing deployment of capital as we work to support high-quality care, improved affordability, and better health outcomes," Cigna Chairman and Chief Executive Officer David Cordani said in a statement.

Mr. Cordani said the company would consider bolt-on acquisitions aligned with its strategy as well as "value-enhancing divestitures."

Cigna is still exploring the sale of its Medicare Advantage business, which manages government health insurance for

people aged 65 and older, the sources said. That move would mark a reversal of its expansion in the sector.

CONSOLIDATION CHALLENGES

A merger would have given the combined company more scale to rival bigger US health insurance players UnitedHealth Group and CVS Health.

Cigna and Humana, which have market values of \$77 billion and \$59 billion, respectively, currently have business overlap, concentrated in Medicare plans for older Americans.

Humana's Medicare business is much bigger and more profitable than Cigna's. Reuters reported in November that Cigna was exploring the sale of its Medicare Advantage operations, whose performance has disappointed investors. This divestment could boost the chances of a combination with Humana surviving antitrust challenges, regulatory lawyers said.

However, there have been antitrust concerns around the sector. After US courts upheld antitrust challenges in 2017, Anthem — now known as Elevance Health — gave up on a \$48 billion deal to acquire Cigna. Losing the legal battle also caused Aetna — now owned by pharmacy chain operator CVS Health — to abandon a \$37-billion deal to acquire Humana.

Craig Garthwaite, a health-care economist at Northwestern University, said in November when news of the deal talks broke that he expected antitrust authorities to challenge the merger, but that a sale of Cigna's Medicare Advantage (MA) business would improve the deal's prospects. — **Reuters**

As Xi visits, China offers rail grants to Vietnam, pushes Digital Silk Road

HANOI — China and Vietnam are set to agree this week on upgraded rail links and other infrastructure, possibly including digital projects, officials said, in moves that would bring Hanoi closer to Beijing as great powers jostle for influence in Vietnam.

The announcements are expected during President Xi Jinping's visit to Hanoi from Tuesday, the first in six years to the Southeast Asian neighbor, and shortly after US President Joseph R. Biden traveled to the Vietnamese capital in September to strengthen bilateral ties.

China is ready to offer grants to Vietnam to boost the railway between Kunming and the Vietnamese port city of Haiphong, and other transport links from southern China to Hanoi, Vietnamese state paper *Tuoi Tre* reported, citing the Chinese ambassador to Vietnam Xiong Bo.

He said China was ready to provide "non-refundable aid" for these projects, the paper reported late on Sunday, in an offer that, if

confirmed, would represent a major concession to a country that is traditionally loath of taking loans.

It is however unclear whether grants would come with loans and the share of both.

A sizeable offer of grants could also be perceived as a blow to the United States and other Western backers of infrastructure projects in Vietnam, who under a climate plan have offered mostly loans at market values to help Vietnam reduce its coal use.

The Kunming-Haiphong rail upgrade plan, which Reuters first reported earlier in December, passes through the region where Vietnam has its biggest rare earths mines, which it has so far been unable to exploit because of a lack of processing technology.

Vietnam is estimated to hold the world's second largest deposits of the strategic minerals which are at the moment crucial for electric vehicles and wind turbines.

China is by far the world's biggest producer and refiner of rare

earths, but is unclear what deal could be reached on that, as Beijing is usually reluctant to share its refining technology and Hanoi largely prevents export of unprocessed rare earths.

Vietnam's foreign affairs ministry did not reply on Monday to a request for comment about the possible grants, but Prime Minister Pham Minh Chinh in November supported the upgrade of the Kunming-Haiphong rail.

DIGITAL SILK ROAD

China's ambassador also mentioned digital interconnections among the priorities to strengthen cooperation between the two countries, which are already enjoying booming economic exchanges.

"Both of our countries need to enhance interconnections on land, sea, air and on the internet," Xiong Bo was reported saying.

Diplomats, officials and Vietnamese experts said digital interconnections meant including Vietnam in Chinese plans for a Digital Silk Road, Beijing's flag-

ship programme under the wider Belt and Road Initiative focussed on optical fiber cables, data centers and other telecoms infrastructure in friendly countries.

Additional submarine cables could be part of the discussion, one diplomat said, as Vietnam has experienced disruptions this year in its undersea digital infrastructure. Vietnam also plans to build a fully-fledged 5G network, an infrastructure in which China's telecom giant Huawei excels.

Vietnam's foreign ministry did not comment on Monday but President Vo Van Thuong at the Belt and Road forum in China in October urged to boost cooperation on digital infrastructure.

It is however unclear whether Vietnam is only paying lip service to that, as national security concerns tend to prevail on strategic projects, said Le Hong Hiep, a senior fellow at Singapore's Iseas-Yusof Ishak Institute, especially in the South China Sea, where Hanoi and Beijing disagree over borders. — **Reuters**

Nvidia CEO Huang aims to set up a base in Vietnam



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NVIDIA'S CEO, JENSEN HUANG

HANOI — Nvidia wishes to establish a base in Vietnam to develop the country's semiconductor industry as it considers the Vietnamese market an important one, the Vietnamese government said, citing the US chipmaker's chief executive.

In his first visit to the Southeast Asian country, Nvidia's chief executive officer (CEO), Jensen Huang, said the company viewed Vietnam as its home and affirmed its plans to set up a center in the country. "The base will be for attracting talent from around

the world to contribute to the development of Vietnam's semiconductor ecosystem and digitalization," the Vietnamese government statement cited Huang after his meeting with Prime Minister Pham Minh Chinh.

Nvidia, which has already invested \$250 million in Vietnam, is set to discuss cooperation deals on semiconductors with Vietnamese tech companies and authorities in a meeting on Monday, Reuters reported on Friday.

Vietnam, which is home to large chip assembling factories includ-

ing Intel's biggest globally, is trying to expand into chip designing and possibly chip-making as trade tensions between the United States and China create opportunities for Vietnam in the industry.

The chipmaker has already partnered with Vietnam's leading tech companies to deploy artificial intelligence in the cloud, automotive and healthcare industries, a document published by the White House in September showed when Washington upgraded diplomatic relations with Vietnam. — **Reuters**

Fuel marking program credited with generating P801.55 billion in revenue

THE BUREAU OF CUSTOMS (BoC) said it raised P801.55 billion from marked fuel since the program began in 2019.

"The figures are looking good; every year the collection increases. We are able to catch a lot (of violators). It's easy to catch, because in fuel marking, there are random inspections of gas stations," Customs Commissioner Bienvenido Y. Rubio told reporters recently.

The collection totals for marked fuel were generated between Sept. 4, 2019 and Nov. 30, 2023. Volume totals of 70.48 billion liters run from Sept. 4, 2019 to Dec. 2, 2023.

"In 2022, the BoC collected P234.46 billion from its fuel marking program."

The BoC said revenue from marked fuel consisted of P771.74 billion in customs duties and P29.81 billion in excise taxes since the program began.

"Anyone can just message the bureau if they have doubts on whether the fuel is smuggled or not. No matter where it comes from it has to pay duties and taxes, even if it comes from a freeport. There has to be proof its duties are paid," Mr. Rubio added.

The fuel marking program was launched in 2019. Fuel is marked with a special dye in order to signify tax compliance, while the absence of the dye is considered an indication that the fuel may be smuggled.

The program is authorized by Republic Act 10963, or the Tax Reform for Acceleration and Inclusion law.

In 2022, the BoC collected P234.46 billion from marked fuel.

In the first 11 months of 2023, the BoC collected P813.651 billion from all sources, accounting for about 93% of its full-year target. — **Luisa Maria Jacinta C. Jocszon**



Budget utilization hits 98% year to date

THE GOVERNMENT has spent 98% of its budget in the year to date, Budget Secretary Amenah F. Pangandaman said.

"For our budget this year, we have spent roughly 98%," Ms. Pangandaman said during the Philippine Economic Briefing in Iloilo on Monday.

The DBM had announced a budget release rate as of the end of November of 97.6%, equivalent to P5.406 trillion out of the P5.537-trillion adjusted spending plan this

year, leaving P131.25 billion in remaining funds.

In a separate report, the DBM said the cash utilization rate of government agencies hit 94% in the first 10 months.

The National Government (NG), local governments and state-owned companies used P3.39 trillion of the P3.6 trillion worth of notices of cash allocation issued as of the end of October.

"If you'll notice during the past quarter, our NG spending is not what

we expected; thus, our gross domestic product (GDP) growth was not that high in the past quarter," Ms. Pangandaman said.

She said that agencies were able to expedite spending after they were ordered to draft "catch-up plans" to address the low budget utilization in the first half.

Government spending contracted 7.1% in the second quarter, which brought GDP in the April-June period to a weaker-than-expected 4.3%. — **Luisa Maria Jacinta C. Jocszon**

Southpark Welcomes New Addition of Wilcon's Home Essential Store

Addressing the demand for home improvement essentials and construction supplies, Wilcon Depot extends its footprint to the center of urban development in the south. Nestled amidst thriving businesses, prominent residential landscapes, and vibrant lifestyle districts, the new Wilcon Depot Home Essential store is set to become the go-to destination for homeowners and professionals looking for high-quality products at competitive prices.

Commencing with its grand opening on December 1, 2023, customers indulge in a hassle-free shopping experience located at 1st Floor of Southpark Mall, Southpark Center, Alabang, Muntinlupa City. The Home Essentials Southpark Mall branch serves as a partner for customers undertaking home improvements or engaging in DIY projects.

The opening ceremony starts with a ribbon-cutting event attended by distinguished guests, partners and Wilcon Depot executives, marking the beginning of a new chapter in providing exceptional home improvement solutions to the community.

Alabang being a home for shopping centers, and commercial establishments, the Philippines' leading home improvement and construction supply retailer, strategically establishes its branch in Southpark Mall to provide expert assistance to ensure customers around the area and nearby communities make informed decisions for their projects.

In celebration of the company's 46th anniversary, the Home Essentials format store in Southpark also hosts the 8th weekly draw of the grandest My Home Goals Anniversary Raffle of Wilcon announcing another set of winners from Metro Manila, North Luzon, South Luzon, Visayas, and Mindanao.

Wilcon Depot has continuously offered premium products and services through its exclusive and in-house brands, such as



Southpark Mall welcomes the newest addition to its vibrant community, Wilcon Home Essentials, on December 1, 2023. The store is located on the 1st floor of Southpark Center in Alabang, Muntinlupa City, allowing Muntinlupenos to explore the endless possibilities for their home projects with convenience. Leading the ceremonial ribbon cutting are (L-R) Wilcon Depot AVP for sales and operations Catherine Guingab, VP for investor relations Jean Alger, President and CEO Lorraine Belo-Cincochan, Muntinlupa City Mayor Honorable Rozzano Rufino Biazon, Vice Mayor Honorable Artemio Simundac, Southpark Mall Leasing Head Jessica Santos and general manager Misty Garcia.

Pozzi for trusted bathroom solutions; Hamden, an ideal partner for your kitchen needs; Alphalux, an energy-efficient lighting solutions; Kaze, an appliance brand that will help you live with a healthy space; Hills, a trusted brand for construction and electrical power tools; P.Tech, your partner for reliable household necessities; Verona, tile brand that creates a contemporary interpretation of a classic style; Grohe and Kohler for bathroom and plumbing solutions; Franke, Swiss kitchen solutions; and among many other brands. Wilcon Home Essentials is a smaller format of the retail giant, Wilcon Depot, which focuses on providing the DIY needs of communities. It offers the customers with home must-haves in an organized, clutter-free manner store.

Wilcon Depot has 80 retail stores and 8 Home Essential branches making the Southpark branch the 9th. Valued customers can also shop online at Wilcon by visiting shop.wilcon.com.ph/. Wilcon Depot also offers Browse, Call, Collect, or

Deliver to complement the in-store shopping experience. And with the 88-WILCON Hotline, customers can now experience convenient, personalized shopping by dialing 88-WILCON (88-945266).

Before this year concludes, Wilcon Depot is set to open another retail stores as part of their company's #FlyingHighTo100 store expansion campaign, wherein the company aims to have 100 operating stores nationwide by 2025, barring any unexpected external factors.

Start building big ideas with Wilcon Depot and shop daily at its newest store from 10:00 AM to 7:00 PM. Visit Wilcon Depot Home Essentials at South Park Alabang.

For more information about Wilcon, visit www.wilcon.com.ph or follow their social media accounts on Facebook, Instagram, and TikTok or subscribe and connect with them on Viber Community, LinkedIn, and YouTube. Or you may contact Wilcon Depot Hotline at 88-WILCON (88-945266) for inquiries.