

Filipino portal capitalizes on online gaming gap

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BRYLLE CESARE J. UYTIEPO, 25, had no intention of monetizing Axies Alerts PH, a project he started in June 2021 to share updates on the play-to-earn game Axie Infinity.

"I am a gamer at heart," Mr. Uytiepo said in a Zoom interview. "My family was playing Axie [at the height of the pandemic] when we thought: 'How come no one is updating people on the Axie servers being down?'"

He opened a Facebook page for family and friends to address the information gap, and the page had 500,000 followers in just four months.

The news alert portal drummed up enough attention to get sponsorships from companies like

PDAX, a cryptocurrency exchange, after four months in operation.

Web 3.0 startup Yield Guild Games bought a 51% stake in Axies Alerts — now known as YGG Alerts — in January 2022, and the rest of the company a year later.

Yield Guild Games has a market capitalization of \$151 million and was ranked No. 257 on the CoinMarketCap website.

Today, YGG Alerts shares news on cryptocurrencies, nonfungible tokens — digital representations of real-life objects like art — and other related technologies to its more than 1 million followers on social media.

The Philippines was No. 6 in the 2023 Crypto Adoption Report of analysis firm Chainalysis, four spots down from its 2022 ranking.

Mr. Uytiepo said YGG Philippines and Axies Alerts collaborated in 2021 to help in disaster response for Typhoon Odette. He met Luis Buenaventura, coun-



try head of YGG Philippines, and said: "Our goals are aligned, so why not just work together?"

Mr. Uytiepo now serves as the creative lead of YGG Alerts. His AxiesAlertsco-founders James Patrick Pebenito and June Philip "Phee"

Tejada, have also been absorbed by the organization as account manager and people and business development lead, respectively.

Axies Alerts was initially met with skepticism when it started, said Mr. Uytiepo, an Italian cui-

sine-trained chef who graduated from culinary school in 2019.

Mr. Uytiepo turned down job offers after graduation so he could open a restaurant, only to shelve his plan and turn to gaming when the COVID-19 pandemic struck.

Axie Infinity, which combines entertainment with financial speculation, drew about 2.7 million active daily users at its peak, according to Cryptogambling.tv. Half of the game's players came from the Philippines.

These gave rise to gaming guilds — communities of players who help one another within and outside a specific game.

"We had to earn the trust of our community," Mr. Uytiepo told *BusinessWorld*. "In our space, we have a lot of bad actors and exploiters."

"We don't just advertise about cryptocurrencies," he added. "We take the time to research before we post."

Technologies such as blockchain and cryptocurrency can make life easier "but with proper regulations," Mr. Uytiepo said.

"Having good regulation for this industry is essential," he said. "I believe in balanced regulation so the space can grow."

Singapore used-car marketplace startup seeks valuation of over \$1.5 billion

SOUTHEAST ASIA'S used-car marketplace Carro is raising about \$100 million as it gears up for a stock-market debut, betting that new funds will cement it as the region's top player. The company is speaking with investors for a pre-initial public offering (IPO) funding round which could raise its valuation to more than \$1.5 billion, Chief Executive Officer Aaron Tan said in an interview. The firm, which has about 4,500 staff and counts SoftBank Group Corp. as well as Singapore's GIC Pte and Temasek Holdings Pte among its investors, just posted its first annual operating profit.

Carro, whose platform allows consumers and dealers to buy and sell vehicles, is trying to win over investors scarred by an implosion in startup valuations over the past two years. The Singapore-based startup is also operating in a highly competitive market, one that's resistant to change. Mr. Tan, who founded his startup in 2015

with two fellow Carnegie Mellon graduates, is betting on innovations to stand out from the pack.

The CEO demonstrated a tool for instance he called the Shazam of engines, which analyzes the health of a second-hand car from the sound of its motor. And the startup offers a five-day no-questions-asked return policy, unheard-of in many parts of Asia. To top it all off, Carro intends to expand its operations in Japan and Hong Kong this year.

"We are ready for an IPO," Mr. Tan said. "Whether or not we list depends on the broader macro environment."

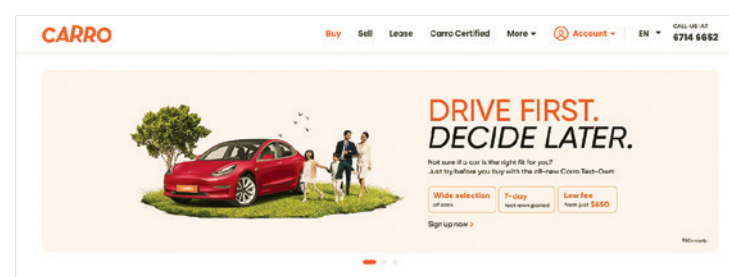
Carro is raising capital during one of the hardest possible times for fledgling firms. The Southeast Asia technology industry has been plagued by job cuts, CEO resignations and falling startup valuations, making it difficult for companies to debut on public markets. Shares of regional tech peers Grab Holdings Ltd., Sea Ltd. and GoTo

Group have waned as they work to balance growth and profitability in a region that's losing its luster.

Meanwhile, used car prices are in retreat, making it harder to flip vehicles at a gain. Elevated interest rates and inflation are pushing up the prices of car loans, making them less affordable.

Over the past nine years, Carro and main rival Carsome have invested hundreds of millions of dollars to acquire inventory, build out delivery networks, set up refurbishment centers and fit out used-car showrooms. To get shoppers more comfortable with buying online, the upstarts have also introduced Amazon-like features, such as no-quibble returns and delivery within a few days.

As a result, more consumers in Southeast Asia are starting to skip traditional dealerships in favor of buying used cars online. But for Carro and Carsome, a big test lies in how well they can leverage technology to better predict the



prices and conditions of vehicles, shorten the time taken to get cars ready for their new owners and push a suite of products including loans and insurance.

To move tens of thousands of cars each month, as Carro and Carsome do, they have to oversee over a hundred trailers each day, plan efficient routes to drop off vehicles from one city to another and manage more than \$100 million in inventory at any given point. To help with that, Carro built a QR code dashboard to track cars at each stage of the trading, refurbishment and delivery process.

On average, cars stay with Carro for about 26 days, while Malaysia-based Carsome says it takes about 45 days to sell a vehicle to a consumer. That compares with about 46 days for Carvana Co., their US-listed peer.

"It's easy to do this at a mom-and-pop shop level," Mr. Tan said. "But if you want to do this at scale, you need investments, you need a lot of space, you need the manpower and of course the tech and systems."

The efficiencies achieved through tech and larger vehicle volumes have helped Carro reach profitability on an operating basis. Earnings before interest, taxes,

depreciation and amortization (EBITDA) jumped to over \$33 million for the year ended last month, from \$3 million a year earlier. Carro on Monday updated a 2023 press release to revise the year earlier EBITDA number down from \$4 million, after an audit.

Yet, a narrative for an IPO will need to go beyond being profitable and the top platform in Southeast Asia, said Yinglan Tan, founding managing partner at Insignia Ventures Partners, one of Carro's early investors. To fuel its growth, Carro is planning further expansion in Japan and Hong Kong, two markets which CEO Tan says have big potential.

"It is important that Carro wins a few more markets in Asia Pacific, as the institutional investors in USA will find these APAC markets such as Japan and Hong Kong more sexy," Insignia's Tan said. "Technology without discipline can lead to an early head start but also an early crash." — **Bloomberg News**

IMF,
from S1/1

"Over the medium term, structural reforms to close infrastructure and education gaps, attract greater foreign direct investments (FDIs), and harness benefits from the digital economy should help realize a (Philippine) growth potential of about 6-6.5%," Mr. Gudmundsson said.

"These reforms should be complemented by strengthening existing social protection schemes and addressing climate change through a more integrated strategy that includes a carbon pricing scheme," he added.

Economic managers are targeting 6.5-8% growth from 2026 to 2028.

Meanwhile, the IMF sees global growth settling at 3.2% for both 2024 and 2025. It raised its 2024 forecast by 0.1 percentage point but kept its 2025 projection unchanged from January.

"Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000-2019) annual average of 3.8%, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth," the IMF said.

It said that emerging market and developing economies are expected to "experience stable growth through 2024 and 2025, with regional differences."

INFLATION

Meanwhile, the IMF sees inflation averaging 3.6% this year, lower than the 3.7% forecast in its January update.

"Inflation is projected to gradually approach the target of 3% in the second half of 2024, though risks remain tilted to the upside as a surge in food or fuel prices could lead to increased pressure for

Rate cut,
from S1/1

"The broadly hawkish stance is prudent given upside risks to inflation and perhaps the BSP is seeing growth will remain intact," said Robert Dan J. Roces, chief economist at Security Bank Corp. in Manila. "Add to these recent bets that the Fed won't rush to cut rates. This should be supportive of the peso."

Below are Mr. Remolona's comments on other matters:

On cutting the reserve requirement:

"If we're going to lower it, we don't want to do it while we're hawkish. We definitely want to lower it significantly. One question is by how much and the other questions is when."

On push for capital market reforms:

"It's very important for our transmission mechanism. Right now, the policy rate is an

greater wage hikes and persistence in core inflation," Mr. Gudmundsson said.

Inflation accelerated for a second straight month to 3.7% in March, mainly due to high food and transport costs. The BSP sees inflation averaging 3.8% this year.

BSP Governor Eli M. Remolona, Jr. has said that upside risks to inflation have worsened, prompting the central bank to be "somewhat more hawkish than before."

Inflation could temporarily accelerate to above the 2-4% target over the next two quarters, according to the BSP.

The IMF also sees inflation averaging 3% in 2025, same as its previous estimate.

The BSP expects inflation to average 3.2% next year.

Mr. Gudmundsson said that the BSP should "maintain a sufficiently restrictive monetary policy stance until inflation fully returns to target."

"Scope for a gradual reduction in the policy rate could emerge later this year provided that inflation expectations are firmly anchored and upside risks to the inflation outlook do not materialize," he added.

At its latest meeting in April, the Philippine central bank left its benchmark rate unchanged at a near 17-year high 6.5% for a fourth straight meeting.

From May 2022 to October 2023, the Monetary Board raised borrowing costs by 450 basis points (bps).

Mr. Remolona told Bloomberg on Monday that if inflation continues to worsen, there is a chance that there will be no rate cuts this year.

The central bank will likely begin policy easing by the first quarter of 2025, he added.

overnight rate. There are no significant economic decisions that are being made based on an overnight rate. You need one year, a mortgage is five years. So that's how a deeper capital market helps the transmission mechanism."

On shift to market-determined overnight reverse repurchase facility:

"It took a little bit of adjustments, but we're now where we want to be. When we do the auctions, on some days it's above the policy rate, on some days it's below. We want the policy rate to be in the middle. When we started doing it, it was always below the policy rate, which means there's just too much liquidity in the market. Now it's sometimes above, sometimes below, that's where we want it to be." — **Bloomberg**

Creating immersive customer journeys with Samsung

The Philippines, where cities are bustling with malls, is a shopping haven, bringing Filipinos vibrant and diverse retail experiences from both local and international brands. Whether done in a physical store or online, shopping is a big deal for Filipinos.

Nonetheless, physical stores are still a go-to for most shoppers, despite the rise of e-commerce platforms. Today, with digital innovations, the whole in-store shopping experience is now more advanced than ever.

For businesses, digital innovation is buzzing, and rightfully so. With most customers living their lives in the digital world, businesses must be present with them as well in the same digital space.

Samsung Electronics Co., Ltd., a multinational electronics and information technology company, is bringing digital innovation to life to support businesses and deliver a more powerful and connected experience.

At its recent business expo, with the theme "Innovations That Power Solutions," Samsung featured its latest retail innovations tailored to improve customer interactions in retail spaces.

With the goal of shaping the future with transformative ideas and technologies, Samsung's display solutions are a game-changer for businesses.

These state-of-the-art technologies include The Frame TV, which turns the TV into a canvas, showing beautiful artworks that perfectly complement the retail setting. With its modern features, businesses and retail stores can use The Frame to exhibit products, promotions, and other offerings, as well as enhance the visual allure of storefronts, effortlessly drawing in customers.

Meanwhile, for small businesses, Samsung's Business TV is perfect to update menu boards and advertising posters. Thus, it is much expected to drive customer engagement.

To streamline ordering processes, Samsung's Self-Ordering Kiosk offers a contactless method for ordering and payments. Its user-friendly setup and



(L-R) Department of Science and Technology (DoST) Undersecretary Maridon O. Sahagun, Samsung Electronics Philippines Corp. (SEPCO) President Min Su Chu, Department of Information and Communications Technology (DICT) Sec. Ivan John E. Uy, Roxas City Mayor Ronnie T. Dadivas, and Bases Conversion and Development Authority (BCDA) President Engr. Joshua Bingcang support the nation-building agenda of strengthening private and government organizations during Samsung's first business expo in the country.



Samsung redefines the customer experience in retail environments, showcasing its innovation through The Frame TV, Self-Ordering Kiosk, Business TV, and Knox Security-equipped Galaxy Devices, as exhibited at the Samsung Digital City.

customizable features make it easy to optimize and streamline operations.

Many fast-food chains have already utilized the self-ordering kiosk, and KFC is among them.

"We wanted to assist our store managers to better focus on serving customers. We are a fast-food restaurant, so we want to be able to serve our customers very quickly," KFC Chief Information Officer Louie Quigogue said during the business expo.

With technology deeply embedded in all operations, management and delivery services are becoming more important than ever. However,

managing deliveries can be tough for businesses, especially in fast-paced industries. To address this challenge, Samsung highlighted its latest Knox-equipped Galaxy Devices, which offers advanced tools for management, security and productivity, making location tracking and delivery management easier.

Samsung VXT (Visual eXperience Transformation Platform), on the other hand, is a cloud-based solution that makes digital signage and content management more user-friendly.

Samsung VXT is revolutionizing businesses in the digital space as it allows businesses to create immersive content experiences that are more personalized, interactive, and visually striking, satisfying customers and their digital needs.

As the business world adapts to the digital landscape, Samsung technologies are standing out as a key player in boosting customer journey and business efficiency. At Samsung, your digital journey awaits. As part of business and retail sectors, explore how digital technologies are making customer experiences better than ever.

Ready to empower your business and enrich your customers' journey? Visit <https://www.samsung.com/ph/business/> to learn more about Samsung's digital business solutions.