# SM Santa Rosa IT Center confirmed as IT ecozone

UNSPLASH/RJ TRAZONA

## Ascott, Gaisano to build first Oakwood hotel in Cebu

THE Ascott Ltd. has partnered with Gaisano-owned Grand Land, Inc. to open the first Oakwood hotel in Cebu.

The 400-room Oakwood IT Park Grand Gateway Cebu is set to become the largest property managed by Ascott in the Philippines, the company said in a statement on Wednesday.

The development will feature upscale amenities and function spaces aimed at Cebu's growing meetings, incentives, conferences, and exhibitions (MICE) market.

"Surrounded by industry leaders such as Concentrix, Office Partners 360, and Avant, the development is poised to serve a broad spectrum of corporate clients with Oakwood's signature blend of personalized service and sophisticated hospitality," Ascott said.

The property will be located near Cebu IT Park and Gov. M. Cuenco Avenue, as well as lifestyle spots such as the Sugbo Mercado food hub, Ayala Center Bloc, and the Park Social Bar.

"Oakwood IT Park Grand Gateway Cebu will serve as an excellent addition to our growing portfolio, joining lyf, Citadines, and Somerset in the Queen City of the South," The Ascott Ltd. Philippines Country General Manager Patrick Vaysse said.

Ascott said the property "positions itself as a premier destination for those seeking refined, contemporary hospitality experiences — where business meets comfort at the heart of Cebu."

The company is also set to open its first Citadines property in Mactan, Cebu, by early 2028.

Last year, Ascott opened Oakwood Makati Avenue in partnership with Worldhotel Inc.'s I'M Hotel.

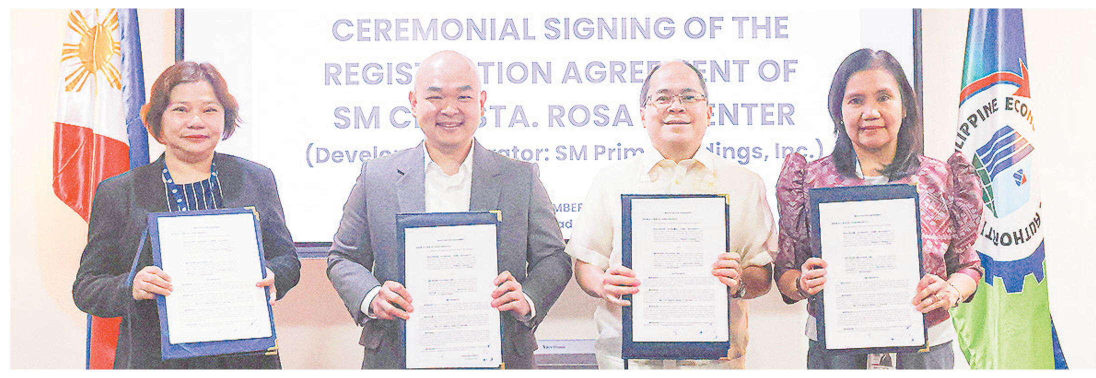
Ascott operates more than 980 properties in 230 cities across Asia Pacific, Central Asia, Europe, the Middle East, Africa, and the United States. Southeast Asia contributes 30% to its total revenue. — **Beatriz Marie D. Cruz**

SM OFFICES, the office unit of SM Prime Holdings, Inc., has signed a registration agreement with the Philippine Economic Zone Authority (PEZA) confirming the SM City Santa Rosa IT Center in Laguna as an information technology (IT) economic zone.

As an accredited IT ecozone, the property will be entitled to fiscal and non-fiscal incentives, including income tax holidays, tax and duty exemptions, streamlined import and export procedures, and access to special non-immigrant visas, the company said in an e-mailed statement on Wednesday.

"The designation also ensures modern infrastructure and efficient government services, creating a strategic edge for registered IT enterprises in the Philippines," it added.

President Ferdinand R. Marcos, Jr. signed Proclamation No. 944 in June, designating a part of SM City Santa Rosa as a special IT ecozone.




SM OFFICES

(FROM L-R) Sally S. So, vice-president for corporate tax of SM Investments Corp., Alexis Ortiga, vice-president and head of SM Offices of SM Prime Holdings, PEZA Director-General Tereso Panga, and PEZA Deputy Director-General for Policy and Planning Anidelle Alguso.

Located in Barangay Tagapo, the development includes the P1.6-billion, three-tower The Core Towers, which offer more than 27,000 square meters of office space.

The SM City Santa Rosa IT Center adds to SM Prime's PEZA-accredited projects, such as the E-Com Centers at the Mall of Asia Complex in Pasay City and the SM North EDSA Towers in Quezon City.

The ecozone designation is expected to strengthen Laguna's potential as an IT-BPM hub, attract investments, generate jobs, and spur economic growth, according to the company.

SM Prime earlier said it had allocated P6 billion this year for the development of new office towers and workspaces.

At the local bourse on Tuesday, SM Prime shares rose by 2% or 45 centavos to close at P22.90 apiece. — **Beatriz Marie D. Cruz**

## Ayala, UAE's Spinneys team up for PHL retail venture

LISTED Ayala Corp. and United Arab Emirates (UAE)-based supermarket chain Spinneys have entered into a partnership to open stores in the Philippines.

"We are honored to be the first partner of Spinneys as it ventures outside the GCC (Gulf Cooperation Council)," Ayala Corp. President and Chief Executive Officer Cezar P. Consing said in a statement on Wednesday.

Spinneys is owned by Al Seer Group, a UAE-based consumer holdings company with interests in food, retail, hospitality, shipyards, and construction across more than 20 countries.

Spinneys Chief Executive Officer Sunil Kumar said the Philippines offers long-term growth potential given its economic foundation, a rising number of affluent consumers, and increasing demand for quality products.

"Our partnership with Ayala combines their deep local knowledge with our operational expertise, providing a strong foundation to grow. As we enter this next phase, we're delighted to be bringing our high-quality and fresh offering to a new region," he added.

The partnership follows Ayala's recent ventures with foreign retailers, including Thailand's CP AXTRA for Makro stores and Australia's Kmart for the Anko brand.

"We hope this investment will catalyze trade and investment between the Philippines and the GCC," Mr. Consing said.

Shares in Ayala Corp. rose by 0.37% or P1.80 on Wednesday to close at P484.60 each. — **Alexandria Grace C. Magno**

**Factory,**
*from S1/1*

S&P noted that firms surveyed said that aside from weak demand, adverse weather conditions and a ban on rice imports negatively affected output.

Despite this, goods producers increased purchases of raw materials and other components in September, although the rate of growth was slower than August.

"In contrast, post-production inventories declined due to lower output as well as some efforts to reduce backlogs of work, which dropped for the first time since April," it said.

The survey data also showed a "subdued jobs market" in September.

Firms also saw higher input costs in September, which prompted them to marginally increase selling prices.

Also, S&P noted the level of business confidence was the second highest since November 2024. Most firms were generally confident of an improvement in sales in the next 12 months.

"However, with overall sentiment in the year-ahead remaining upbeat in September, and purchasing quantities increasing, manufacturers appear hopeful that the dip in sector performance is temporary," Mr. Owen said.

**SUPPLY DISRUPTIONS**

Analysts said the decline in manufacturing activity can be attributed to supply disruptions caused by heavy rains and floods in September.

"This was mainly due to weak demand, high input costs, and supply disruptions, including weather-related issues," John Paolo R. Rivera, a senior research fellow at the Philippine Institute for Development Studies, said in a Viber message. "The sluggish factory orders and softer business sentiment reflect broader economic headwinds."

Rizal Commercial Banking Corp. Chief Economist Michael L. Ricafort said manufacturing activity was affected by fewer working days due to bad weather, US tariffs and the so-called "ghost month."

"(Higher tariffs) led to some wait-and-see attitude for some exports from the country and also exports in the global supply chains in terms of more cautious stance on their production and capacity," he added.

**'TEMPORARY DIP'**

S&P Global Marketing Intelligence Economics Associate Director Jingyu Pan said the decline in Philippine factory output in September is only a "temporary dip."

She said new export orders remained steady even as the US implemented the 19% tariff on Philippine-made goods on Aug. 7.

"If we take just a little bit of a step back and look at all the other PMI that has been released for the Asian region so far, you are certainly getting quite a bit of mixed picture... It's undeniable that we're still seeing some of this frontloading across the APAC region," Ms. Pan said.

Ms. Pan also noted that recent flooding was a more immediate drag on production than the government-wide probe into anomalous flood control projects.

While manufacturers remain optimistic about a recovery over the next 12 months, Ms. Pan warned that the recent earthquake could be a "big factor" and could weigh on output in the coming months.

"Cebu is a manufacturing hub as well, and electronics sector has been a key sector over there. That could actually dampen the picture going forward based on initial potential assessment here," she said, but will depend on the extent of infrastructure damage in the region.

**Inflation,**
*from S1/1*

"We think there is limited data to conclude with conviction that, indeed, the economy is slowing down," Mr. Dacanay said. "While consumer vehicle purchases (are) falling and government capital spending (is) tightening, goods exports are still holding up."

In August, the BSP trimmed its benchmark policy rate by 25 basis points (bps) for a third-straight meeting, bringing the rate to 5%. Since August last year, it has lowered borrowing costs by a total of 150 bps.

BSP Governor Eli M. Remolona, Jr. earlier said they could deliver a cut this month if the data show a slowdown in the economy. However, he noted at the Aug. 28 policy-setting meeting that the easing cycle is nearly over.

The Monetary Board has two policy-setting meetings left this year, on Oct. 9 and Dec. 11. — **Katherine K. Chan**