



Palafox pushes smart cities plan, partners with Elsal Ventures

ARCHITECTURE and urban planning firm Palafox Associates said it remains optimistic about advancing its smart cities initiative despite governance and economic challenges.

"We're busier this year than before the pandemic at the Palafox Associates and Palafox Architecture, which is a very pleasant surprise, despite all this negative news about our country," Palafox Associates Founder and Managing Partner Felino A. Palafox, Jr. said in an interview with *BusinessWorld*.

"To me, if we address corruption in our economy, climate change, inequality, investments, and infrastructure incompetence, we should be in the top 10 economies of the world," he added.

In an earlier statement, Mr. Palafox stressed the need to address inefficient land use, strengthen urban planning, and establish smart cities in the countryside as part of a long-term vision for national development by 2050.

He cited a previous projection by Goldman Sachs that the Philippines could become the world's 16th largest economy by 2050.

The outlook aligns with Palafox Associates' "Philippines 2050: A First-World Country, A First-World Economy" campaign, which envisions the country attaining first-world status by mid-century.

"Despite all our challenges, we have three foreign investors, and then maybe without the challenges, we can probably have more," he said, adding that foreign investors are increasingly selective in choosing Filipino partners they consider trustworthy.

Details of the agreements with the three foreign investors were not disclosed due to non-disclosure arrangements.

Mr. Palafox said one project is advancing, while the other two are in the master planning stage.

Palafox Associates and real estate and land investment facilitation firm Elsal Ventures signed a memorandum of agreement on Feb. 2 to collaborate on integrated development projects across the Philippines.

Under the partnership, Palafox Associates will contribute its expertise in master planning, sustainable design, and resilient urban development, while Elsal Ventures will provide support in land aggregation, investment facilitation, and real estate sourcing.

The companies said the collaboration aims to advance responsible and future-ready projects.

Mr. Palafox highlighted the role of strategic collaboration in city-building initiatives.

"Partnerships like this allow us to align design excellence with smart land development, ensuring projects are not only profitable, but sustainable, inclusive, and resilient," he said.

Elsal Ventures Chairman and Chief Executive Officer Ernesto L. Salas also expressed optimism about the agreement.

"This will be the first formal partnership, because it is a perfect fit. He can provide the land, design the land, and provide investors from the Middle East or even locals. Then, we can provide the land on the scale he wants," Mr. Salas told *BusinessWorld*. — **Alexandria Grace C. Magno**

South Luzon remains key to industrial expansion — Colliers

By Julius Guevara and Joey Roi Bondoc

(Conclusion)

Last week, we discussed the rising competitiveness of Central Luzon as an industrial hub, particularly Pampanga, Bulacan, and Tarlac. This piece now highlights South Luzon's prominence as the most competitive industrial hub in the Philippines.

Southern Luzon has long been a major growth driver of the Philippine economy. The region is among the largest contributors to the country's annual economic output, accounting for about 15% of gross domestic product (GDP) in 2024.

Improving infrastructure connectivity has led to an influx of large multinational exporters and manufacturers, further strengthening Southern Luzon's viability as a major industrial and manufacturing corridor.

STABLE INDUSTRIAL VACANCY

Industrial vacancy in the Calaba (Cavite-Laguna-Batangas) corridor fell to 11.4% in H2 2025 from 16.9% in H1 2025 due to stable demand. Over the past 12 months, firms that took up industrial space included manufacturers of equipment, electronics, air conditioners, air fresheners, as well as printing and packaging solutions.

The region also hosts several modernized and PEZA-accredited facilities, which remain key considerations for some high-value manufacturers and e-commerce firms. Shopee Xpress (SPX) leased its second warehouse facility with Robin-



LAGUNA TECHNOPARK

COLLIERS INSIGHTS

sons Logistix (RLX) in Calamba, Laguna.

The Grade A warehouse features flexible layouts and state-of-the-art specifications designed to support high-volume and time-sensitive operations. We believe the continued growth of the country's digital economy, alongside the influx of high-value manufacturing investments, should sustain demand for these facilities in Southern Luzon.

MORE MANUFACTURING INVESTMENTS ON THE HORIZON

Data from the Philippine Statistics Authority (PSA) showed that Region IV-A, or Calabarzon, received the largest foreign investment allocation of P100.4 billion (\$1.7 billion) in 2025, equivalent to 37% of total approved pledges during the period. We believe these pledges should support industrial land and warehouse space take-up in the Calaba corridor once projects materialize.

Fujifilm will establish a 500-square-meter (sq.m.) Circular Manufacturing Center (CMC) within Carmelray

International Business Park in Laguna, which will produce remanufactured multifunction printers (MFPs). Other major manufacturing investments in Laguna include Samsung Electronics' \$1-billion expansion project in Calamba Premiere International Park, which is expected to generate at least 3,000 high-technology jobs. Panasonic has also begun construction of a P3-billion (\$52 million) factory in Ayala Land's Laguna Technopark. The 37,000-sq.m. facility will produce refrigerators and washing machines.

In Batangas, Taiwan's Aromatic Industries is investing \$4.3 million to construct a 15,300-sq.m. facility in Aboitiz Infrastructure's LIMA Estate. Singapore-based MNEC will set up a P180-million (\$3 million) plant in Science Park of the Philippines' (SPPD) Light Industry and Science Park 3 (LISP 3), which will manufacture molded parts for various industries.

In Cavite, ASE Co. Ltd. plans to expand by 26,000 sq.m. in Gateway Business Park. The company manufactures electronic and semiconductor products. Several

firms are also expanding within the Cavite Economic Zone, including Acuvex Corp., which specializes in jigs and fixtures; CIXIN Precision, which will produce heatsink products, CNC components, electroplating, and surface treatments; and Philippine Newly Ever Rise, which will manufacture and assemble transformers, power supplies, batteries, robotics products, solar systems, and electric vehicle parts.

The Calaba hub continues to attract global manufacturing players due to its highly skilled workforce, improving infrastructure, and the availability of master-planned communities developed by national property firms that offer expansive industrial spaces.

In our view, further improvements in business registration systems and the consistent implementation of business policies could further enhance the region's attractiveness to high-value manufacturers.

JULIUS GUEVARA is senior director and head of Capital Markets and Investment Services, while JOEY ROI BONDOC is director and head of Research at Colliers Philippines.

RLX to build Shopwise 'big-box' in Rizal; RRHI sets up to P7-billion capex

ROBINSONS LOGISTIX & Industrials, Inc. (RLX) said it has partnered with Robinsons Retail Holdings, Inc. to launch a "big box" facility for Shopwise at Sierra Valley Destination Estate in Cainta, Rizal.

"Designed to serve both the growing local community and visitors to the estate on Ortigas Avenue Extension, this project reinforces RLX's role as a builder of scalable, high-impact retail infrastructure," Robinsons Land Corp. (RLC) Senior Vice-President and RLX Business Unit General Manager Cora Ang Ley said in a statement on Monday.

Shopwise's big-box facility, which will span more than 7,000 square meters (sq.m.) of land with 5,000 sq.m. of leasable space, is targeted for construction completion in the first half of 2027, with

store opening scheduled in the third quarter of the same year.

RLX, known for its Grade A logistics facilities, will lead the development and construction of the new retail format as part of efforts to drive organic growth and improve integration within Robinsons Land's operations.

The company said Shopwise Sierra Valley will adopt a big-box retail format similar to Walmart or Costco, designed for efficient, high-volume sales and bulk purchasing, making it "especially relevant" to middle-class families and small business owners.

"This development will serve real needs, strengthen communities and create more opportunities for growth for years to come," Ms. Ang Ley said.

Sierra Valley integrates retail, residential, office, and logistics components. Key anchors include Robinsons Sierra Valley Mall and The Shops at Sierra Valley, alongside Sierra Valley Gardens residential developments and RLX's Grade A logistics facilities.

According to the company, the project aligns with Robinsons Land's Vision 5-25-50 plan, which aims to scale standardized developments in growth areas. The plan is anchored on five growth levers to achieve P25 billion in net income by 2030, the company's 50th anniversary.

RLX, the industrial and logistics arm of RLC, operates 13 facilities across Calamba, Laguna; Sucat and Muntinlupa City; Pampanga; and Rizal. Its warehouses feature modern specifications and flexible layouts.

CAPEX FOR 2026

Meanwhile, in a disclosure on Monday, Robinsons Retail Holdings, Inc. (RRHI) said it has earmarked about P5 billion to P7 billion in capital expenditures (capex) for 2026, primarily for store construction and renovations.

"The company also confirms the expected store openings and renovations for its supermarket business," the company added.

On Friday, Robinsons Supermarket reopened its third revamped branch at Robinsons Magnolia in Quezon City, with nine more renovations planned nationwide this year.

At the event, Robinsons Retail Holdings, Inc. President and Chief Executive Officer Stanley C. Co said about P200 mil-

lion has been allocated for supermarket renovations.

In December, Robinsons Supermarket relaunched its branches at Robinsons Nuvali and Robinsons Galleria, the latter being its largest branch, according to Robinsons Supermarket Group General Manager Kerwin L. Legarde.

Another branch in Bacolod is scheduled for completion within two weeks. Robinsons Supermarket currently operates 157 branches nationwide, with about 10% to 15% selected for renovation based on location, according to Mr. Co.

At the local bourse on Monday, RRHI shares fell by 2.23% to close at P37.30 apiece, while RLC shares rose by 0.76% to P18.64 each. — **Alexandria Grace C. Magno**

SMIC weighing exit from Atlas Mining

SM INVESTMENTS Corp. (SMIC) said it is considering exiting its stake in Atlas Consolidated Mining and Development Corp. to prioritize investments in renewable energy.

SMIC President and Chief Executive Officer (CEO) Frederic C. DyBuncio said the company is evaluating whether to divest from the listed miner to focus on businesses that align more closely with the group's core operations.

"That's something which will be discussed at the board level, whether we want to take out Atlas from the portfolio or not. But that's something which could happen in the near future," he said during a briefing on Monday.

The SM Group currently holds a 34.05% stake in Atlas Mining, while 42.14% is controlled by the Ramos Group, according to the mining company's website.

Mr. DyBuncio added that SMIC is moving toward a mining-free portfolio while accelerating growth in renewable energy.

"Mining is actually an outlier because all the other businesses have synergy with the entire group. It's the mining that is more or less outside the area," he said.

Last year, SMIC announced plans to expand its renewable energy portfolio through new geothermal projects and potential ventures in wind energy.

"We are focused on geothermal energy production, which is baseload and runs 24/7. Production has been doing well, and with a new rig in place, we are building capacity to develop more sites," Mr. DyBuncio said in an earlier statement. — **Vonn Andrei E. Villamiel**

PSE net income climbs 1.4% on higher operating revenue

THE Philippine Stock Exchange, Inc. (PSE) posted a full-year 2025 net income of P1.22 billion, up 1.4% from P1.21 billion in 2024.

Operating revenues more than doubled to P2.84 billion from P1.40 billion, driven by the consolidation of Philippine Dealing System Holdings Corp. (PDS) into its financials. This included gains from elevated trading, capital raising, and depository income.

"Despite the negative impact on investor sentiment of political and economic headwinds, our markets still had commendable results. As the government continues to address corruption issues, we are hopeful that investor confidence in the market will be restored," PSE President and Chief Executive Officer Ramon S. Monzon said in a statement on Monday.

Both PSE and Philippine Dealing & Exchange Corp. (PDEX) recorded higher trading activity, with PSE's total value turnover up 19.1% to P1.78 trillion and PDEX's trading value rising 60.8% to P15.91 trillion.

Listing revenues rose 39.8%, with listing fees reaching P764.50 million from P546.95 million. The PSE raised P144.13 billion in capital through two initial public offerings (IPOs), seven follow-on offerings, one stock rights offering, and 14 private placements, while the PDS oversaw 51 corporate bond listings totaling P454.18 billion.

The surge in revenue was offset by an 80.1% decline in other income to P166.20 million from P836.32 million, mainly due to the absence of 2024's one-time gains on remeasurement and associate earnings. Total expenses also rose 62.6% to P1.40 billion from P861.67 million, driven by integration costs.

Mr. Monzon expressed cautious optimism about listing and trading prospects, noting a bullish start to 2026 with expectations of stronger earnings and dividends to boost market activity.

"However, geopolitical tensions in the Middle East have prompted investors to be on risk-off mode again, and the uncertainty from this recent develop-

ment may linger for some time. Regardless of these headwinds, we will continue to implement our strategic plan, which includes developing products and pursuing sustainability initiatives to support interest in the market. We likewise have upcoming technology upgrades to ensure the operational efficiency and resiliency of our platforms," he said.

He added that on the regulatory front, the PSE hopes to see positive effects from reforms in real estate investment trust and IPO float requirements, which could encourage more listings and attract additional investments.

The PSEi hit a 14-month high on Feb. 26, closing at 6,611.24 the next day, marking a 9.2% year-to-date gain.

Daily average value turnover rose 3.5% year to date to P7.59 billion, while foreign investors shifted to net buying of P25.31 billion from last year's net selling of P14.52 billion. — **Alexandria Grace C. Magno**

Maxicare opens 1,100-sq.m. clinic at Filinvest Three

FILINVEST REIT Corp. (FILRT) has added Maxicare Health Services, Inc. as a new tenant in Filinvest Three, opening a nearly 1,100-square-meter (sq.m.) outpatient clinic on the ground floor, one of the largest in the Philippines.

"Maxicare's choice to open one of their largest clinics in the country at

Filinvest Three aligns with FILRT's mission to not only deliver high-quality, strategically located office spaces but also to support businesses that drive innovation and growth across various sectors," FILRT President and Chief Executive Officer Maricel Brion-Lirio said in a statement on Monday.

Josephine Lopez, Maxicare Health Services, Inc. president and chief executive officer, said the new, larger clinic at Filinvest Three marks a key expansion in providing accessible healthcare to more communities.

"By establishing our Primary Care Clinic here, we are significantly ex-

panding our reach and reinforcing our mission to empower more Filipinos to lead healthier lives," she added.

Filinvest Three, a Grade A office building in FILRT's Northgate Cyberzone portfolio, is located in Filinvest City, Alabang. — **Alexandria Grace C. Magno**