

SM scales up green initiatives

SM PRIME Holdings, Inc. said its retail unit SM Supermalls is targeting net-zero greenhouse gas emissions by 2040 as it expands solar power capacity and pursues waste conversion initiatives to reduce landfill dependence.

During a media roundtable on Thursday, SM executives said the mall operator is scaling renewable energy adoption and resource-efficiency programs across its properties.

SM Prime plans to double its solar energy capacity to 100 megawatt-peak (MWP) within the year from 50 MWP previously, while targeting 90% solar coverage across its properties.

SM Supermalls Vice-President for Mall Operations Junias M. Eusebio said solar power is expected to complement the company's broader energy requirements.

"Not all solar energy can power the whole supply. But rather, it complements the energy mix of the grid plus the solar energy," he said.

The company is also pursuing measures to reduce landfill dependence by converting waste materials such as plastics into industrial fuel.

SM CITY DAVAO



SM GUUN Environmental Co., Inc. President George T. Cheung said shrinking landfill capacity in Metro Manila is pushing companies to explore alternative waste management solutions.

"If we can convert, then basically that reduces the requirements from the landfill," Mr. Cheung said. "That means now more product is going back to energy."

Mr. Cheung also noted that the number of active landfills in

Metro Manila has declined from four to one.

The company's sustainability program is anchored in four areas: waste management, energy efficiency, disaster resilience, and water conservation.

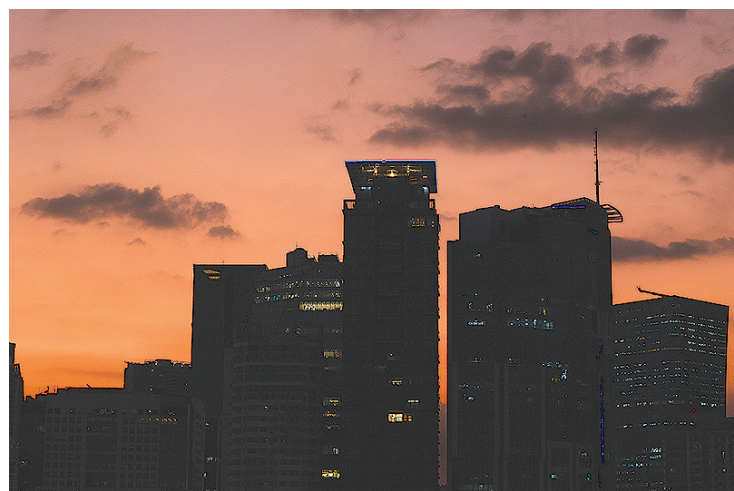
SM Prime also reported a 30% reduction in reliance on third-party water suppliers through the use of sewage treatment plants and rainwater collection systems, including facilities at SM Baguio.

SM Supermalls Vice-President for Corporate Compliance

Liza B. Silerio said the company continues to adopt energy-efficient building materials and designs as part of its sustainability initiatives.

"For energy-efficient materials that we use, these are always introduced by our consultants," Ms. Silerio said. "The heat index, everything is being considered and computed."

Shares in SM Prime fell 1.03% or 20 centavos to close at P19.26 apiece on Thursday. — **Juliana Chloe A. Gonzales**



PHILIPPINE STAR/MIGUEL DE GUZMAN

THE Philippine economy expanded by a weaker-than-expected 2.8% in the first quarter of 2026, the statistics agency said.

Oil,
from S1/1

This was the weakest pace since the 4.8% contraction in the first quarter of 2021. Excluding the pandemic, this was the slowest growth in consumption since the 2.6% in the third quarter of 2010.

Mr. Balisacan said the lingering effects of the corruption scandal continued to weigh on consumer and business sentiment.

"But I think that we are gradually moving out of that situation. The administration has initiated many reforms toward establishing accountability and transparency in government programs," he said.

National Statistician Claire Dennis S. Mapa said inflation has historically been a major factor behind slower household consumption.

Inflation averaged 2.8% in the first three months of the year, amid faster price increases in fuel, electricity, and food.

Government spending grew by 4.8% in the first quarter, much slower than the 18.7% a year ago but faster than 0.7% in the fourth quarter.

Jun Hao Ng, assistant economist at Oxford Economics, said the rise in government spending points to a recovery after the corruption scandal.

"We expect government spending and project implementation to accelerate in the coming months as agencies operationalize their catch-up programs," Mr. Balisacan said.

Gross capital formation, the investment component of the economy, contracted by 3.3% in the first quarter, from 4.5% a year ago. However, it was an improvement from the 9.4% decline in the fourth quarter.

The PSA said this was mainly due to the 2.8% decline in construction, which in turn was driven by the 31.5% drop in government construction.

"A breakdown of the data shows the main cause of the weakness was, once again, the flood control corruption scandal," Gareth Leather, senior Asia economist at Capital Economics, said in a commentary.

He noted construction has dropped for a third consecutive quarter or since President Ferdinand R. Marcos, Jr. announced a crackdown on anomalous flood control projects in his State of the Nation Address last July.

Mr. Ng said that the contraction in investment "suggests the recovery was slow even prior to the war, which would have hit sentiment further."

Mr. Balisacan said the government's policy thrust right now is to regain the confidence of consumers and the business sector.

Exports of goods and services rose by 7.8% in the period ending March from 7.1% a year ago, while imports of goods and services grew by 6.1%, slowing from the 10.3% growth a year ago.

WEAK SERVICES

By major economic sector, services, which accounted for 63.2% of total GDP, grew by 4.5% in the first quarter. However, this was slower than 6.2% a year ago.

Chinabank Research said services posted its weakest performance since the pandemic, although the highest growth came from public administration, education, and health. "Reduced discretionary spending will likely continue to weigh on services activity, particularly in retail trade, transportation, accommodation, food services, and recreation," it said.

Agriculture, forestry and fishing, which contributed 8.1% to GDP, shrank by 0.2% in the first

quarter. This was a reversal of 2.2% growth a year ago.

Industry, which accounted for 28.7% of GDP, contracted by 0.1% in the January to March period. This was a reversal of last year's 4.6% growth.

Gross national income posted an annual 3% growth in the first quarter, decelerating from 7.2% a year ago and 4% in the fourth quarter.

At the same time net primary income grew by 4.5% in the first quarter, slower than 22.2% in the same quarter in 2025 and 11.9% in the previous quarter

STAGFLATION

Meanwhile, Mr. Balisacan said that the country is still not experiencing stagflation despite slowing GDP growth, 7.2% inflation in April and 5% jobless rate in March.

"I do not see it that way. Stagflation, in your standard textbooks, should be thought of as the presence of three things simultaneously. One is high inflation, where the prices keep rising. The other one is slow or stagnant economic growth, and the third is high unemployment," he said.

"I think before the onset of the crisis, we are seeing improvements in the economy," he added.

However, some analysts said that the country is already facing stagflation which is likely to persist throughout the year.

"The Philippines is going through a period of stagflation, with a combination of slowing (and very weak) GDP growth and rising inflation placing the central bank in an unenviable position," Mr. Leather said.

"The Philippines is facing a twin-crisis squeeze, with economic growth already weakened by the flood control controversy and now further strained by surging oil and food prices, as we face a stagflation scenario — high inflation alongside weak growth," Chinabank said.

Nicholas Antonio T. Mapa, chief economist, Metropolitan Bank & Trust Co. said that the economy had been losing momentum even before the corruption probe and the Middle East conflict on "private underinvestment and a buildup in household debt."

"Growth in the coming quarters will be challenged even further as inflation surges and Bangko Sentral ng Pilipinas (BSP) will be hard pressed to hike rates," he said.

"How much policy tightening can do to ease global oil prices is still in question, but what is clear is that the economy will be facing an uphill battle even if National Government can still improve in the second half," he added.

Deepali Bhargava, regional head of research for Asia-Pacific at ING, said that the first quarter print "points to a much weaker-than-expected growth trajectory for 2026."

"We do not believe this weak GDP print will deter the BSP from proceeding with a rate hike in June," she said via e-mail.

The BSP signaled more rate hikes to keep inflation in check amid rising price pressures after the April print exceeded its estimate. Last month, the BSP delivered its first 25-basis-point rate hike in two and a half years to bring the benchmark policy rate to 4.5%.

ANZ Research Chief Economist Sanjay Mathur and Foreign Exchange Analyst Kausani Basak said that the Philippine economy remains in a challenging position amid elevated inflation, weak growth and persistent external headwinds.

"Overall, risks to near-term growth remain skewed to the downside, particularly if inflation stays elevated or global geopolitical conditions deteriorate," they said in a report.



Arca South opens Main Street linking mall, transport hub

AYALA MALLS has opened a 26,000-square-meter (sq.m.) retail corridor within its Arca South estate in Taguig as Ayala Land, Inc. (ALI) expands commercial and transport-linked developments in the area.

In a statement on Thursday, the mall operator said the Arca South Main Street connects retail, office, residential, and transport components within the 74,000-sq.m. estate, including the newly opened Ayala Malls Arca South.


The corridor also links to the Landers Superstore and the Arca South Transport Terminal, a public transportation hub established by Ayala Land in April.

Arca South is also expected to host the planned Taguig City Integrated Terminal Exchange (TCITx) and future connections to the Southeast Metro Manila Expressway.

The Main Street development includes the 100,000-sq.m. Ayala Malls Arca South, outdoor commercial areas, event spaces, and recreational facilities.

Ayala Malls said it plans to open The Blue Leaf Events Spaces within Main Street by 2027.

Shares in Ayala Land rose 3.13% or 48 centavos to close at P15.80 apiece on Thursday. — **Juliana Chloe A. Gonzales**



Power Maintenance Updates

by **MERALCO ADVISORY**

The following are scheduled power interruptions necessary for the regular maintenance and upgrade of our power distribution facilities, to ensure the delivery of safe and reliable electricity to your areas. Rest assured that Meralco is doing everything to quickly restore your electricity according to schedule.

SUNDAY, MAY 10, 2026

MANILA (STA. ANA)
BETWEEN 12:01AM AND 12:30AM AND THEN BETWEEN 4:30AM AND 5:00AM – PORTIONS OF CIRCUIT TEGEN 56B

Portion of Dr. M. L. Carreon St. from Hollywood St. to Syquia St. and including Delas Alas, Suter and Paco Roman Sts.

Portion of Pedro Gil St. from Tejeron St. to New Panaderos St. including Jesuita's St.; Savemore Market and XentroMall.

Portion of Old Panaderos St. from Embarcadero St. to Lamayan St. including J. Pateno and Sta. Trinidad Sts.

Portion of Punta-Daguisunan Subd. including Daguisunan, J. Posadas II and J. Posadas III Sts.

Portion of Punta (Rest of Punta) including A. Cruz, A. Jorge, Cristobal, E. Jorge, F. Manalo, J. Esguerra, J. Posadas, J. Posadas Ext., Kalahi, M. Jorge, M. Obrero, Sto. Niño and Villanueva Sts.; and Malay Resources Inc.

REASON: Line reconstruction work and line reconducting work along J. Posadas St. in Punta, Sta. Ana, Manila.

Portion of Road 5 from Road 1 to and including Road 11, Road 12, Road 14, Road 15 and Road 16 Sts.; Sakap Compound and Defense Village in Bgys. Minuyan III, IV & V.

REASON: Line reconducting work along Road 12 St. in Bgy. Minuyan III, San Jose Del Monte City, Bulacan.

TUESDAY, MAY 12, 2026

BULACAN (SAN JOSE DEL MONTE CITY)
BETWEEN 12:01AM AND 5:00AM – PORTION OF CIRCUIT SAN JOSE 413SJ

TUESDAY TO WEDNESDAY, MAY 12 – 13, 2026

CALOOCAN CITY (BAGONG BARRIO)
BETWEEN 11:00PM (TUE., 05/12/26) AND 5:00AM (WED., 05/13/26) – PORTION OF CIRCUIT GRACE PARK 433RD

Portion of Milagrosa St. from Malolos Ave. to Reparo Road including portion of Intan, KKK, Miracle, Kaganapan, Aklan Silahis, Bencer, Jasmin, Kapayapaan, Rosal, Waling-Waling, Katarungan, Abraham, Akasya, Albay, Apitong, Bayanihan, Cavite, Cypress, David, Exodus, Isaac, Jacob, Kamagong, Kaunlaran, Moises, Mulawin, Narra, Nido, Pangasinan, Santan, San Juan, San Pablo, Solomon, Tindalo and San Pedro Sts.

Portion of Reparo Road from Milagrosa St. to Katarungan St.

REASON: Line reconducting work and replacement of poles along Milagrosa St. in Bagong Barrio, Caloocan City.

THURSDAY, MAY 14, 2026

CAVITE (TRECE MARTINEZ CITY)
BETWEEN 10:00AM AND 3:00PM – PORTION OF CIRCUIT TMC II 45WA

Portion of Panungyanan Road from Governor's Drive to and including Trece Martinez City Waste Recycling Plant; West Plains Subds. I & II and Lucky Prince Homes in Bgys. De Ocampo and San Agustin.

REASON: Relocation of facilities along Panungyanan Road in Bgy. San Agustin, Trece Martinez City, Cavite

Register now to receive FREE texts about our Power Maintenance Schedules!

Text MERALCO <space> ON <space> your Service ID Number (which can be found in your bill) to:

Smart/Talk 'n Text 717-16211
Sun 0925-77-16211
Globe/TM 0917-55-16211

For more updates, follow us on Facebook and Twitter.

facebook /meralco **twitter** @meralco

For emergencies, call: 16211

