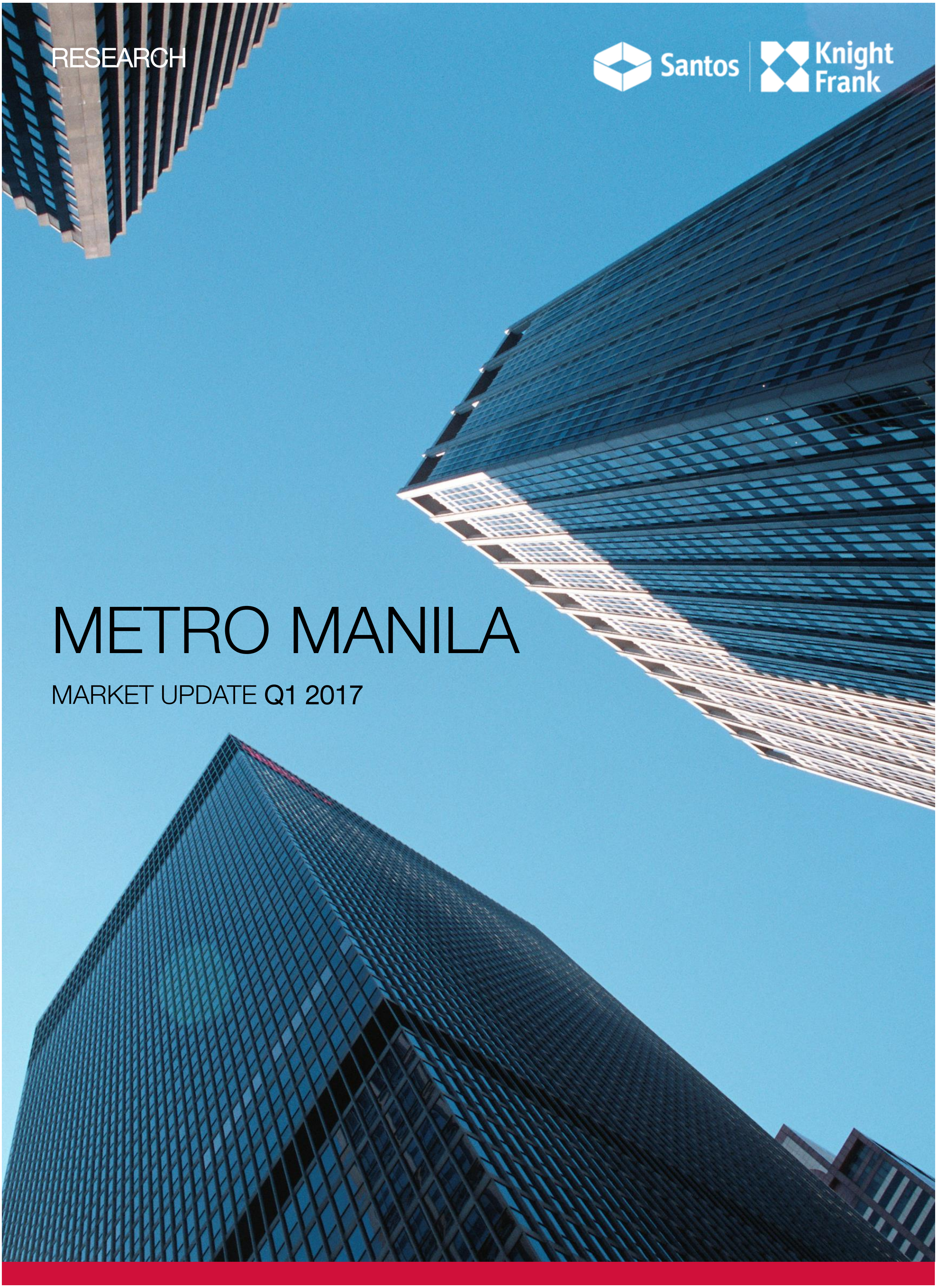
RESEARCH



METRO MANILA

MARKET UPDATE Q1 2017

METRO MANILA REAL ESTATE SECTOR REVIEW

METRO MANILA AND THE THREAT OF EMERGING CITIES

The attractiveness of Metro Manila for real estate developers and investors continues to exist. Although highly congested and vacancy rates are constantly dwindling, it is still the best location for business and investment activities. Considering that the seat of government, head offices of key companies, and the most reputable universities and institutions are located in Metro Manila, demand is perceived to always be buoyant and pervasive. The real challenge is innovation and the creation of new stock to cater to the limitless demand.

The Philippine National Economic and Development Authority defines Philippine Emerging Cities as cities, relative to Manila, that are rapidly catching up in terms of business activities, innovation and ability to attract people. A few of the notable emerging cities in the Philippines are Angeles (Clark), Cebu, Davao, Iloilo and Zamboanga. Cebu, Davao and Iloilo are top 5, 6 and 8, respectively, among the Philippine Highly Urbanized Cities (HUC) of the country. Angeles City's makings is supplemented by the much-awaited Clark Green City. Zamboanga City was identified as one of the emerging cities when it comes to information technology operations. The city has the propensity to flourish being the third largest city in the Philippines in terms of land area. Furthermore, Bacolod, Bohol, Leyte, Naga, Batangas City, Subic, Baguio, Laoag and Puerto Princesa are other cities displaying high potential and increasing economic dynamism.

Source: Wikipedia

Metro Manila, Metro Cebu and Metro Davao are known centers of commercial, financial and administrative activities. Completing the list of Metropolitan centers in the Philippines is Metro Cagayan De Oro. It is labeled as the "Melting Pot of Mindanao" due to its accessibility, business growth and local attractions. Metro Cagayan De Oro is one of the emerging areas to watch out for. Other than being a major gateway and transshipment hub in Northern Mindanao, it will continue to be a key educational center in the region.

All the same, Metro Manila is expected to remain as the most dominant metropolitan in the Philippines. This is despite the present administration's undertaking to further enrich emerging cities with the end goal of decongesting Metro Manila. Several infrastructure projects are ongoing and in the pipeline to increase connectivity and accessibility of emerging cities and rural areas. The main objectives of this effort are to improve linkages among settlements and key areas, direct growth in areas with greatest important transportation networks, increase access to jobs and services by people in smaller settlements, and connect rural areas to growth centers.

Further to this, majority of the cities that made it to the top 10 of the country's HUC are from Metro Manila. These are Quezon City, Makati, Manila, Pasig, Muntinlupa and Caloocan. Pasay, Mandaluyong and Taguig, on the other hand, were included in the top 20 HUC.

Makati remains to be number 1 in terms of economic dynamism, being the country's premier financial center. Closely following it is Pasig City, which is mainly due to the continuously booming Ortigas Center. Nevertheless, Bonifacio Global City (BGC) has overtaken

SNAPSHOTS

Economic Indicators

6.4% ▼
GDP
Q1 2017

3.4% ▲
Inflation Rate
March 2017

7.7% ▲
OFW Remittances
Q1 2017

5.8% ▲
Avg. Bank Lending
March 2017

2.37% ▲
91-Day T-Bill
March 2017

49.99 ▼
Avg. PHP-USD
Q1 2017

Ortigas Center in terms of office, residential and retail supply. The present office stock in BGC is double the size of Ortigas.

Metro Manila cities have revolutionized by developing and demonstrating trends such as sale of office spaces and introduction of new products such as Condormitel.

Ayala Land subsidiaries, Alveo Land and Avida Land, are known developers for selling office spaces. Avida's One Park Drive and Capital House, and Alveo's High Street South Corporate Tower and Alveo Financial Tower are few of the recorded sold out office projects. Alveo's Gentry Corporate Plaza and The Stiles Enterprise Plaza, on the other hand, are upcoming developments that will introduce additional for sale inventory to the office market.

A condormitel is a fusion of condominium, dormitory and hotel. It is similar to a condotel except that it is normally furnished with three to six beds per unit targeting students and Business Process Outsourcing (BPO) employees. Major Homes is one of the distinguished developers of condormitels in Metro Manila. Space U-Belt, Space San Marcelino, Space Romualdez and Space Taft are a few of the Major Homes projects. Other examples of condormitels are Harvard Suites of Ascott and Apartment 20 by Arkiland.

In addition, an anticipated development trend in the market is the retrofitting of old buildings in to Boutique Hotels. The Luneta Hotel has been restored and reopened in 2014. A number of heritage buildings in Manila are being targeted for this special project, such as the Old GSIS Building and Metropolitan Theater in Ermita, Times Theater in Quiapo, Capitol Theater in Escolta, El Hogar Filipino in Binondo, Monte De Piedad Savings Bank in Sta. Cruz and Aduana in Intramuros.


Luneta Hotel

Source: Luneta Hotel


Space Romualdez

Source: Major Homes

FLOURISHING MARKET FOR COWORKING SPACE PARTNERED BY ROSY OFFICE SPACE SELLING

Office | Industry resiliency powered by innovation

The office market is showing no signs of slowing down as the sector continues to display resiliency amidst different issues revolving around the business market. In the first quarter of the year, the real estate sector further expanded and outlook remained positive complementing the optimistic view that the Philippine economy, although growth is slowing down, will stay on as one of the fastest growing economies in the Asia-Pacific Region.

With the government's propaganda of 'Build, Build, Build', investors conveyed an enthusiastic perspective that the country will perform beyond what is expected of it. Overall vacancy and rental rate are stable despite additional office stock coming from newly completed developments. Moreover, new concepts and innovations emerged in the market. A concept dubbed as 'Coworking Space' is growing in response to the demand of young entrepreneurs and other professionals that are looking for a new way of doing business. Office unit sale likewise displayed vigor after office projects became fully sold.

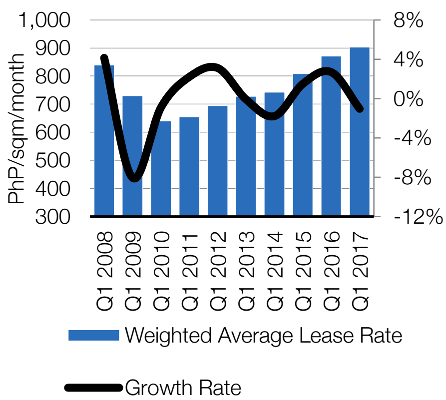
Issues concerning President Trump's protectionism and threat to the BPO industry were silenced by the director-general of the Philippine Economic Zone Authority (PEZA). After the forum held in Washington D.C., uncertainties were finally cleared that the service industry in the Philippines would not be affected by US policies rather the concern would fall on the manufacturing sector. The IT-BPO industry was in a good financial position after the local currency fluctuated between the PhP48 – PhP51 level due to the interest rate adjustments made by the Federal system of the United States Adjustments made by the U.S. had also affected other nations currency. The outcome, however, was a lucrative office sector across Metro Manila.

According to the 2017 ASEAN Business Outlook, The Philippines registered the highest satisfaction sentiment with 77%, followed by Vietnam with 72% and Myanmar with 70%. Furthermore, 70% of the respondents plan to expand their operations in the country, 55% project an increase in number of employees and 79% forecast an increase in company profit. Such surveys help in the decision making of potential investors seeking opportunities to expand coverage in the countries included in the survey. For nations with poor ratings, it could be detrimental to the local business industry. Nevertheless, the country could respond through improvements and innovation.

In addition to the good news for the office sector, more foreign firms are eyeing to invest in the IT-BPO industry in the Philippines, as reported in the first three months of the year. Investments are expected to come from countries like Qatar, Mexico, Israel, United Kingdom, Canada, and China. Multinational companies (MNC) and offshoring and outsourcing (O&O) firms take advantage of the country's skilled manpower and cheap labor cost. Some firms from the said countries are also exploring new opportunities outside Manila, specifically in Iloilo, wherein 14 Chinese delegates were sent to study the local business climate in the area.

Looking at the market movement of the CBDs in Metro Manila, Makati CBD presently has more than 3 Million Gross Leasable Area and no new building was added to the office supply during the first quarter of the year. However, over 510,000 square meters of GLA is scheduled to be turned over until 2022. The CBD is still the center of business activities. The Weighted Average Lease Rate of the CBD grew by 11.23% to PhP 1,250.86. Moreover, Makati experienced the largest growth in rental rates in spite of having the need to refurbish old buildings in order to compete with the new designs of buildings in other CBDs. Grade A Buildings led the occupancy rating with 99.25%, followed by Prime Buildings at 98.63%.

FIGURE 1
Weighted Average Lease Rates vs. Rental Growth Rate



Source: Santos Knight Frank Research

TABLE 1
Q1 2017 Office Data

	Weighted Average Lease Rate (PHP/sqm/mo.)	Vacancy Rate
Makati CBD	1,250.86	1.00%
Fort Bonifacio	949.19	0.43%
Alabang	669.70	6.59%
Quezon City	760.63	10.08%
Ortigas	635.46	1.34%
Bay City	720.56	0.14%

Source: Santos Knight Frank Research

Source: Santos Knight Frank Research

On the other end of Makati is the new favorite destination of investors, Bonifacio Global City (BGC). More tenants are transferring to BGC due to three notable reasons. First is to consolidate all their business lines in one building. Next, buildings in BGC are newer and are LEED certified. Lastly, the rental rate is cheaper in BGC compared to Makati. This movement lead to cannibalization of markets, particularly in Makati and Ortigas. BGC's Weighted Average Lease Rate was PhP949.19 in the first quarter of 2017 from PhP908.78 same time last year. Vacancy rate was likewise at an impressive rate of 0.43% amidst new building turn overs. Six West Campus, Eight West Campus, Ore Central, and World Plaza were the newly completed buildings which had little effect on the CBD's vacancy as most spaces in these buildings are already pre-leased or pre-committed before the start of operations.

While vacancy in BGC lowered in the first quarter, vacancy in Alabang increased to 6.59% from same period last year's 2.94%. This was due to the additional inventory coming from newly developed buildings, such as Vector 3 and Capella Building. Additional office stock amounted to 54,445.48 square meters of Gross Leasable Area. Net absorption likewise grew at a remarkable record of 38,151.25, the second highest since 2007.

For Quezon City, vacancy remained within the 10% mark due to the large number of available rentable spaces in CyberPark Tower One. Conversely, vacancy of Bay Area decreased to 0.14% in the first quarter. Further to this, Ortigas displayed a modest uptick in vacancy, growing to 1.34% from the recorded 1.14% in the last quarter of 2016. Weighted Average Lease Rates of Quezon City, Bay Area, and Ortigas are now pegged at PhP760.63, PhP720.56, and PhP635.46, respectively.

Quick Background on Coworking

Due to scarcity of space and rents getting more expensive, users are trying to find more efficient ways of utilizing spaces. Office rental rates in CBDs are now at a price range of PhP635 to PhP1,250 per square meter and are increasing gradually. Moreover, lease terms are for long-term periods and a minimum size of rented space is imposed.

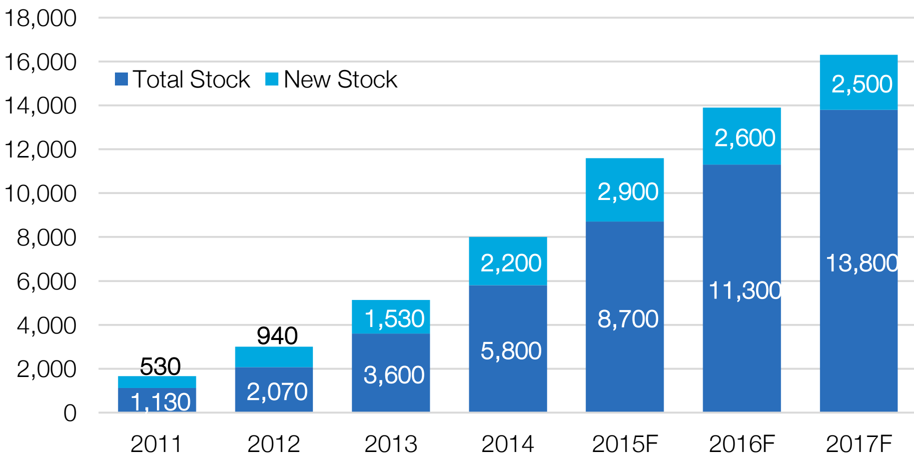
To address these limitations in traditional offices, a global term 'Coworking Space' was born and is currently positioning itself in the office industry. The first coworking space in the Philippines, Co Lab, pioneered during the year 2011. After its success, other flexible office spaces started to spur in the market providing a leeway for start-up businesses in the central business districts of Metro Manila. Ayala Land Inc. recently offered coworking spaces through 'Clock-in' which targets sales people, freelancers and other working professionals in search for a different work environment.

In today's world and present time where people are always on the go, the need to access your e-mail, print proposals and surf the net happens anytime and anywhere. Business transactions and negotiations are now done outside the office. High-level executives, young professionals and start-up entrepreneurs used to work in coffee shops and hotel lobbies. With coworking spaces, they now have an alternative venue to conduct business activities.

According to the 2017 Global Coworking Survey, worldwide coworking spaces are now at around 11,300 and can grow to 14,000 by the end of the year. Growth rate of coworking space users is projected at 41% in 2017, reaching almost 1.2 million people, an increase of 345,000 from its previously estimated total of 835,000. At present, there are 14 recorded buildings in Makati, 8 in BGC, 1 in Alabang, 2 in Quezon City, 2 in Pasay and 3 in Ortigas that offer flexible spaces and shared spaces.

FIGURE 2

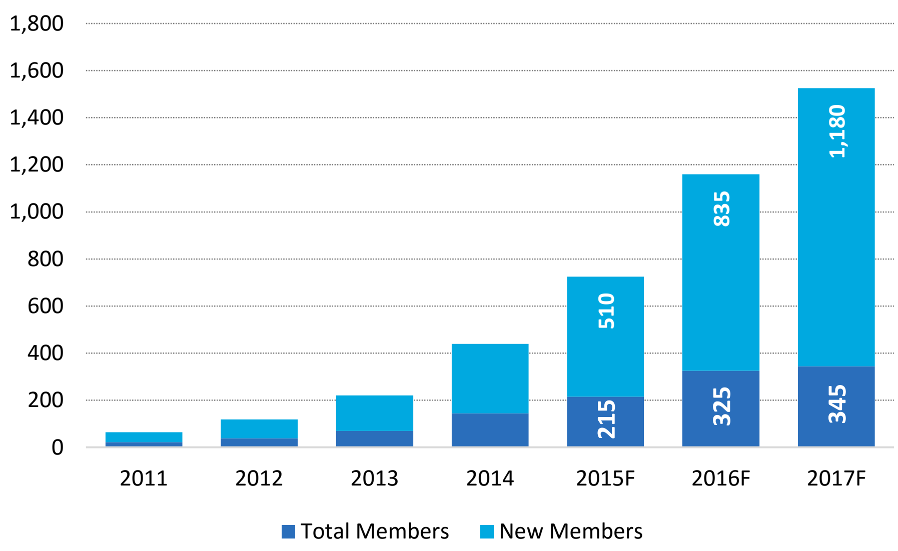
Number of Coworking Spaces Worldwide as of October 31, 2016



Source: Deskmag and Social Workplace

FIGURE 3

Number of Members Worldwide as of October 31, 2016 (in thousands)



Source: Deskmag and Social Workplace

Filinvest Cyberzone Bay City

Source: Santos Knight Frank Research

Additionally, some of the more popular coworking spaces include Regus, vOffice, A Space Manila and Boardroom Ph. Websites with AirBnB-like concept are likewise present in the market adding easy access to coworking spaces. Typical coworking space rates in Makati range from PhP400 to PhP1,200 per person per day.

Trends similar to shared work spaces and coworking spaces are seen to grow further, creating a significant impact to the office business in the future. Millennials would also be a valuable contributor to the expansion of this concept as 35% of the 2015 Philippine population are comprised of people aged 15 to 34. Their presence in the market would soon be dictating activities in the office field, its concepts, and the growth of new and innovative businesses.

Brisk Office Sale

Pre-selling of office spaces has been a trend since 2012 as developers see selling and developing office buildings as a good source of recurring income. A year after the last market report on office pre-selling, the market for selling office spaces is still upbeat. Currently, Ayala Land's subsidiary unit, Alveo Land, has marketed nine developments with for sale office spaces. High Street South Corporate Tower 1 was Alveo's first office project under this concept. At present, five of the mentioned Alveo projects are fully sold. Park Triangle Corporate Plaza North Tower and The Stiles Enterprise Plaza West Tower are now at 99% and 95% sold, respectively. The remaining two, Gentry Corporate Plaza and The Stiles Enterprise Plaza East Tower, are currently selling at PhP250,000 per square meter and PhP175,000 per square meter, respectively.

Some of the existing buildings that are also strata titled include, the Enterprise Center, Philam Life Tower, Ayala Tower One, PBCom Tower, LKG Tower, Citibank Tower, BDO Plaza, One World Plaza, One Global Place, and Bonifacio High Street -Central and East. Indicative price range in Makati and BGC is at PhP150,000 to PhP250,000 per square meter.

GROWING INVESTOR BASE SPURS NEW SUPPLY ACROSS SEGMENTS

Residential | Robust head start for PH residential market

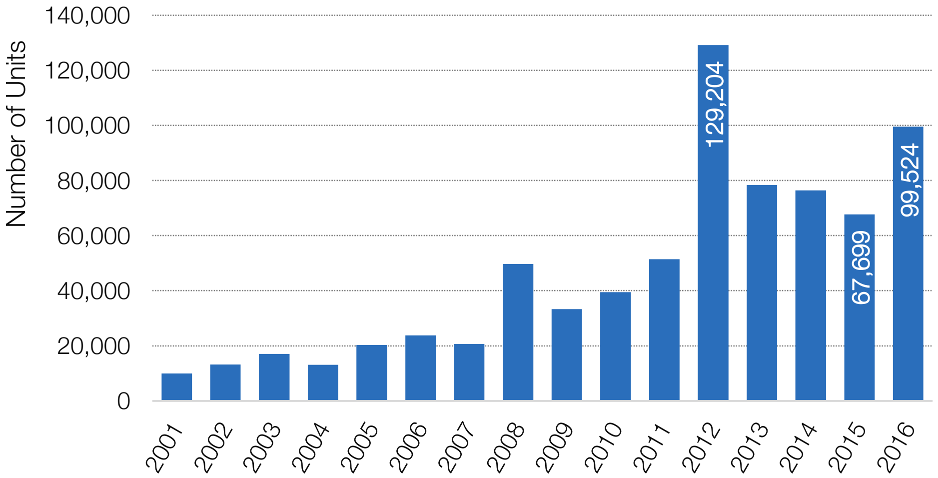
The local condominium sales market opened the year on a positive note as investment buying activities became more prominent during the first quarter of 2017. Immense investor activity propelled the performance of the market following the sustained momentum of the Philippine economy in the last quarter of 2016. Majority of the buyers purchased large number of units, some an entire floor, and have the units rented out to end-users. Moreover, a huge demand for residential projects that are proximate to offices was noticeable as local and foreign companies looked to acquire units to house their respective employees, particularly studio units.

A number of investors purchased properties with the intention of operating the units as condotels for short term-staying guests. These guests are given full access to building facilities and amenities, much like the Airbnb concept. The condotel model is more evident in the middle to high-end developments that offer an expansive range of higher class amenities compared to affordable projects. Presently, condominiums in the Bay Area enjoy brisk sales due to such demand combined with commercial and entertainment establishments proliferating in the vicinity.

End-user demand, on the other hand, was fairly robust as it is still buoyed by the prevailing low interest rates and flexible payment schemes. These enticed more affluent locals such as retirees and professionals to acquire residential properties. Similarly, the weaker peso provided a relatively high purchasing power to foreign currency earners, i.e. overseas

FIGURE 4

Total Number of Residential Condominium Units based on Licenses To Sell



Source: HLURB

Filipino workers (OFWs) and expatriates.

The growing investor base and increasing end-user demand are essentially boons to real estate market players, either on the development or acquisition side. On the development side, the solidified confidence of investors in the country has led to a complete rebound in Licenses to Sell (LTS) issued by the Housing and Land Use Regulatory Board (HLURB). Issued LTS surged by 47% in 2016 year-on-year as the government aimed to simplify business processes and requirements, and entice more investments in housing and real estate projects across the country.

Some of the developers that have secured LTS from the HLURB already started to launch their respective projects. Given that there was a notable demand for residential condominiums, a total of 4,033 units were launched in the quarter. Among the new projects are Avida Asten Tower 3 by Avida Land and 110 Benavidez by Keyland in Makati City, Prisma Residences by DMCI Homes and The Travertine by Alveo Land in Pasig City, Mulberry Place by DMCI Homes and Park Avenue by Federal Land in Bonifacio Global City (BGC) in Taguig. In the same period, Megaworld Corp. undergone an expansion phase as it launched the east wing of its San Antonio Residences project also in Makati City. The market of the said projects was reported to be mostly foreign and local investors who would want to tap the growing millennial workforce.

On the luxury segment, high demand for luxury condominiums persists as foreign nationals and and high net worth Filipinos continue to post a bullish outlook on the Philippine economy. For 18 years, the market demand for luxury residential properties had been relatively sparse as the market exercised extreme precaution in their prime residential investment

Continued on Page 10…

BRISK RETAIL TAKE-UP DRIVEN BY NEW ENTRANTS AND BRAND EXPANSIONS

Retail | Consumer demand seen sustained until end of summer season

With the conclusion of the holiday season, consumer spending slowed down but only at a minimal level. An upturn of spending is anticipated due to the approaching summer season. Moreover, consumer demographics and expenditure levels remain constant as evidenced by the improving employment opportunities and stable macroeconomic fundamentals. Positive business outlook was sustained in the first quarter of 2017 with new and innovative business strategies formulated, backed by continued business expansions and brand launches carrying transformed portfolios of both retailers and mall developers.

Vacancy rate in Metro Manila has been stable at 5% with local and foreign brands unveiling stores in recently-opened shopping malls. Brands such as Mumuso and Petrol already set foot in South Park Mall in Alabang. Tim Hortons, the largest coffee shop in Canada and known for its unique tasting brewed coffee and freshly baked goods, opened their first branch in Uptown Mall BGC. The said coffee brand is likewise planning to open 8 more branches in the country. Target locations are retail components of office buildings.

S Maison, the retail component of the 25,000-square meter Conrad Hotel in the Bay Area, has successfully leased out vacant spaces since its soft opening a couple of quarters ago. Some of the new stores are Zero Halliburton, Pandora, Moressi and Cole Haan.

Brands such as Tokyo Milk Cheese Factory, The French Baker, Ray Ban, Swarovski, Lacoste and Marks & Spencer have already opened in Okada Manila, the biggest gaming and entertainment integrated resort in Parañaque City. The resorts' upscale retail area spans more than 8,000 square meter with a number of retail brands scheduled to be opened in the coming months.

The Ayala Malls group unveiled Ayala the 30th along Meralco Avenue in Pasig early this year. Ayala the 30th, with a gross leasable area of approximately 28,000 square meter, is the first Ayala Mall to be built and operated within Ortigas Center. Brands like Genki Sushi, Wang Fu, Mumuso, Base London, Florsheim and S&R New York Style Pizza have already been launched and are frequently visited by mall-goers.

Additionally, a well-known footwear brand which offers products from flip flops and sandals down to regular shoes and boots designed for comfort and style has recently entered the Philippine market. Vionic recently revealed its first ever shop in Ayala the 30th. The brand's unique natural alignment and elevated support technology rendered the product as a "must have" in the retail scene. Other anticipated upcoming brands include Mango, Yamato Bakery, UCC Coffee, Terranova, Mitsuyado Sei-Men and Gold's Gym.

Retail openings under food and beverages, ranging from fast food and restaurants to coffee shops, accounted for about 63% of the total retail openings in the first quarter of 2017. This was followed by clothing and apparel with 26%. The remaining percentage was distributed among homeware, consumer electronics, department stores and other consumer services.

In addition, slight increases in retail rental rates were recorded in the first quarter of 2017 following the launch of new shopping malls during the previous quarters. Average rental rate in the Makati CBD was pegged at PhP1,212 per square meter. In Bonifacio Global City (BGC), retail space rents were at PhP1,536 per square meter on an average. Ortigas Center commanded a PhP1,390 per square meter average rental rate.

Continued on Page 10…

FIGURE 5
Retail Openings by Sector
Q1 2017

Source: Santos Knight Frank Research

Source: Ayala Land

POSITIVE INVESTOR OUTLOOK BOLSTERS INVESTMENT INFLOWS

Industrial | The Philippines solidifies economic footing

The Philippine economy posted a 6.4% growth rate in the first quarter of 2016. The economy continues to grow but at a slower pace, which is typical of a post-election year where election spending already dissipated. Moreover, growth is expected to pick-up in the coming quarters as investor confidence remains positive backed by sound macroeconomic fundamentals.

Growth in the economy was mainly due to undertakings in manufacturing, trade and other services. Investments in manufacturing continued to grow amounting to PhP66.8 Billion. This was followed by investor commitments in Gas, Steam and Air conditioning supply, and Administrative and Support Service Activities. Total approved investments in the year 2016 amounted to PhP219.03 Billion with the last quarter posting the largest amount of investments of about PhP125.69 Billion.

Commitments from Netherlands, estimated at about 27.7% share of the total approved investments, was the largest of the anticipated investments. Other top investing countries were Australia and USA with investment shares of 25.3% and 16%, respectively.

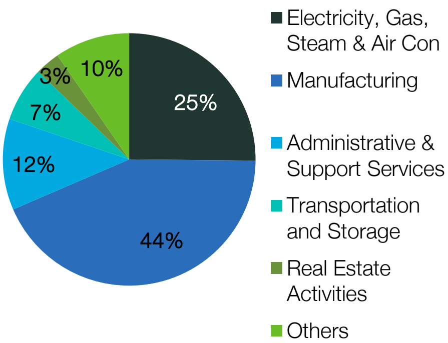
Further to this, with investors looking into economic zones outside of Metro Manila, investments were mostly directed towards Region IV-A CALABARZON and CAR (Cordillera Administrative Region) accounting to about 71.9% of the total approved investments.

Value of Production Index (VaPI) registered an 11.1% growth in the first quarter of 2017, mainly due to expansion activities in the sectors of fabricated metal products, petroleum-based products and transport equipment. Volume of Production (VoPI) likewise grew by 12.2% with growth mainly coming from the petroleum-based product sector.

As investor commitments continue to grow and with a large number of potential investors expected to come in the country, the need for additional economic zones and industrial developments becomes imminent. In the first quarter of 2017, there was a notable decrease in available supply of industrial lots and warehouses in Metro Manila driven by strong industrial sector demand. Leasable industrial spaces became very limited given the high occupancy rate. Economic zones outside of Metro Manila, however, still have a good amount of available space left. Bulk of the supply is in Cavite and Laguna. In Cavite, the rental rate of industrial lots averages Php 181 per square meter while average rental rate in Laguna is pegged at Php 216 per square meter. Other areas with significant inventory are Baguio, Pampanga, Batangas and Davao. Average rental rate of available spaces in Baguio was recorded at Php 184 per square meter. Pampanga and Davao industrial spaces can be leased out at Php 125 and 170 per square meter, respectively.

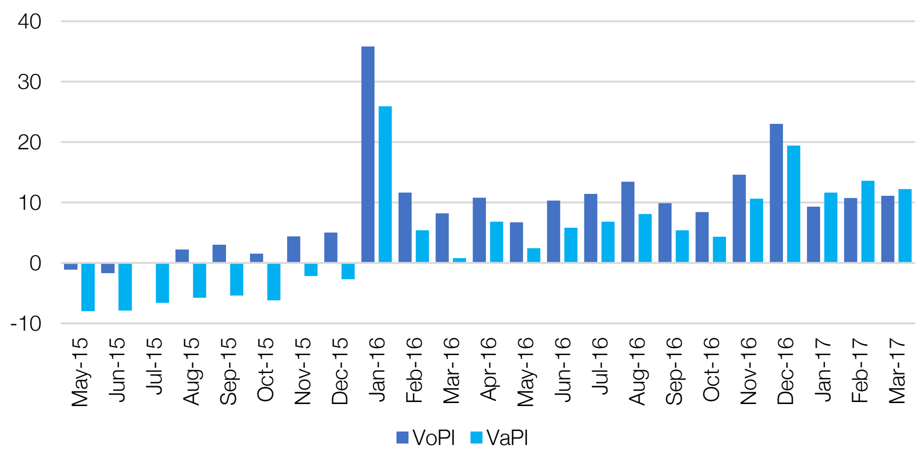
The industrial sector stands to benefit from the government's pipeline of infrastructure projects. The present administration is focusing on finishing infrastructure projects to address severe traffic and rising logistics cost for inventory and supply distributions to key areas inside and outside of Metro Manila. The National Economic Development Authority (NEDA) identified 26 approved infrastructure

FIGURE 7
Total Approved Foreign Direct Investments by Industry



Source: Philippine Statistics Authority

FIGURE 6
Industrial Production y-o-y growth



Source: Philippine Statistics Authority

Continued from Page 6 Residential

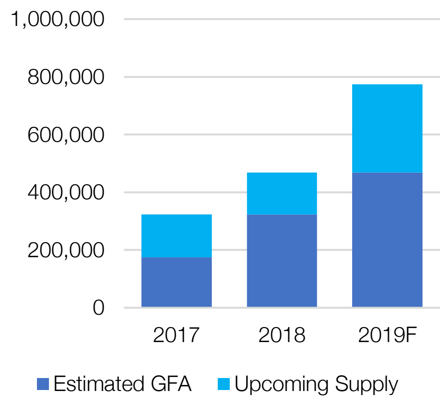
activities following the aftermaths of the Asian Financial Crisis in 1998 and Global Financial Crisis in 2008. But when the Philippines was no longer considered as the “sick man of Asia”, demand-supply dynamics began to work again. Some developers created an exclusive clientele comprised of tycoons, wealthy businessmen, and diplomats to name a few. Foreigners and expatriates also continued to keep the demand afloat by purchasing units either for wealth accumulation or as place of residence.

Currently, AyalaLand Premier’s Park Central Towers (South Tower) project in Makati CBD commands the highest monthly take-up of 47 units, followed by Robinsons Luxuria’s newest project in Ortigas–The Residences at The Westin Manila Sonata Place–with a take-up of 30 units per month. Both projects have been selling for five (5) months since their respective launch dates. In terms of selling prices, the latter offers 1-bedroom to penthouse units ranging from PhP186,000 to PhP196,000 per square meter.

Despite the limited supply of developable land for luxury developments, four (4) new projects are expected to be unveiled this year. In Taguig City, Federal Land is set to continue the success of its Grand Hyatt Residences project, which is already 97% sold, through Grand Hyatt Gold. Selling prices were reported to range from PhP350,000 to PhP400,000 per square meter. Megaworld also envisioned its most luxurious development in McKinley West with its medium-rise project, The Albany. Selling prices per square meter were disclosed to start at PhP300,000. Other projects in the pipeline include the North Tower of Park Central Towers, and the 3,500-square meter lot owned by SMDC and Federal Land in Makati City. The latter is a PhP5-billion development and is envisioned to be the most beautiful skyscraper in the country.

Continued from Page 7 Retail

FIGURE 8
Upcoming Retail Supply*



*Cumulative value since Q1 2017
Source: Santos Knight Frank Research

Alabang, Quezon City North Triangle and Araneta Center rates were averaging PhP839 per square meter, PhP1,165 per square meter and PhP1,279 per square meter, respectively.

With the significant number of upcoming retail spaces and the continuous entry of retail brands, the retail industry is projected to take a sustainable track backed by increased consumer spending in the coming season. The retail component of Double Dragon’s Meridian Plaza mixed-use development and other Ayala Malls namely Vertis North Mall, Park Triangle Mall and Cloverleaf Mall are some of the upcoming retail developments to watch out for. Together with expansions of Robinsons Galleria, Festival Mall and SM Mall of Asia, upcoming retail spaces sum up to approximately 835,000 square meters in 2017 alone.

Continued from Page 8 Industrial

projects under implementing agencies such as the Department of Transportation (DOTr), Department of Tourism (DOT) and Department of Public Works and Highways (DPWH). Approved projects include refurbishment of key tourism locations in Metro Manila, airport rehabilitation, construction of tollways and highways and railway extensions and improvement.

With the country’s promising industrial market, local and foreign investors are drawn to invest in the Philippines, as evidenced by the influx of capitals from other countries. The robust manufacturing sector is complemented by the progressive industrial sector. Consequently, the country remains one of the most attractive investment hubs in Southeast Asia assertive of its economic resiliency and development.

Subic-Clark Cargo Railway

Source: BCDA

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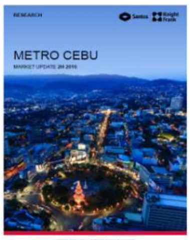

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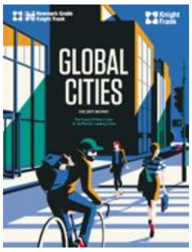

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