

Stocks Vs. Real Estate

Personal Income Tax

Position Trading

APRIL-JUNE 2020
PhP150

MoneySense

SAVE. SPEND. AND INVEST WISELY



HOW SMEs CAN SURVIVE
AND THRIVE IN THE
NEW NORMAL

BOUNCE BACK FROM A
POST-PANDEMIC WORLD

DISASTER-PROOF
YOUR FINANCES

BUYING REAL ESTATE
FOR FOREIGNERS

FAMILY FINANCE

HOW CARL AND JENNY DY RUN THEIR HOUSEHOLD
LIKE A BUSINESS AND RAISE RESPONSIBLE KIDS

ISSN 1908-5125



1895

2020

125

BEYOND LIFETIMES

A Promise Beyond Lifetimes

Every promise has a beginning. Ours began 125 years ago when Sun Life of Canada pioneered life insurance in the Philippines – with the promise to provide financial security to Filipinos and their loved ones.

Since then, Sun Life has kept its promise to stay with the Philippines through every victory and challenge, always believing in a brighter future for the country and its people.

This unwavering commitment has led to the fulfillment of countless dreams and millions of lives made brighter.

Today, we are grateful for the honor of serving the country and generations of Filipinos.

And we reaffirm our promise that no matter what the future holds, we will always be the Filipinos' partner in their pursuit of a brighter future today, tomorrow and beyond lifetimes.



BESPOKE FURNITURE

KRISANDER GLOBAL LIFESTYLE

BOUNCE BACK PROMO
20% OFF ON CUSTOM FURNITURE
ONLY THIS JUNE

FOR INQUIRIES CONTACT US AT

📞 0917 584 9431

📞 0917 674 0802

✉️ krisander1998@gmail.com



MoneySense

SAVE. SPEND. AND INVEST WISELY

IN THIS ISSUE

APRIL-JUNE 2020



COVER STORIES

- 34** The Family CEO
BY EXCEL V. DYQUIANGCO
- 49** Disaster-Proof:
Protecting Your Family & Home
From Volcanic Eruptions, Viruses
& Other Calamities
BY EDMUND LAO, RFP®
- 53** How to Bounce Back From
a Post-Pandemic World
BY GENESIS KELLY LONTOC, RFP®
- 56** Home Savings: 20 Ways to Save
on Utility Bills, Household
Appliances, and More!
BY ARLYN CHENG, RFP®

PLAN

- 08** How SMEs Can Survive—and
Thrive—in the New Normal
BY EXCEL V. DYQUIANGCO
- 11** Versus: Stocks Vs. Real Estate
BY RICHARD THADDEUS CARVAJAL, RFP®
- 16** Q&A: COVID19 Survivor
BY DAVID ISAIAH ANGWAY, RFP®
- 20** Primer: Personal Income Tax
BY EDGAR MENDOZA, RFP®
- 28** My Money Story: Building Jungle
BY ALFRED CARDENAS
AS TOLD TO EXCEL V. DYQUIANGCO

“The slightest **adjustments** to your daily routines can dramatically alter the **outcomes** in your life.”
— DARREN HARDY

“Do not leave **yourself** or your family unprotected against **financial** storms ... build up savings.”
— EZRA TAFT BENSON

“The handling of **finances** is one of the major emotional **battlegrounds** of any **marriage**. Lack of finances is seldom the issue. The **root problem** seems to be an unrealistic and immature **view of money**.”
— DAVID AUGSBURGER, THE MEANING OF MONEY AND MARRIAGE

- 30
- My Money Story:
Going Through Three Different Stages
BY ELVIS LO BRACAMONTE AS TOLD TO EXCEL V. DYQUIANGCO
- 32
- My Money Story: A Stock-Trading Hobby
Turned Lucrative Business
BY MIKO SAYO AS TOLD TO EXCEL V. DYQUIANGCO

INVEST

- 62
- Stock Market 101: Position Trading Strategies
BY JOSEFINO GOMEZ, RFP®
- 64
- Real Estate 101: Buying Real Estate for Foreigners
BY RICHARD THADDEUS CARVAJAL, RFP®

SPEND

- 66
- Online Fitness Centers
BY EXCEL V. DYQUIANGCO



MoneySense

Chairman of the Board
DR. ROBERTO DE OCAMPO, OBE

Publisher
ELENA TORRIJOS

Editor-in-Chief
HEINZ BULOS

Creative Director
WILLIAM DIZON

Web Administrator
ALEX TORRIJOS

Contributing Photographer
JERIC DY
Spectrum Digitals

Contributing Writers
EXCEL V. DYQUIANGCO
DAVID ISAAH ANGWAY, RFP®
RICHARD THADDEUS CARVAJAL, RFP®
ARLYN CHENG, RFP®
JOSEFINO GOMEZ, RFP®
EDMUND LAO, RFP®
GENESIS KELLY LONTOC, RFP®
EDGAR MENDOZA, RFP®

MONEYTREE PUBLISHING CORP.

Chairman of the Board
DR. ROBERTO DE OCAMPO, OBE

President
ELENA TORRIJOS

General Manager
RHODA JIMENEZ

Advertising and Special Projects Director
CRISTINA SAYON

Advertising Account Manager
ELENA DURAN

Account Executive
MERCY ANDAL SANCHEZ

Production Supervisor
ALEX AUSTRIA

Executive Assistant
EDLEN VANEZZA BAYATON-OBISPO

Legal Advisor
ROBERT A. ABADILLA

ALL RIGHTS RESERVED ©2020 BY MONEYTREE PUBLISHING CORP.
RECOMMENDATIONS EXPRESSED IN MONEYSENSE ARE SOLELY
THOSE OF THE WRITERS AND INFORMATION PUBLISHED HEREIN
ARE SUBJECT TO CHANGE. MONEYTREE PUBLISHING SHALL NOT
BE LIABLE FOR ANY INACCURACIES. READERS SHOULD VERIFY
INFORMATION ON THEIR OWN OR SEEK THE ADVICE OF THEIR
FINANCIAL ADVISORS. REPRODUCTION IN WHOLE OR IN PART
WITHOUT PERMISSION IS PROHIBITED.

HOW TO REACH US

MONEYTREE PUBLISHING CORP.
Unit 206 Great Wall Bldg. 136
Yakal Street, San Antonio, 1203 Makati City
Telephone : (02) 8844-2868
E-mail : info@moneysense.com.ph
Web : https://www.moneysense.com.ph
Facebook : MoneySense Magazine
Twitter : MoneysensePH
Instagram : Moneysenseph

www.moneysense.com.ph

HumanResources

TOTAL
REWARDS
ASIA
SUMMIT

26-27 AUGUST 2020 - PHILIPPINES

conferences.humanresourcesonline.net/total-rewards-asia-ph/

Lessons from the Pandemic

Like most people, the coronavirus crisis has hit me hard. As a small business owner running conferences and courses, the pandemic and the quarantine imposed by the government were like a double whammy.

As an SME, we don't have the resources of large corporates. And as a conference producer, we had to cancel our physical events as mass gatherings have been prohibited. And besides, who in their right mind would even want to attend one?

My wife, who is also my business partner, and I had to hunker down and buckle up in the first couple of weeks of the ECQ. Since our conference company is our main source of income as a couple, our family is highly dependent on its survival.

So make that a triple whammy.

But as they say, don't waste a crisis. And this crisis is one of the biggest we ever faced. But let me cut to the chase. Fast forward two months after, we have managed to not just survive but are starting to gain some momentum. We're not yet back to pre-pandemic levels, as far as our income is concerned (far from it), but our hopes are up.

And these are some of the lesson I have learned from the pandemic that I want to share with you:

1 THAT'S WHY IT'S CALLED AN EMERGENCY FUND. I have never appreciated having an emergency fund as much as now. This financial cushion was a life saver. We could last several months with no income coming in, and without having to sell assets to raise cash or borrow money. But we were still in a precarious situation, and we would never just rely on our emergency fund.

2 CASH IS KING. Can you say Richard Branson? The multi-billionaire is asset-rich and cash-poor, forcing him to plead for a bailout. This was such an important lesson to me: keep enough cash and keep it within easy access. I had always been tempted to invest whatever excess savings our business has to make our money work for us instead of letting it sleep in the bank. Guess what? We would have lost so much money if we were forced to liquidate.

3 CUT BACK. Whatever we could cut, we did. We pledged to eat only cheap, simple food. We became more conscious about turning off lights. We cancelled some online subscriptions. We banned any unnecessary purchases. Banks, utilities, and credit card companies pushing back due dates were a huge help.

4 HUSTLE. Cost-cutting and using your excess cash can only go so far. At a certain point, our money will dry up. The only way to avoid that is to do whatever needed to be done to earn more. It's strange but we found ourselves so much busier now than ever before. It's like bootstrapping a startup all over again!

5 PIVOT OR PERISH. What do you do if your business can't operate in the pandemic? Do nothing and die? Beg for a bailout or go bust? Wait it out and wither? We had no choice but to reinvent ourselves. While we've always sold our conferences and courses online, we've never had to conduct them over the Internet. Now, we had to. And that means having to change our business model—new products, new pricing, new packages, and new platforms.

6 DIVERSIFY YOUR INCOME. While our business is my bread and butter, I also have a couple of ongoing freelance editing and writing projects. Now, I appreciate them more than ever. Even in our business, I am thankful that we are not just in one niche. And we're continuing to add more niches and adding a variety of formats to diversify further.

7 PREPARE BEFORE A CRISIS. Most people "prepare" when they're already in a crisis. That's why these days you see so many people buying insurance, panic buying, and planting their own food. We do plan to plant our own veggies but I am grateful that we've got our insurance covered and we have stocked up on essentials even prior to the lockdown.

8 PRAY. This is the first thing we did when the pandemic hit. And we continue to pray every day. We had to fight fear with faith, replace worry with trust. This was a good opportunity to practice gratitude and remember God's faithfulness during past crises. And this is the best time to seek His wisdom and guidance.^{MS}


Helen Bulos
Editor-in-Chief
hbulos@moneysense.com.ph

veteransbank

**HOME
LOAN** 



**"Our Dream come True!
A new Home for our Family.
Thanks to Veterans Bank
Home Loan."**

You can do it too!! Get this chance to own a new home and still look forward to getting back what you paid for after 20 years. A Loan* and Investment in one and easy on the pocket, with Veterans Bank HOME LOAN 100% Cash Back 

You get to enjoy living in your home and still know that what you pay for monthly actually goes to savings.

Apply for a home loan now. Visit the nearest Veterans Bank branch.

Yan ang Bangkong may Puso. Malalapitan. Dito na tayol

Veterans Bank. A Bank with a Heart  for Every Filipino.

*Loans may also be used for refinancing, construction and renovation of your home.
20 year term loan will automatically be eligible for Home Loan 100% Cash Back Offer. Talk to a bank representative for details.

101 V.A. Rufino corner Dela Rosa Streets, Legazpi Village, Makati City 1229 Philippines
(632) 8857-3822 | (0917) 551 6782 | (0998) 958 8782

www.veteransbank.com.ph

A proud member of
BancNet

Member: PDIC. Maximum Deposit Insurance for Each Depositor PHP 500,000. Veterans Bank is regulated by the Bangko Sentral ng Pilipinas.

How SMEs Can Survive and Thrive in This Pandemic

BY EXCEL V. DYQUIANGCO

The COVID pandemic has sent shockwaves throughout the whole business community. Small and medium enterprises (SMEs), in particular, face a plethora of challenges such as lack of substantial cash reserves. Unfortunately, this has led many to close shop.

There are those SMEs, however, that despite this pandemic, are still growing and thriving. So how can SMEs survive in this pandemic? We asked these entrepreneurs who have successfully adjusted and adapted to the New Normal.

FOCUS ON YOUR TEAM'S WELFARE. According to Maria Lea Ungson, Managing Partner of Haraya Coaching, their online coaching business also slowed down during the lockdown, but they focused on the team's welfare first - health, safety, and well-being.

"We did a weekly virtual check-in to get a sense of how everyone is doing, what resources and support is needed until such time everyone became relatively stable with the unprecedented situation," she says. "We made sure our employees continue to receive their full salary on top of availing the government subsidy and offered extra financial support to ensure our team is geared up for a WFH set-up."

REACH OUT TO THE COMMUNITY. Lea and her fellow coaches also established #UnangTugonPH, a collaborative initiative by a community of coaches who have come together and decided to support our frontliners by offering a service that we are uniquely poised to provide. "As certified professional coaches, we've been highly trained in the skills of showing empathy, active listening and helping clients take an empowering perspective," she says. "We aim to help alleviate some of the concerns our frontliners may have, to show care for their emotional and mental well-being. This is our simple way of showing gratitude and support to our brave frontliners. Simultaneous to this, we hosted learning session and #Tapatan—a support circle for our community of coaches as our way of caring for their careers."



GO DIGITAL. Brian Murphy, Co-Founder of Murphy Consulting, a digital agency, says that during the first week of the pandemic, they quickly made the decision to transition 100% of their staff members and employees to work from home, supplying them with computer equipment as well as stable Internet connections.

"Within literally one week, we noticed an increase in business from our other clients that were in pandemic-proof niches and we experienced an increase in business," he says. "This is mainly due to the fact that our agency partners who are servicing end clients in pandemic-proof niches such as landscaping, roofing, HVAC, solar, and realtors developed a need to help get their clients online and fast. In my experience, any business who has not made the transition to

veteransbank

**PENSION
LOAN** ❤️



"Kinulang ang pang tuition. Nag Pension Loan si Papa sa Veterans Bank. Na solve ang problema."

Now your PVAO and AFP monthly pension can help you be free of financial worries.

Mag apply ng Pension Loan and get as much as PHP1.5M* with your AFP Pension and get an additional PHP 200,000 with your PVAO Pension.

Pwedeng bayaran up to 5 years term.** May Credit Redemption Insurance (CRI) at walang hidden charges.

Mag apply ng Pension Loan ngayon.

Yan ang Bangkong may Puso. Malalapitan. Dito na tayo!

Veterans Bank. A Bank with a Heart ❤️ for Every Filipino.

* Final loan amount subject to pensioner's age, pension amount, and other applicable terms and conditions.

** Final loan term subject to pensioner's age upon loan maturity date

101 V.A. Rufino corner Dela Rosa Streets, Legazpi Village, Makati City 1229 Philippines
(632) 8840-3655 | (0917) 822-1953 | (0998) 584-8379 | customercare@veteransbank.com.ph

www.veteransbank.com.ph

A proud member of

BancNet

Veterans Bank is regulated by the Bangko Sentral ng Pilipinas. Call (02) 708 7087 or email consumeraffairs@bsp.gov.ph

having an online presence was simply forced to in order to stay in business. We experienced a rapid demand for websites and landing pages as well as digital marketing services such as Facebook ads, Google ads, and SEO.”

BE FOCUSED AND DEDICATED. Brian says that it comes down to leadership and positioning. “I’ve talked to many business owners and the sad reality is that most of them have looked at this pandemic in a negative way and are very afraid to take action,” he says. “In fact, a lot of them have used this pandemic as an excuse to not to take action. It’s really baffling to me. Remember, where focus goes, energy flows.”

As far as positioning is concerned, he believes that the SMEs who are focused and dedicated to making other businesses successful will do well. “When you create value for other businesses, you’ll soon experience success in your own business,” he says. “Those who do not take action and hustle to stay in business don’t deserve any wins.”

MULTI-TASK. Mike Canlas and his wife Lucci own a video editing business and milk tea stores across Metro Manila. To survive this pandemic, Mike and his household needed to multitask. “I took over the company driver’s tasks of picking up purchases and delivering stocks to the stores,” he says. “I had to pick up and bring home our area supervisor as she needed to check a different store every day and she didn’t have her own transportation. I also needed to coordinate with all suppliers or look for new ones. And perhaps one of



the good things about having your wife as your business partner is that you get to have business meetings at home. Our maids also helped us manage the stocks, repack items, and do food preparations to be sold in the stores. It looks like they would be having a new career after our children have grown up.”



Mike continues, “Because there was a lot of time for business meetings and product development, these stores would soon open with a new brand/product that we came up with. Launch is coming very soon, and we are quite excited about it.”

HAVE A HEALTHY BODY AND SOUND MIND. Mike says, “You need to be wiser and stronger more than ever because a lot of work and decision-making are coming your way. This is why it is important that the entrepreneur is healthy himself. The basics of eating healthy, working out, and drinking vitamins are a must and adding meditation to your routine helps to have a clear mind. For me, I read the book of Proverbs because I think it is really a great handbook for businessmen. Having a business during the old normal already racks your brain, and so much more so at this time. It is easy to be depressed and this would slow down everything. This is why taking care of yourself is most important. After all, you are the captain of the ship.”

A crisis like the coronavirus pandemic can cripple SMEs, no doubt. And there may be some businesses that are beyond rescue, no matter what. But there is hope for creative and resourceful small business owners who can adapt to the challenging situation or even pivot to a new business model. Just like these entrepreneurs have.^{MS}



Special 10th Anniversary Edition! 10 Years. 10 Events.



MONEY & MILLENNIALS

A MONEY SUMMIT EVENT

SEPTEMBER 5, 2020
NOW A VIRTUAL CONFERENCE!



Visit www.money-summit.com for more info.

Real Estate Vs. Stocks

Making Wise Investment Choices for a Post-Pandemic World

BY RICHARD THADDEUS CARVAJAL, ACSI, RFP®

When the year 2020 rolled out, there were a lot of high hopes. Experts projected business trends, and investors were putting money in different markets based on market forecasts made late last year and early this year. And then the pandemic happened, impacting the world and changing everything we knew.

The pandemic has undoubtedly changed consumer behavior and restructured a lot of priorities. Almost all of a sudden, people are rushing out to stock on necessities, even panic buying rolls and rolls of toilet paper. People are going back to the basics with regards to their priorities, and more and more people are now working from home. A lot of travel plans had to be cancelled, and many businesses had to close, with some business even shutting down. On the other hand, businesses that have gone digital prior to the pandemic have soared, as well as businesses selling essential products and services.

Major economies are suffering from this drastic shift in consumer behavior. For example, for the first quarter of the year, China's economy contracted by 6.8%, while the US economy shrank by 4.8%. The Philippines has also seen its share of losses during the first quarter, with the Philippine Statistics Authority (PSA) reporting a 0.2% contraction in our economy due to the government response to the COVID-19 pandemic.

Everything unexpected has happened, and now halfway through the year, people are afraid. Given the uncertain times brought about by this crisis, what is the best investment that you can make? More specifically, which is a better investment—stocks or real estate?

INVESTING IN STOCKS VS. INVESTING IN REAL ESTATE. The stock market is one of the most popular markets that investors venture into. Since the 1600s, people

have been investing in the stock market because of its potential in generating relatively high returns compared to other forms of investments plus the highly liquid nature of the investment itself. Stocks are relatively easy to buy and sell, making it more appealing to investors.

But there are more advantages to the stock market than just that. For example, there's the opportunity for investors to grow their money in the long term in proportion to the growth of the business they invest in. Stable businesses also provide opportunities for investors to earn dividends, thereby increasing their ROI. Buying company shares also gives investors the opportunity to become minority owners of a company, which means their votes can have a bearing on the company's major decisions.

However, there are some major disadvantages when it comes to stock investments as well. For one, the higher the return you expect for your stock investment, the higher the risks of losing. Also, stocks are very volatile in nature and subject to factors that are outside the control of an investor. Economic factors affect a company's performance in the market and can either lead to a rise or drop in stock prices. In other words, how much profit an investor makes or loses will ultimately depend on the economy and how well the business is doing. Widespread economic crisis can thus make it difficult for an investor to sell their shares and exit without incurring substantial losses.

Adding to the disadvantage of investing in the stock market is the fact that it takes a lot of time and expertise to make profit in stocks. The ordinary investor who knows little about the complex algorithms involved in the market and has trouble understanding the fluctuation of stock prices will most likely end up losing the investment.

Real estate markets, on the other hand, are easier to understand and navigate. Property values of tangible assets are less complex to deal with compared to intangible stocks. While real estate may yield a relatively lower ROI than stocks, its strength and appeal lies in its stability in the face of economic crisis. It is worth noting that property values are not negatively affected by inflation. In fact, real estate is



THE POWER OF LONG-TERM INVESTING!

We, at **FIRST METRO ASSET MANAGEMENT INC.** understand that objectives and preferences can vary widely from one investor to another, and having the proper tools is critical to achieving desired outcomes. Equally important, is having the right people to help you stay focused on the long-term while navigating these market conditions. Here is First Metro Asset Management's VP and Head of Direct Sales Sheila S. Limon, RFP®, CWM®, CIS, MBA for her own insights in the situation.

Building your portfolio of mutual funds requires taking into consideration a lot of factors, such as your financial goals, risk appetite, liquidity requirements, and time horizon. The interplay of these would largely determine which fund would suit an investor best in achieving their financial targets.

In general, the longer you stay invested, the greater is the chance that you would make money as the market always recovers.

ABOUT FIRST METRO ASSET MANAGEMENT INC. Established in 2005, First Metro Asset engages in mutual fund business, promotes savings mobilization and advocates investment literacy among Filipinos. First Metro Asset is a partnership among First Metro Investment Corporation, the Catholic Educational Association of the Philippines, and the Marist Brothers Congregation Philippines. Today, First Metro Asset manages nine (9) mutual funds, with more products in its pipeline.

To learn more about First Metro Asset Management Inc., visit www.fami.com.ph or follow us on Facebook, Twitter or Instagram @FirstMetroAsset

Building your wealth is a long-term process: it is not a sprint, but rather a marathon. No matter what you do it cannot happen overnight as such, patience is required. Long-term goals such as planning for your child's college education fund or your retirement, require time and only long term investment in the stock market has the proven power to generate optimal returns for these goals.

Long-term investment--most especially in the stock market--offers you an opportunity to beat inflation. It tends to work best against recessions and bear market as history has proven time and again. Over a short-term, stock markets are volatile and could be a roller coaster ride. But by staying invested in the fund, an investor has an opportunity to ride it out these short-term fluctuations and enjoy the eventual upside.

The greatest advantage of long-term investment, at the end of the day, is peace of mind and freedom from stress, knowing that your money is invested in good companies and grows with them for the years to come.

considered a hedge against inflation, since property values go up as inflation rates increase. Where stock values rise and fall depending on business performance and economic factors such as changes in consumer behavior and inflation, real estate values depend on controllable factors such as property location, amenities, and the like. As such, much of an investor's ROI in real estate depends on how well a portfolio is managed rather than on factors beyond one's control.

Another notable advantage of real estate is that investments can be financed and leveraged. An investor can purchase a large investment without having to pay for the whole sum, simply because banks can grant financing for the acquisition of fixed assets such as land and buildings. Stock purchases, on the other hand, are technically not eligible for financing. Real estate investors also have the advantage of leveraging their investments by leasing them, thereby effectively paying off the loan from the rental earnings.

Of course, real estate investments have their drawbacks too. One of the biggest disadvantages is the illiquid nature of real estate. Properties generally take more time to liquidate, and selling them off too quickly can mean having to deal with a substantial loss in profit. However, modernization is helping the real estate market to transition to a more liquid state through tokenization, where properties are treated similar to company stocks and divided into real estate tokens that can be easily sold or bought.

Investing in real estate also means having to take on extra costs even after paying off the mortgage. There are property

taxes to consider, insurance payments, and maintenance costs. Investors who aggressively purchase properties off an auction without conducting a property inspection can thus find themselves stuck with a liability instead of an asset. True, profitable deals can be found in real estate bargains, but due diligence remains crucial for an investor to secure a high ROI.

So, the real question here is, given the advantages and disadvantages in both real estate and stock market investments, which is the better choice for investors to make during this pandemic?

The better choice would be an investment that is not subject to the ups and downs of an economy. Since the current situation shows a highly volatile economic trend, investing in a market that is subject to economic factors such as inflation, consumer behavior, and GDP can be too risky. Depending on your risk appetite, stocks can be a poor choice of investment. Real estate investments are therefore preferable for their relatively stable nature and their ability to serve as a hedge for inflation.

LOOKING BEYOND THE NOW. Seasoned investors understand the value of foresight when deciding on which investments to make. Economies go through different phases and cycles, so judgments have to be made on the basis of future circumstances. A good investor should thus learn how to look beyond what is seen, leveraging the advantages and disadvantages of an investment to maximize the chances of making profits while staying one step ahead of the present. **MS**



Special 10th Anniversary Edition! 10 Years. 10 Events.

REAL ESTATE INVESTING SUMMIT

A MONEY SUMMIT EVENT

OCTOBER 17, 2020
SMX CONVENTION CENTER
SM AURA PREMIER, TAGUIG



Visit www.money-summit.com for more info.

Q&A with a COVID-19 Survivor

INTERVIEW OF JOJY AZURIN BY DAVID ISAIAH ANGWAY RFP®

The coronavirus pandemic crippled so many businesses. Millions of workers have filed for unemployment benefits and some companies will never reopen. Hundreds of thousands have died from COVID-19, and millions have been infected. We talked with one of the survivors of the virus, tech entrepreneur JoJy Azurin about his near-death experience and how he was able to win against the disease and deal with the medical expenses.

DAVID ANGWAY: Can you share a quick background about your fight with COVID-19?

JOJY AZURIN: I was confined like everybody else who had a severe infection from COVID-19. What I can remember was it was very difficult to breathe. I was unconscious, probably because of the medicines. Then I heard the doctor telling me that I will be intubated. I spent eight days in the ER and five days in the ICU.

DAVID: How did you recover?

JOJY: The doctors gave me different medicines, and I reacted positively and immediately to the malaria and HIV drugs to their amazement. On the third day, they told me that I was ready to leave. Normally, it takes two to three weeks. But on the fifth day, I was already wheeled out from the ICU to a private room where I recuperated for five more days. It was like dying and living again, and so that is why I always tell everyone I'm living my second life.

DAVID: Now let's talk about expenses, because a lot of people were relying on the universal health law, expecting that COVID-19 patients will be getting 100% from PhilHealth.

How did you deal with the bills at the end of the day?

JOJY: It was all about timing. First, I have an HMO, but with the expenses, the whole limit was used up in two days. Then we were asked to put in a significant amount of deposit. But we were lucky that the balance was paid by PhilHealth. So, it was really a big help. We checked out on the fifth day without paying for the balance.

DAVID: How important was your HMO in the first place? Because if there is no PhilHealth, definitely it's a problem of financial constraint.

JOJY: It provided us with some confidence to go to a highly reputable private hospital with better equipment and personnel. So having an HMO provided some confidence and security. Now imagine if we didn't have one, I would probably even have second thoughts about going to this particular hospital.

DAVID: How has this experience impacted your finances?

JOJY: Whatever funds we had was for a rainy day. We would have used up much of our funds had PhilHealth not stepped in. And of course, we have a large household—I have 5 kids. But our funds provided us some buffer to get us through the pandemic. Now, we really appreciate the usefulness of health insurance or an HMO and the usefulness of having set aside funds for an emergency.

DAVID: You are a serial entrepreneur with equity in different businesses. Now, there are some people who had to sell some of their stocks or equity in their business just to pay for their hospital bills. Do you think it's something very smart to do? What could they have done to avoid this?

JOJY: I would not recommend selling your equity as a last resort because that's supposed to be for your long-term retirement. I rarely sell my equity. I'm a director of The Founder Institute, where we help startups and put in a small equity in all these startups. But I never sold my shares. I also

Special 10th Anniversary Edition! 10 Years. 10 Events.

 **Couples Finance**
A MONEY SUMMIT EVENT



OCTOBER 24, 2020
9AM - 6PM

MEGATRADE CONFERENCE CENTER
SM MEGAMALL



Visit www.money-summit.com for more info.

invest in publicly listed stocks for the long term. I don't trade, I buy and I even forget about it.

DAVID: *You invest and forget. That's a quotable quote. What else did you realize after your experience?*

JOJY: We have a travel agency, a software company, e-commerce business, and all the other startups. But because of the pandemic, no money was coming in. We had to plan which ones to stop. In the end, we decided to focus on online businesses.

DAVID: *Have you updated your will?*

JOJY: Yes, I've already set up my will even before the pandemic. But when I was sick, I resolved that I was going home. Dying was never an option for me. My strong will

really was a major factor to my recovery. But of course, I've already tried to be healthy. I have been running since high school. I have strong lungs, that is what I think is important. I was also very cooperative and patient with the medical staff. I realized that people prayed for me. So community prayers really helped. But your mind is also important. I made the decision that I was walking out, I was going home.

DAVID: *Lastly, can you give some advice to entrepreneurs and people who want to get back on track and succeed during this crisis and after?*

JOJY: We Filipinos are very resilient. In this pandemic or even post-pandemic, we can still make money and our business can grow. I have been a witness to a lot of companies right now for the past eight weeks that it is possible not just to survive but to thrive in this new normal.^{MS}



Digital
Marketing
Institute™
Approved Partner

DMHQ
Courses. Careers. Resources.

DMI PRO

Become a Certified Digital Marketing Professional

Stay Relevant. Stay Ahead.

Under the guidance of Global Industry Advisory Champions including

Google Coca-Cola facebook sky The Economist HubSpot

DigitalMarketersHQ.com



Digital
Marketing
Institute™
Approved Partner

DMHQ
Courses. Careers. Resources.

DMI SPECIALIST

Become a Certified Digital and Social Selling Professional

Stay Relevant. Stay Ahead.

Under the guidance of Global Industry Advisory Champions including

Google Coca-Cola facebook sky The Economist HubSpot

www.DigitalMarketersHQ.com



Personal Income Tax

BY EDGAR V. MENDOZA

Let's be honest. Having to deal with taxes is no fun for many people. It pains us to hear stories of government officials being accused of anomalies or mismanagement of funds, which our hard-earned money is part of. But no matter how much we want to abolish taxation in our society, we are still bound by a moral and legal obligation to comply with it. As the BIR would put it: "If you love your country, then pay your taxes."

Now that the annual income tax deadline is fast approaching despite the Luzon-wide lockdown, and the filing and payment of taxes, for calendar basis, has been postponed to only 30 days—up to 15 May 2020, many Filipinos are fretting over paying their taxes again. In the US, taxpayers were given 90 days extension to pay taxes from 15 April up to 15 July 2020. The filing in the US can be extended for 6 months for any reason simply by filling up IRS Form 4868.

In the Philippines, this article can serve to educate individual taxpayers on the classification and computation of income tax as employees, self-employed individuals, entrepreneurs or professionals, and mixed income earners when tax time comes.

The National Internal Revenue Code (NIRC) directs that a tax shall be imposed on the taxable income of every individual. Specifically, it defines Income Tax as "a tax on a person's income, emoluments, profits arising from property, practice of profession, conduct of trade or business or on the pertinent items of gross income specified in the Tax Code of 1997 (Tax Code), as amended, less the deductions if any, authorized for such types of income, by the Tax Code, as amended, or other special laws."

TAXABLE INCOME FOR EMPLOYEES.

If your earnings come purely from compensation from a single employer, then you are classified as a pure compensation employee and shall be taxed based on the income tax rates prescribed hereunder:

Taxable income for employees is the gross compensation income (meaning all money paid for services performed by an employee for his employer under an employer-employee relationship) less non-taxable income/benefits such as but not limited to the thirteenth (13th) month pay and

other benefits not exceeding (P90,000), de minimis benefits, and employee's share in the SSS, GSIS, PHIC, Pag-IBIG contributions and union dues.

For married couples, the husband and the wife can have a separate computation for their individual income tax. In case of an income that cannot be attributed exclusively to either of the couple, the spouses shall divide it equally between them for the purpose of computing their respective taxable income.

For minimum wage earners (MWE), they shall be exempt from the payment of income tax. The holiday pay, overtime pay, night shift differential pay, and hazard pay received by such earners are likewise exempt.

SAMPLE COMPUTATION FOR MINIMUM WAGE EARNER.

Jaime Perez is a husband and a father to three children. He is a minimum wage earner working as a security guard. Jaime's family depends solely on his employment income. For 2019, Jaime earned a total compensation income of P150,000.

Jaime Perez contributed to the SSS, PhilHealth, and HDMF amounting to P5,000 and has received 13th month pay of P12,500. His income tax liability will be computed as follows:

(Example A)		
Total Compensation income		P150,000
Less: Mandatory contributions	P5,000	
Less: Non-taxable benefits	P12,500	
NET TAXABLE INCOME		P132,500
TAX DUE		(EXEMPT)

Figure 1: T.R.A.I.N. Law Personal Income Tax Rate Table

T.R.A.I.N. LAW		
ANNUAL TAXABLE INCOME	TAX RATES (2018-2022)	TAX RATES (2023 ONWARDS)
Not over P250,000	0%	0%
Over P250,000 but not over P400,000	20% of the excess over P250,000	15% of the excess over P250,000
Over P400,000 but not over P800,000	P30,000 + 25% of the excess over P400,000	P22,500 + 20% of the excess over P400,000
Over P800,000 but not over P2,000,000	P130,000 + 30% of the excess over P800,000	P102,500 + 25% of the excess over P800,000
Over P2,000,000 but not over P8,000,000	P490,000 + 32% of the excess over P2,000,000	P402,500 + 30% of the excess over P2,000,000
Over P8,000,000	P2,430,000 + 35% of the excess over P8,000,000	P2,202,500 + 35% of the excess over P8,000,000

DMHQ

Certified Digital Marketing Professional

Align your skills with the needs of industry



DigitalMarketersHQ.com



Validated by the Industry Advisory Council comprised of members from:



CONCLUSION: Jaime Perez is exempt since he is considered a minimum income earner.

The following year, Jaime Perez earned, aside from his basic wage, additional pay of P100,000, which consists of the overtime pay (P70,000), night shift differential (P10,000), hazard pay (P10,000), and holiday pay (P10,000). He has the same benefits and contributions as Example A above.

(Example B)		
Total Compensation income		P150,000
Add: Overtime, night shift differential, hazard, and holiday pay		P140,000
Total Income		P290,000
Less: Mandatory contributions	P5,000	
Non-taxable benefits	P12,500	
NET TAXABLE INCOME		P272,500
TAX DUE		EXEMPT

CONCLUSION: Jaime is tax-exempt as a minimum wage earner. The statutory minimum wage as well as the holiday pay, overtime pay, night shift differential pay, and hazard pay received by him are specifically exempted from income tax under the law, although the whole amount exceeded the threshold of P250,000

TAXABLE INCOME FOR PURELY SELF-EMPLOYED INDIVIDUALS AND PROFESSIONALS. If your earnings come solely from self-employment, entrepreneurship, and/or practice of profession, and your total annual income is P250,000 or less per year, then you are also exempted from paying income tax. Freelancers, such as bloggers, writers, web developers, graphic designers, photographers, and other people who provide specialized services are deemed as professionals even though they are not governed by a regulatory body.

Meanwhile sole proprietors are individuals who run their own businesses. These businesses should be registered with the Bureau of Trade Regulation and Consumer Protection (BTRCP) of the Department of Trade and Industry (DTI).

Income Tax for Self-employed & Professionals	
ANNUAL EARNINGS	TAX
P250,000 and below	0% (Exempt)
P500,000 and below	Exempt from 3% percentage tax
P3,000,000 and below VAT threshold	Can choose between the 8% flat tax in excess of P250,000, or the graduated income tax rates of 0% to 35%
Over P3,000,000	Graduated income tax rates of 0% to 35%

Note however that exemption from percentage tax of gross sales/receipts not exceeding P500,000 has been vetoed by the President. In his view the taxpayers covered by this provision are already exempted from VAT, thus the lower 3% on gross sales or receipts is considered as their share in contributing to the revenue base of the country.

Under the TRAIN law or Republic Act (RA) No. 10963, purely self-employed individuals and professionals will be subjected to the following tax regulations:

IF ANNUAL GROSS SALES OR INCOME IS P3 MILLION OR BELOW. Purely self-employed and professionals with annual gross sales or income receipts not exceeding the VAT threshold of P3 Million can choose to apply between:

- Eight percent (8%) of gross sales or receipts and other income, in excess of P250,000 instead of the graduated income tax rates and percentage tax (no option to register for VAT); OR
- Graduated income tax rates* of 0% to 35% on net taxable income, plus 3% percentage tax (no change in computation of net taxable business income)

*Please refer to Figure 1: T.R.A.I.N. Law Personal Income Tax Rate Table

8% WITHHOLDING TAX FOR SELF-EMPLOYED AND PROFESSIONALS. You get to enjoy simplified taxation by availing the 8% flat tax rate. However, the 8% tax is applicable only to self-employed individuals or professionals whose gross receipts or gross sales and other non-operating income for the year do not exceed the P3,000,000 value-added tax (VAT) threshold and are not subject to other types of percentage tax.

The 8% tax is not applicable to small businesses owned by a corporation. It is applicable to different types of business activities that can be undertaken by a sole proprietor, such as the practice of a profession, consultancy services, or convenience store business.

If your income is purely from your business, you simply need to add up your gross sales or receipts, deduct the non-taxable P250,000, and multiply the difference with the 8% to arrive at your respective taxable income.

However, the 8% tax rate is not always the best option for self-employed individuals. The 8% tax rate is imposed on the gross sales or receipts; no deductions for business expenses are allowed. Thus, you should do your math and then decide what option would benefit you the most. You should compare your tax liability under the 8% tax and the regular income tax of 0% to 35%. But should you still choose to pay under the

DMHQ

Certified Digital Marketing Specialist in Strategy & Planning

Align your skills with the needs of industry



DigitalMarketersHQ.com



Validated by the Industry Advisory Council comprised of members from:



regular rate of 0% to 35%, note that you will also have to pay the 3% percentage tax in addition to your income tax.

IF ANNUAL GROSS SALES OR INCOME IS ABOVE P3 MILLION. Self-employed and professionals receiving annual gross sales or receipts exceeding the P3 Million VAT threshold have a more straightforward tax rule. If your gross income or sales receipts total is more than P3 million, then, your only option is to multiply your graduated income tax rate (as shown in Figure 1: T.R.A.I.N. Law Personal Income Tax Rate Table) on your net taxable income, plus VAT. For those whose income are below the VAT threshold but opt one way or another for 8% or graduated rates, the computations are as follows:

COMPUTATION FOR SELF EMPLOYED

Case Scenario 1: Felicity operates an online retail store and also works as a freelancer providing graphic design services. This year she plans on earning P1,050,000 from her retail activity and P750,000 from her freelancing work.

If Felicity opts for the 8% Income Tax Rate, her tax due for the year would be computed as follows.

Gross sales—Online retail store		P1,050,000
Gross receipts—Graphic Design Services		P750,000
Total sales & receipts		P1,800,000
Less: Amount allowed as deduction	P250,000	
Taxable Income		P1,550,000
Tax Due at 8% Income Tax Rate		P124,000

Case Scenario 2: Given the same figures above, let's assume that this time, Felicity failed to indicate that she intends to be taxed at 8% income tax rate on gross sales in her initial Quarterly Income Tax Return, and she incurred cost of sales and operating expenses amounting to P600,000 and P200,000, respectively, or a total of P800,000.00. Her income tax shall now be computed as follows:

Gross sales—Online retail store		P1,050,000
Gross receipts—Graphic Design Services		P750,000
Total sales & receipts		P1,800,000
Less: Cost of Sales	P600,000	
Gross Profit		P1,200,000
Operating Expenses	P200,000	
Taxable Income		P1,000,000
Tax Due Referring to the Graduated Income Tax Rate $[(130,000 + (1,000,000 - 800,000) \times 30\% = 190,000)]$		P190,000

CONCLUSION: It will take a number of variables like your annual gross income, incurred amount of expenses related to your professional activity, etc. to determine which option would be more beneficial. As a self-employed professional, of course, you would want to minimize your annual income tax. It helps then to try and anticipate your taxable income under both scenarios to evaluate which option would be best for you. Familiarizing yourself with the TRAIN Law regulations will prove to be beneficial.

TAXABLE INCOME FOR MIXED INCOME EARNERS.



If you are earning simultaneously from compensation and from self-employment (business or practice of profession), then you are classified as a mixed income earner. An example of this is a bank supervisor who also works part-time as a freelance wedding coordinator.

For the tax income computation of mixed income earners, there are two options available: graduated income tax rates or the 8% flat income tax rate. For the self-employed and professionals, the 8% flat income tax rate should apply to gross sales or receipts in excess of P250,000. However, the BIR interprets this in another way because the graduated rates already included the P250,000, the taxpayer can no longer claim the P250,000 from his non-compensation income. If you prefer the graduated income tax rates, then you simply have to combine your income and refer to the graduated income tax table. If, on the other hand, you prefer to apply for the flat rate, then you have to do a separate computation for the tax due since the 8% is applicable only to income from business or practice of profession.

SAMPLE COMPUTATION: ILLUSTRATION 1. Jasper, an I.T. Manager at XYZ company, in 2019 earned an annual compensation of P1,700,000, inclusive of 13th month and other benefits in the amount of P120,000 but net of mandatory contributions to SSS and PhilHealth. Aside from employment income, he owns a computer accessories store, with gross sales of P2,500,000. His cost of sales and operating expenses are P1,000,000 and P600,000, respectively, and with non-operating income of P100,000.

OPTION 1: EIGHT PERCENT (8%) INCOME TAX RATE ON GROSS SALES. His tax due for 2019 shall be computed as follows if he opted to be taxed at eight percent (8%) income tax rate on his gross sales for his income from business:

(1) TAX DUE ON COMPENSATION INCOME:	
Total Compensation Income	P1,700,000
Less: Non-taxable 13th month pay and other benefits (max)	90,000
Taxable Compensation Income	P1,610,000
Tax due on Compensation Income $[(130,000 + (P1,610,000 - P800,000) \times 30\%]$	P373,000

(2) TAX DUE ON BUSINESS INCOME:	
Total Gross Sales	P2,500,000
Add: Non-operating Income	100,000
Taxable Business Income	P2,600,000
Multiplied by flat income tax rate (8%)	8%
Tax Due on Business Income	P208,000
TOTAL INCOME TAX DUE (Compensation and Business)	
P581,000	

CONCLUSION: Under the BIR revenue regulations, the allowable deduction in the amount of P250,000 is for taxpayers earning solely from self-employment/practice of profession and is not applicable for mixed-income earners under the 8% income tax rate option. The P250,000 mentioned above is already incorporated in the first tier of the graduated income tax rates applicable to compensation income.

OPTION 2: GRADUATED INCOME TAX RATE ON GROSS SALES. Jasper's tax due shall be computed as follows if he did not opt for the eight percent (8%) income tax based on gross sales/receipts and other non-operating income:



Edgar V. Mendoza is an attorney and a certified public accountant concentrating in the field of corporate and tax and estate planning. He is likewise a Registered Financial Planner (RFP), Chartered Trust and Estate Planner (CTEP), and Certified Management Accountant of Australia (CMA). He has written various articles on taxation and estate planning for MoneySense, Rappler, and others. He has been a regular speaker in numerous seminars in taxation and estate planning.

(1) TAX DUE ON COMPENSATION INCOME:		P1,700,000
Less: Non-taxable 13th month pay and other benefits-max	90,000	
Total Taxable Compensation Income		P1,610,000
(1) TAX DUE ON BUSINESS INCOME		
Gross Sales		P2,500,000
Less: Cost of Sales	1,000,000	
Gross Income		P1,500,000
Less: Operating Expenses	600,000	
Net Income from Operation		900,000
Add: Non-operating Income		100,000
Total Taxable Business Income		P1,000,000
TOTAL COMBINED TAXABLE INCOME		P2,610,000
TOTAL INCOME TAX DUE $[P490,000 + (P2,610,000 - 2,000,000) \times 32\%]$		P685,200

CONCLUSIONS: As stated above, for purposes of computing the income tax due, the taxable income from both compensation and business shall be combined if the taxpayer chose to be subject under the graduated income tax rates. If gross business income or sales receipts total is more than P3 million, the only option is to follow the graduated income tax rate.

In addition to the income tax, Jasper is likewise liable to pay a percentage tax of P75,000, which is 3% of P2,500,000.

Having a thorough understanding of how income tax brackets work will help you prepare yourself for tax planning better. It's also important to remember that the 2018 tax brackets will change for the 2023 fiscal year, which means the amount we owe on the same income in the previous year will be different.

The technicalities with our present income taxation could seem to be more complex than rocket science, which leads many people to make mistakes and miss out on potential savings and exemptions. The best way to ensure you're limiting what you owe is to seek the help of a tax professional or a reputable tax lawyer and/or accountant.^{MS}

Building Jungle

BY ALFRED CARDENAS AS TOLD TO EXCEL V. DYQUIANGCO

I already knew that I wanted to be either an entrepreneur or a priest when I grew up. During my elementary days, I vividly remember helping my father buy and sell used clothes and chicharon in a local tiangge in Rizal Province. At such a young age, I experienced waking up at 3 AM so my father and I could set up our store early to accommodate early customers. We knew that setting up our shop early would increase our chances of selling all of our products early since the majority of our customers were mothers who prefer to go to the market early in the day.

During my freshman year in college, I was able to build a software application that taught users how to touch type. This was also the time when my professor played a movie for the whole class called “Pirates of the Silicon Valley” where I first knew about Bill Gates and Steve Jobs and the companies they founded. Inspired by the movie and armed with my software application called “TypeWizard” plus a set of business cards that bore my name claiming to be the CEO, I tried selling TypeWizard to my classmates, professors, and even a non-profit organization that taught people with disabilities the skills that they can use to be competitive in the job market—touch typing included.

In the end, only one of my professors actually bought TypeWizard and the non-profit organization failed to proceed with their order. Needless to say, that was my first taste of entrepreneurship and failure in business.

After I dropped out of college, I went to work in the BPO industry. During my call center career, I made and sold a lot of products like Pizza Roll, Gorilla Poop (dessert), perfumes, and many more. This was also the time when I started reading more books about entrepreneurship and investing. This led me to build my very first successful venture called Boot Centre, the country’s first online football gear store. This enabled me to resign from my BPO work, become a full-time entrepreneur, and invest in the stock market.



ESTABLISHING JUNGLE. When I took a gadget loan from the leading gadget lending company in the Philippines to buy my own MacBook Air, I had trouble paying back the item I bought. I tried explaining my situation and they kept on calling as if I didn’t explain the reason for my late payment during the first series of calls. These harassing calls forced me to think of a better way to do point-of-sale lending.

So I did a little research on how developed countries do it. After realizing that I found an opportunity in this market, I immediately resigned from my full-time work and started to develop the Jungle idea. It was difficult and this was also the time when I was once offered a small amount of capital for 51% of Jungle. It was an acquisition offer instead of an investment. They thought I was crazy when I tried to raise millions of pesos for a small fraction of ownership on the Jungle idea.

After a few months of trying to find a co-founder as well as funding locally, I decided to stop the search locally and tried my luck outside the Philippines. This is when I applied to a startup generator program in Singapore. Fortunately, I got in and that was where I met my co-founder, Jungle’s CTO, Alejandro Reyes Bradford. Immediately, he redesigned the logo, the whole look and feel of the brand, and developed the very first Jungle consumer and merchant apps by himself. We also raised Jungle’s first funding round coming from notable angel investors based in Singapore.



Jungle is a point-of-sale lending startup that is based in Singapore and with operations in the Philippines. In a nutshell, we enable consumers to buy almost any product or service and pay for it in fixed monthly installments without a need for a credit card. We also empower merchants to reach more customers by directly offering consumers an easy and seamless way to pay in installments instead of filling up thick paper forms and dealing with underwriters inside a store every time they are applying for a purchase loan.

Currently, we are seeing a huge and growing demand for our service. When we started, we received over 20,000 unique sign-ups from consumers and more than 200 sign-ups from retailers and merchants in the country. We are seeing these numbers growing as we mature as a company. We are also onboarding the biggest retailers and brands in different verticals like consumer electronics, home appliances and furniture, dental and medical, sporting goods, education, and other industries that make us super excited since this will give our consumers more choices for their purchases.

Right now, we are eyeing a number of financial services that are ripe for disruption and we want to do it the Jungle way.

BUILDING A CUSTOMER-CENTRIC COMPANY. From the start, I realized that as a company, we need to have an unparalleled focus on our customers. And when I say customers, these are not just Jungle’s users but also our investors, employees, and partners.

A lot of companies claim that they are customer centric but when you use their products and services, you’ll see how disconnected their employees are from the values of their companies. When you talk to investors of other companies, you’ll realize that they are not happy with how their investments are performing because the leaders of their companies are more concerned with fulfilling their self-interest than their company’s. When you talk to consumers and businesses, you’ll realize that they are not happy with the company they trusted because they are being unfairly treated.

Being a customer centric company means building an ecosystem where everything involved in it benefits from each other which is the exact essence of Jungle’s vision of tomorrow. And being a customer centric company requires a tremendous amount of discipline, effective internal and external communications, and a lot of action than talk.



To me, building Jungle is more than about making money. If it is, I should have stopped at my first successful venture selling football gears online since it made me a good amount of money. However, personally, it is more about being able to turn an idea into a successful company serving millions of people and thousands of businesses.

It is more about being able to find the best people and inspire them to join you in your mission. It is more about being able to convince investors that your company is the right one for them to back. It is more about building mutually beneficial partnerships to make your company’s offerings more enticing for your customers. It is more about finding and convincing customers that your products and services are worth their time and money.

To me, it is more about putting all of these vital pieces together to build a big puzzle that most of us call a successful company. To me, it is more about getting to bed at night thinking that the puzzle I am building is making good progress one important piece at a time.^{MS}

MY MONEY
LESSONS

Startup Story

For those who want to become investors and those who want to establish their own business, Jungle’s Alfred Cardenas shares some tips and pointers.

What matters more is what you do to achieve the goals you set for yourself. Most people think having a degree, graduating from a famous college or university, or having a knowledge only a few possess, makes them better than everyone else. But sometimes, having all of these “achievements” make you think that the world owes you something when in reality, it doesn’t. “Choosing not to have a college degree so I can earn money for myself and my family at such a young age made me who I am today,” he says. “It made me realize that success only requires one thing and that is hard and smart work.”

Don’t be a jack of all trades, be a puzzle builder. Building a successful and innovative company isn’t a one-man show. It is a team effort. And as a leader, your job is to identify the important pieces that will make your company successful. Once you identify the pieces that you need, your next job is to find them and put them all together. That being said, you need to know how each piece affects and contributes to the bigger picture. Carelessly putting puzzle pieces on the board without knowing if they actually fit will only create more problems for your company. So if you’re the puzzle builder and there’s harmony in your company, you know that you’ve put the right pieces at their respective places in the puzzle you are building.

Stop at nothing, even during times of success. If you want to achieve your goals in business and in life, never let setbacks, failures, milestones, and success slow you down or worse stop you.

Going Through Three Different Stages

BY **ELVIS LO BRACAMONTE** AS TOLD TO **EXCEL V. DYQUIANGCO**

While taking up Hotel and Restaurant Management I at La Consolacion University, I also worked as an assistant breeder in selling their puppies, and I bought and sold gadgets (anything and everything) to fund my education. After college, I first worked for Dusit Thani as a banquet waiter, but the income I had with Dusit Thani wasn't able to match the stress I had while I worked there, so I decided to file my resignation. While I was looking for a job, one of the leading real estate companies found me, and I got interested in working with them as a Property Investment Consultant.



However, I soon found out that life as an agent was not ideal for me. We were one-time millionaires. We earned big commissions, but the income was never consistent. There were months when our allowances were cut but we still needed to come to work 6 to 7 days a week and find qualified clients who were willing to invest in luxury condominiums. But I did earn my first million at the age of 21.

After successfully submitting my last sale, I left the company and started a business. Choosing the right business was difficult because I knew well that I would be investing most of my hard-earned money. It took me months contemplating before I started a Siomai Factory Outlet. For me, having a Siomai Factory Outlet was ideal because I didn't just sell steamed food, I mostly supplied products to the smaller stores. Some people even started their own siomai business because they heard there was a siomai supplier in town.

PROPERTY CONSULTANT TO ENTREPRENEUR. My first few months were both exciting and stressful. Exciting because everything was new, and I got to be my own boss. I studied the market and thought of ways on how to sell. It was also stressful because missing details was frequent—like where to deposit the trash or how to deal with nosy neighbors. Mostly, I was young so people who were more experienced tried to take advantage of me by offering me products and services that were more expensive—for example, the renovations, the equipment for the store, among others.

I managed to solve the problems one by one by opening up to people and taking their suggestions into practice. I had to swallow my pride and realize that there was still a lot to learn, so I analyzed the methods of other businessmen. Surprisingly, some pieces of advice from employees were also helpful as they were far more organized and diligent than those who were in sales for years. Easy to admit, each person who stayed long in their profession had their own forte. It was really useful talking to different types of people as each unique individual gave a unique tip.

After 12 months, I finally accepted the truth that the income made by the Siomai Outlet can run itself, but it



cannot support my daily expenses. The only reason why the year went by without me having to skip on bills was that I had extra cash to support my lifestyle. Plus, the people who worked for me were no longer reliable. They were always on leave and if there was no one to man the store, I always had no choice but to close it until one of them returned from their vacation. Managing people was also stressful as most of them were stubborn in receiving orders and would always do what they wanted despite the obvious reasons that the system I built for the business was through months of analysis.

Most of all, I no longer saw myself managing the physical store on a long-term basis. My time was always compromised as there were important things I needed to attend to but failed due to time constraints. I was also developing a brand for whitening soaps, beauty products, and herbal coffees—I also wanted to explore those.

SPREADING FINANCIAL LITERACY. I was already a consultant of Pru Life UK before I started a business. I decided to reset my priorities and focus once more on offering insurance due to the disasters that happened with my relatives. Honestly, my aunt was going through dialysis, my cousin died of heart attack, my mother had an ovarian cyst and went through surgery, and my uncle died because of bone cancer. All these things happened in a span of two years.

I realized how important financial literacy was, especially to Filipinos who work so hard only for their savings to be taken away by hospital bills. These people didn't even get to enjoy their life and their money much—they just worked, grew old, and died. I wanted to open up the minds of my relatives so they would put their money in the right place. Of course, if I could help my relatives, I would also extend my assistance to my friends, and even to my acquaintances.

School of Hard Knocks

Going from one phase to another, entrepreneur and financial advisor **Elvis Lo Bracamonte** has learned many bits and pieces of advice here and there. Here, he shares them with you.

Don't rush into business. Rushing into a business is not ideal, it is often a waste of money. The market must be studied while you search for the golden opportunity within it. Lastly, always do what you want to do. A hobby, a course, or a business cannot last if you do not enjoy it. Passion comes first before income.

Do not be afraid to fail. Often, reaching rock bottom is the first stage in realizing everything you've done wrong, and only then can you rise from it. Be persistent. Your journey will eventually make a comeback as long as you stay on your path.

Do not take advantage of others. Even if you do not believe in karma, it is always important to keep a good impression on your network. After all, you don't know who will be able to help you in your time of need.

Of course, it is not easy. There are so many rejections. The Filipino culture is very hard to break through. Filipinos are often skeptic and unbelieving. They think that life insurance is a form of scam. Mostly, Filipinos do not see the need of having life insurance because they always think they're healthy and would never fall into a critical illness. It is depressing how these people have no foresight and no sense of urgency when it comes to security even if a close relative of theirs recently suffered due to lack of savings or income protection funds.

I solve my problems by interviewing them. From experience, they were more open to talk to me about financial literacy when they didn't think I was selling them anything. I simply asked them why they didn't believe in life insurance. Their answers gave me clues on how to deal better with this crisis. As I learned that they have tons of misinterpretations, I concluded that I simply need to educate them on what a modern life insurance is all about.

Five years from now, I see myself in business again. I would still be pursuing my career with Pru Life UK while managing a business that I'm really into. Ten years from now, I would be a motivational speaker. It has always been my dream to be one. **MS**

A Stock-Trading Hobby Turned Lucrative Business

BY MIKO SAYO AS TOLD TO EXCEL V. DYQUIANGCO

I was introduced to stock investing during the big bull market of 1993. At first, learning the ropes was very difficult. There was no online trading during that time, and I had to make a phone call to place an order with a broker. I had a long learning curve because no one really taught me. I was just reading books and experimenting with my trading. I lost quite a lot at first and I almost gave up on it.

But what really got me quite fascinated about the stock market was reading charts or technical analysis. Perhaps one of my most unforgettable moments was investing in IPOs since they were very profitable during that time—one of them being Empire East Land (ELI). While I have been dipping my feet in the markets since 1993, the ELI IPO was the first investment I did with “serious money”. It was 1996. I even bought higher in the secondary market as I couldn’t get much shares in the IPO. It was a complete disaster. At its listing date, it immediately gapped down as the property boom started to burst. I no longer remember the prices, but I sort of bought at P12.00 and sold it a year after at P2.00.

The market went sideways from 1994 to 1997, then, come 1997, the Asian Financial Crisis hit the markets. It wasn’t until 2002 when the market started to recover. So, between 1993 and 2002, I hardly made money. When I started writing Tsupitero.com in 2002, that was when I got more insights about the markets and it was also the time when I began making money.

ESTABLISHING TSUPITERO.COM. Because I loved trading and the stock market, I decided to create a blog. It’s sort of like my personal diary about my trading. I created a website and called it Tsupitero.com. It was 2002 or right after 9/11. By writing about my own trading and about the markets, I get to realize a lot of insights and ideas. That hastened my learning curve.



As for its name, I don’t really know where Tsupitero came from. All I know is traders in the PSE use it in their lingo all the time. “Tsupitero” means a short-term trader. It was very fitting for me and for the website because I myself am a short-term trader and I wanted to talk about short-term trading. When I started Tsupitero.com in 2002, making money in that blog wasn’t even in my agenda. It was just a hobby. It wasn’t until three years later when I started to monetize it as more and more people visited the website. I began asking for subscription payments to my newsletter.

Unlike in 2002, there are now quite a number of people who write about the markets and who have apps or websites

similar to what we have now. Before, I can recall it was only me, a fellow called Spyfrat, and the late Mr. Ron Nathan (Mr. Bearbull) who wrote about the markets. How are we now different from all the others? First of all, when doing research about the markets, reliability of the data is of utmost importance. You don’t want to base your investment decisions on erroneous data. At Tsupitero.com, we are “obsessive-compulsive” (OC) about how reliable our data is with our stock scanners. Second, in the stock market, experience is everything. The more experience you have, the more that you know markets. The Tsupitero Newsletter is probably the longest running newsletter that writes about the Philippine stock market.

Three years ago, I decided to finally bring in partners to Tsupitero.com. Vince Hermosura and Giovvy Ranoa approached me about a project they have been working on—a stock scanner. At first, we were thinking of separating the two entities—the stock scanner website and Tsupitero.com. But after thinking about it more, I decided that it was best for the two entities to merge. Thus, you now have the newsletter/blog and the stock scanner under one roof—Tsupitero.com.

Recently, we have changed the business model of Tsupitero.com. Instead of making money via subscription payments, we are now giving away Tsupitero.com to the public for free. We will simply make money via advertisements. In order to create more traffic on the website, we have invited other writers to write about the markets. The following are our current writers: Ms. Rachelle Cruz of AP Securities, Mr. Chris Mangun of AAA Equities, Mr. Jojo Mangun, Ms. Kleiza Wong Elizalde, and Ms. Guillen Rocher. We plan to do a “Tsupitero Summit” soon, wherein it will be a talk featuring all these writers, including myself, of course.

LESSONS FROM AN ENTREPRENEUR. I’ve had many lessons over the years. First, Tsupitero.com wouldn’t be here right now without the love and dedication that I had for it. It’s important for people to find their passion and stick with it. Success and money will follow. Second, you can’t please everyone. As your business or your popularity grows, the people who like you as well as dislike you grow as well. You simply have to be tenacious and continue with what you are doing, while listening to your critics, yet, not letting them affect you negatively.

Lastly, for 15 years, Tsupitero.com has only been me and me alone. While it has had some success in itself in that period of time, I have only begun to learn just recently



that I can’t do it alone. If I wanted to make Tsupitero.com bigger, I need to learn to work with other people.

Of course, nothing beats being your own boss. When you have your own business, there is no one that you are holding responsible except yourself and your partners. Furthermore, in your own business, all your sweat and efforts are directly translated to growing your own business. Compare that to when you are working for another company—your sweat and efforts are helping the company make money but that doesn’t necessarily translate to making more money yourself. **MS**

MY MONEY
LESSONS

Trading Stocks

Stockbroker and the Founder of Tsupitero.com **Miko Sayo** shares tips and pointers to those investing in the stock market for the first time.

Educate yourself. If you want to be successful in trading or in investing, you need to educate yourself. Read books and newsletters, attend seminars, and, if possible, get a mentor. Tsupitero.com can assist you in identifying opportunities in the stock market but you won’t be able to do that if you don’t understand. With the help of Tsupitero.com, traders can find the technical set-ups that they are looking for, and investors can identify which companies are under-valued. Trading without the help of research such as Tsupitero.com is like driving a car blind-folded in a busy thoroughfare.

Look at the brokers. You will notice that certain brokerage firms are associated with a particular type of trading style. Brokers who use momentum strategies will most likely lose money in a sideways or downward market. Thus, when these momentum traders buy in a sideways or downward trend, it’s time to get out. And, when these momentum traders sell, look to buy. It’s not fool-proof (nothing is fool-proof in the markets) but it’s a pretty good general guide on when to buy or sell in a sideways trend.

Remember that it is a cycle. One of the most overlooked aspects about markets is that it’s a cycle. And that different parts of the cycle have certain characteristics. Those who can understand this and identify where prices are within those cycles will have an edge over everybody else in the market.



The Family CEO

How working for corporate taught Carl and Jenny Dy the principles on how to run their household

BY EXCEL V. DYQUIANGCO | PHOTOGRAPHY BY JERIC DY OF SPECTRUM DIGITALS

Well-run companies follow business principles in order to operate smoothly. Not only do they put in place systems for each team member, but they also implement rules in order for employees to grow and achieve their objectives, reduce stress, and have a happy culture and work environment.

The same framework works in the family, especially during this pandemic.

Business owners and husband-and-wife team Carl and Jenny Dy have created a structure supported by the right tools which can help their children achieve their goals and objectives. Both come from the corporate world. Carl grew up with the Ayala Group of Companies from ages 23 to 35 and is now the owner and CEO of Spectrum Properties, which specializes in the acquisition, development, and management of quality real estate. Jenny, on the other hand, started with Asia Brewery, then Jollibee Group, and now works as a consultant for a heavy equipment company.

Carl says, “Our children are one of our greatest treasures, and we want the best for them. So why not create the same structure that allows us to achieve the same success at home?”

“It helps if our family is intentional in talking

about our values, goals, and objectives because it sets the foundation for all our decisions big or small,” Jenny adds. “Carl is the CEO, and the final decision maker as the head of the family, and I consider myself the COO, or the neck that turns or influences the head.”

So how does Carl and Jenny, who now both work from home to enjoy the blessings of family, manage their family as a team?

Set Family Mission and Values

“A good company CEO will set the vision of what the company is all about,” Carl explains. “Give the team a clear direction and a set of core values that will guide them and help each individual find clarity when making tough decisions. The core mission and values are usually set by the founders, so in the case of our family values, Jenny and I set it, talked it over with the girls and put it in a frame. It’s always easier to remember something that’s visible, so we can all be reminded of keeping to it. Our mission statement starts with our relationship with God, our relationship with each other, and eventually to each individual. The family mission and values statement will be your guide as you plan for activities and solve challenges that your family may encounter.”

Jenny wholeheartedly agrees, saying that in their family, their core values begin with love for God, love and appreciation for each other, personal growth, hard work, generosity, gratitude, kindness, and laughter.

“So, if they wanted to, let’s say, do something that didn’t align with our agreed values, then we would make a decision against allowing it,” she says.

Chief Encouraging Officer
& Chief Finance Officer of
the Dy Family





“Our children are one of our greatest treasures, and we want the best for them. So why not create the same structure that allows us to achieve the same success at home?”

— CARL DY



Set Clear Objectives with Family Goals

Goal setting is one of the most meaningful get-togethers as a family. Carl and Jenny set their goals at least once a year. It helps them find out what's in the hearts of their children, to help support them and equip them in the areas that interest them. By writing things down, they help break down the steps they need to take in order to help them achieve their goals for the following year.

To do this, Carl says that they normally take trips out of town and bring markers and illustration boards and spend some time in a quiet place writing down our goals and sharing this with each other.

“By writing it down, it organizes their thoughts and creates a new channel for ideas to grow, and by presenting it to each other, it pushes it one more step by making a commitment in getting it done,” he says. “We start by asking ‘What are you grateful for last year?’ and ‘What are you praying for this coming year?’ We also do summer goals to refine the full year goals for summer breaks.”

Use Time Blocks to Increase Productivity

“Our kids were complaining about the need to wake up at 8am when there was no schedule to wake up for school,” Carl recounts. “We’d hear things like ‘My classmate wakes up at 2pm’ or ‘Why can’t I just play on my computer the whole day? I’ve already finished everything I have to do.’ And this is when we learned to use time blocks. Without a schedule or shorter deadlines imposed by the school, the day just seemed to pass so aimlessly with all the schoolwork being finished in an hour or two. Time blocks helped them create a balance where they could improve different areas of their life within one day. Education, physical play, internet time, self-learning, fun time, hobby time, and more. It makes for a more holistic approach to how they pass their time.”

Jenny adds, “Time blocks meant cutting our whole day into two to three hours so we could increase our productivity by making sure something significant was achieved during those blocks. Morning blocks were time for a 30-minute morning exercise, gardening, doing their morning devotional, breakfast, and chores. The afternoon block was time for work, play, self-learning, and more chores. We all set alarms on our phones so there was less nagging, better timekeeping, and meals were on time without the need for us to keep reminding anyone to come to lunch or dinner.”

COO Jenny manages the household resources while teaching Chloe how to make Dalgona coffee





“We go as far as **sharing what goes on at work**, even investments that we consider, so they can feel like a part of the **decision-making process**. It helps them appreciate the **hard work** that goes into each **project** or risks that come with each **decision**.”

— JENNY DY

Define Key Roles to Become a Team Contributor

Just like in business, everyone in a team has to contribute in order to make the company successful. You have to consider each person's strengths and see what each one can contribute to make everything work well.

"As the family CEO, I am tasked to be the head of the family and create the long-term vision and strategies," says Carl. "I also double as the Chief Finance Officer and handle the overall money and risk management for our family funds, while Jenny is the accounting head, managing the day to day short-term cash strategies. As the CFO, I'm responsible for managing our funds and making sure that it is invested in asset classes that are for long-term growth. I have to plan in a way that we will have enough to protect us during emergencies. Just like what's happening now.

Carl adds, "I am also expected to be the spiritual head of my family by our church and wear the hat of Chief Encouraging Officer. Part of my job description is to keep the family inspired and challenged by creating a safe environment where mistakes are just opportunities to learn and become better. My job is to encourage confidence in our kids to try new things and to just keep moving forward. Jenny supports me by being the COO of the family. She is in charge of the day to day operations of our home. She also doubles as the accounting and human resource head managing our monthly cash flows and our household staff."

According to Jenny, while the kids were diligent in doing their school work, the problem was that most of the time, they finish too early and would spend the rest of the day watching Netflix, eating, and just watching clips on YouTube.

"So, we started assigning chores," she says. "Our eldest was the executive chef. She was put on kitchen duty. She loved to work with her hands, so she would watch shows while preparing lunch, baking bread, and making dinner. I let her work on the menu for a week. And she'd list

down all the groceries and prepare all our meals. I told her it was future mom training. Our second child, Jianna, was our housekeeping manager. She had laundry duty and sometimes she would help outdoors. She would sort and fold everyone's clothes while watching on her phone. The chores were a golden ticket that allowed them to watch while working. Our youngest also has a job. She'd make coffee every morning and would be in charge of setting and clearing the table. She enjoyed it so much she made Dalgona coffee for Carl earlier, The Chloe's Special. Each child was given a role to fulfill. They felt productive and empowered. It also gave us the opportunity to teach them real life skills outside of academics."

Hold Family Meetings to Get Insights

Carl and Jenny used to have family meetings once a week, or when a big issue comes, but because of the quarantine, they are now able to have family meetings almost every day. Carl says that a family meeting need not always be formal. He asks his girls questions like "Rank your day from 1 to 10", "What are your wins today?" "What made you sad today?"

"My wife and I keep the communication lines open and free from criticism," he says. "We share our experiences at work, our highs and lows, and any problems we might be going through with our kids. We don't hide our problems and worries from our kids. We feel that sharing our thoughts will help them become more open with their own thoughts. We used to hold family meetings to map out travel plans, clarify any disagreements amongst siblings, business ideas, clarify chores and conflicting schedules."

"We go as far as sharing what goes on at work, even investments that we consider, so they can feel like a part of the decision-making process," adds Jenny. "It helps them appreciate the hard work that goes into each project or risks that come with each decision. It's one way for us to help raise critical thinkers through our experiences, so they can learn from both our successes and our mistakes. We try our best to look for God's perspective and ask them to help us pray about it."



Before CEO Carl Work from home look during the ECQ

Reward and Incentivize Your Team

Everyone needs affirmation, whether it's an encouraging word, a pat on the back or a simple token. Feeling appreciated or being rewarded for your efforts can help boost your employee's productivity and it's the same thing with family.

"So, I decided to create an incentive box," says Carl. "This is a box that's filled with everything we don't normally buy like chips, cup noodles, marshmallows, and chocolates. Every time they complete tasks assigned to them, they get to choose a prize from the incentive box on incentive day. It takes out the nagging and makes complying more fun."

"Rewards are a great way to keep the peace without having to nag and hover," Jenny explains. "We try to use natural consequences when they're unable to complete the task. We tell them 'You don't have to do your tasks, or your chores, but if you don't, you won't get any incentives.' Aside from the treats, we introduced cash incentives based on a day's worth of chores and tasks. One day is equivalent to P20-P50 depending on their age. And if they're able to complete the chore for the day, then they get full incentives on pay day. As a family, we try to make them aware of how hard work and money are correlated. We try to teach them that fulfilling your responsibilities can be rewarding. It's also one way for them to earn money so we can prepare them to become self-sufficient adults in the future."

Set a Family Culture of Gratefulness

"One of the most important virtues to our family is being grateful," shares Jenny. "From the time they were young, we knew that entitlement could rear its ugly head since they grew up getting everything they needed or sometimes wanted. They never experienced any kind of lack. And if you know what the marshmallow test is all about, you'll know that the kids who waited to get two marshmallows instead of one fared better in life. The test was all about delayed gratification. It tested the kid's patience and self-control. Both are a fruit of the Holy Spirit. In order to counteract entitlement, we needed to teach them gratitude. To focus on what they had, instead of what they lacked, so my husband created a grateful list."



Gadget Box and Grateful List

Carl explains, "The grateful list was something we made when they were very young. It was just a piece of paper that asked the questions: 1) what are you grateful for? 2) What are you praying for? 3) What have you done for others? I had multiple copies done and had it book-bound in Ubelt. I think it's had a big impact on why our kids don't really ask for much. I'm grateful to God for that. As the Chief Encouraging Officer, it's important that in our home, the children understand that God is the source of everything."

Clearly, Carl and Jenny have shown that many corporate principles and practices can also be applied at home in running a household and raising responsible kids. As a result, the Dy family thrives in a well-managed and happy environment where goals are set, rewards are given, roles are clear, and values are lived out. Just like a well-run business. **MS**

Carl Dy is a speaker on property and investments. Connect with Carl Dy through +63917-5316310 or www.facebook.com/SpectrumCarlDy. To invite Carl Dy to speak to your group go to www.bit.ly/CarlDyPrivateCoaching



Baker Catie is our resident chef, she has been preparing our food during quarantine



Jianna is our housekeeping manager taking care of our laundry



I want to be a barista when I grow up - Chloe



The executive team of Dy Corporation



How to Manage Your Family as a Team and Run Your Household Like a Business

- 1 Set Family Mission and Values
- 2 Set Clear Objectives with Family Goals
- 3 Use Time Blocks to Increase Productivity
- 4 Define Key Roles to Become a Team Contributor
- 5 Hold Family Meetings to Get Insights
- 6 Reward and Incentivize Your Team
- 7 Set a Family Culture of Gratefulness

Disaster-Proof: Protecting Your Family and Home from Volcanic Eruptions, Earthquakes, Pandemics, and Other Calamities

BY EDMUND LAO, RFP®

A disaster, according to Wikipedia, is a serious disruption occurring over a short or long period of time that causes widespread human, material, economic or environmental loss which exceeds the ability of the affected community or society to cope using its own resources.

Developing countries suffer the greatest costs when a disaster hits – more than 95 percent of all deaths caused by hazards occur in developing countries, and losses due to natural hazards are 20 times greater (as a percentage of GDP) in developing countries than in industrialized countries. Disasters can be natural or man-made, such as war or a pandemic.

As the year began with high hopes for positive news, tragedies began to appear on the headlines. First to come was the eruption of Taal Volcano, then followed by the ABS-CBN issue, and of course the global coronavirus pandemic.

In a disaster, you face the risk of death or physical injury. You may also have the risk of losing your home, possessions, and source of living. Aside from physical injury, disaster can have a big impact on your financial well-being. Not only do you have to spend for physical treatment, but you also have to assess the damage or loss of property that can pose a big challenge to your financial capability. Although disasters often cost billions of pesos for the government, for a family, death resulting from such has no cost equivalent as life is priceless.

HOW TO PREPARE FOR A DISASTER. The risk of a disaster cannot be avoided and is always around just waiting to happen, and the only option is to be prepared. What are the things that we can do? Always be prepared before, during, and after a disaster occurs.

Before a disaster happens, consider the following:

1 Have an emergency fund. The best time to prepare for an emergency is when there is none. It is better to be prepared than to do nothing and later look back with regret. This is very basic and sadly, only a few follow this principle. Have at least equivalent to 6 months' worth of expenses.

Anytime something wrong happens, there is a buffer fund so that your family can still live comfortably for the next 6 months. This fund is also useful for repairs of minimal damage to property due to a natural calamity. Just imagine not having an emergency fund and then disaster occurs. You have no choice but to be in debt just to meet your needs. It makes perfect sense to plan ahead. Nobody plans to fail, but majority just fails to plan.

2 Maintain good health. Health is really wealth. If you get seriously ill, whatever money you have will surely be used for treatment. Worse, you may be deep in debt when you recover. By being healthy, you are able to generate income for your current and future needs. Invest in supplements and vitamins as these can help avoid spending lots of money when you do get sick.

3 Get adequate insurance. Since risk is always present, it is highly recommended for you to have insurance to protect your income. You need to get life insurance to provide for your family in case you are taken out of the picture by death whether due to natural or man-made disaster.

At the same time, you must also have health care insurance for your family. You will need this so you can pay for treatment for any family member who gets ill or hurt by calamities.

You should also insure your home and/or the content. When disaster strikes, you cannot know how extensive the damage will be to your property or content (if you are renting). If your home sustained heavy damage,

reconstruction is a must. Without a fund, your house cannot be rebuilt. That is where insurance comes into play. With the right coverage, a person can rebuild your home using the proceeds coming from the insurance company. You can also include the content that will be totally lost due to the damage caused by calamities. That way, your loss will be nil or minimal.

The same goes as well for cars. Insurance is a great tool that prevents a family from losing a lot of money due to disasters.

4 Have a first aid kit. Always have first aid kit handy. As of this writing, due to the Covid-19 scare, face masks, disinfectants, and rubbing alcohol are already out of stock or difficult to obtain. Make sure to include as many medical accessories as possible. During high demand with limited supply, prices tend to be high. Even with the price tag so high, the chance of buying these things will be low. You would not want to be unprotected during a health crisis like this.

5 Always maintain open communication. Communication is very important especially when disaster occurs. Make sure that all cell phones are open and have load. Do not use the cell phone load for non-important activities. Always think that every day is an emergency and that pre-paid load is a necessity. It will be very frustrating to realize that you have zero load when you need to make a call to your family in times of need.

6 Keep important documents/items in a safe place. Important documents such as land titles, insurance policies, jewelry, and investment documents should be in a bank's safety deposit box. Although the annual premium may be pricey, the benefit of having peace of mind especially during calamities outweighs the cost of renting a safety deposit box. You don't want to be panicking in securing all assets and documents when your home is in danger of total permanent damage by fire, flood, or earthquake. The risk of losing your life will be high as well.

Here is an example: Years ago, a famous bakeshop caught fire. The owner was already out of the store. Then she remembered that she left her jewelry inside the store. She hurriedly went back to retrieve her jewelries inside the burning store. She never came out. She was later found dead. Had she kept these in a safe location, she would have been still alive today.

7 Always be informed and make a plan. Watch TV news and check the Internet for updates about weather disturbance, natural calamities, and pandemics. You need to be informed so that you know how to react, decide, and execute your plan when the undesired event takes place. By being updated, you save yourself from a lot of trouble as you can plan ahead of

time and minimize the effects of a disaster. It makes sense to involve the whole family about the plan so that when the time comes, they can act according to the plan and not be in panic mode.

8 Have excess cash. Aside from an emergency fund, it pays to have excess funds by saving up as much as possible for future use. Nobody knows what the future holds and that in every crisis, there is opportunity. Excess cash can be put to work when the opportunity arises. As per my experience, I failed to take advantage of opportunities for every crisis (disasters, epidemics, market crashes) because I ran out of liquid cash at that very moment. Just like buying insurance to cover us for risks that become real, excess cash can provide us the needed money to recover losses incurred during crises.

WHEN DISASTER STRIKES. During a disaster or health crisis, here are things you can do:

1 Stay home. It is safer when you are home during a calamity or disaster. Just make sure all basic needs are available. There are times you cannot go out due to the severity of the condition. Regularly stocking up on food ensures you have enough in times like this. As much as possible, avoid going out to avoid injuries or even accidental death. Being absent and excused from work (even if there is salary deduction) is better than going to work and meeting an untoward incident along the way. Money can still be earned back anytime. Life, once gone, is gone forever.

2 Evacuate. Should the condition worsen, and the authorities are requiring people to evacuate, do not hesitate. Never mind the properties. Just make sure that when leaving the house, all doors should be padlocked to prevent robbery. Anyway, if the house and content is insured, you can claim for damages later if there is any. Bring only the things needed in evacuation centers like a few clothes, blanket, pillow, and food. Resist the temptation to check on the property until it is safe to do so.

3 Have a portable radio available. A portable radio is a must since that is the best mode of getting information about the current situation. When disaster strikes, power interruption is a big possibility. It is difficult to be blind about updates and a radio can be a key to survival.

4 Listen to official advisories. Heed the official advice of authorities. We have experienced community quarantine during this pandemic, and we need to follow the government's guidelines. Survival is the goal and we have no choice but to swallow the bitter pill. Staying home is the safest as one has less chance of getting infected or infecting others.

5 Never panic. In times of trouble, it pays to be calm. Going

into panic mode will only make matters worse. When one panics, you lose your focus to think logically. All you want is to find safety without thinking about the plan made before. Panic only causes more mistakes and even loss of money and life.

⑥ Avoid close social contact. When in an evacuation center, the risk of contracting diseases is very high. Make sure to avoid getting too close to other people. Bring your vitamins and supplements to keep you healthy during times like this. This also holds true when there is an epidemic going on. Social distancing is a must to prevent exposure to viruses and prevent the spread to more people. Bring along disinfectants, rubbing alcohol, and soap to help in killing viruses or bacteria that one might have obtained via physical contact. An ounce of prevention is better than a pound of cure. Also never forget wearing masks and surgical gloves which can help prevent direct contact with viruses.

HOW TO RECOVER. When the disaster or health issue is over, it is time to recover and bounce back. Recovering from a disaster is usually a slow process. Safety is a primary concern, as are mental and physical well-being. If assistance is available, knowing how to access it makes the process faster and less stressful. Here are things to consider:

① Check on your family. Make sure all family members are all accounted for. You would not want a similar scene from Home Alone where the family was on a vacation only to realize later that Kevin is not around. That is an unneeded stress that will be added to the problems you will face especially if they will be returning home from the evacuation center. Check also if any of the members have sustained bodily injury. Attend as well to emotional distress.

② Check for health issues. Be aware of exhaustion. Make sure each member of your family is not exhausted

and dehydrated. Drink plenty of clean water, preferably the bottled ones. Each member has to have enough rest to recover from fatigue. Make sure hands are washed regularly when working with debris. Also monitor the body temperature of each.

③ Check your home. Inspect your home for sustained damages. Have an engineer see if it is still structurally sound and if the electrical wiring is still good. The last thing anybody wants is for another tragedy to strike like fire due to electrical fault. Take pictures and file a claim from the insurance company. If the damage is minor, then immediately have the repair done. Next, check if any valuables were lost.

④ Invest. When everything is well already, it is time to put excess money to work. Every crisis presents an opportunity to all but only a few can see with their minds. Fear grips the market and sell-off is the trend. Because of this, the market will become very cheap as if there is a mall-wide sale, but this time, it's shares of companies in the market. Still, a lot of people, no matter how much they are informed, succumb to fear, and not invest at all. The stock market has taken a beating. This means the market is now very cheap and everyone who enters now has the same opportunity as the one who entered in 2013. This would be similar to time travel but only that time came back to let new investors and old ones ride the market. Similar to the crisis of 2008, when the market reversed, the return was at least 60%. Anyone who invested that time would have made a killing. It was an opportunity of a lifetime. Always make it a point to watch the market especially when disaster or health crisis occurs.

⑤ Prepare for the next calamity. Do not forget that calamities are a normal occurrence. Do not be complacent. Always be on the watch for world events and news. Information is power. Leverage on information so that potential losses can be put to a minimum to avoid spending money uselessly due to carelessness. Always do worst-case scenario planning.

DEALING WITH FINANCIAL DISASTER. Disasters and calamities often result to a bad economy. It is as if the economy is also hit by a disaster. As you need to protect yourself physically, you have to do the same to your finances. Here are some pointers:

① Be diligent. No matter how smart you are, you will never be a success unless you are diligent. Plain old hard work is often the best way to generate income. Hard work with diligence will make you stand out from the rest.

② Seek counsel. Seeking counsel and advice may be one of the most vital tools for financial security. Most people seek counsel only when they are in deep trouble. Had they sought counsel ahead of time, problems could have been minimized when calamities strike. Same goes for investing hard-earned money.

③ Reduce/eliminate debts. The borrower is a slave to the lender as stated in the Holy Book. Make sure to repay debt as much as possible. It will be hard for you to build your financial house if you are deep in debt. Also never pawn a home in exchange for debt as you may become homeless soon. Remember, debt is bad for your finances.

④ Increase savings. You should always spend less than you earn. If your cash out exceeds your upkeep, then that will be your downfall. Remember the saying "live beneath your means". Accumulating healthy savings is needed to weather financial storms. Self-control is a must if you want to have substantial savings. Regardless of your age, you should always plan and save for the future. Set aside money each paycheck for known future expenses such as vehicle repairs, tuition, home renovations, trips, and retirement. Also, save for emergencies and the unexpected, such as job loss, health problems, repairs, accidents, or disasters. A prudent strategy would be to work toward building an emergency fund to cover all your expenses for six months to a year. The future can be unpredictable.

⑤ Diversify your investments. Many financial gurus say diversification—not putting all your eggs in one basket—is critical in protecting your wealth and ensuring financial security. Proof is Ecclesiastes 11:1-2 that says, "Cast thy bread upon the waters: for thou shalt find it after many days. Give a portion to seven, and also to eight; for thou knowest not what evil shall be upon the earth." Spreading the risk among different asset classes can help lower investment risks.

⑥ Say no to get-rich-quick schemes. When an investment sounds too good to be true, it probably is. The very essence of a get-rich-quick scheme is most often speed and greed. The promoter urges the potential buyer to act quickly before the opportunity is missed and some other investor signs up and the promoter reaps huge financial rewards. Don't be fooled. Make the time to fully examine whatever you are investing in. Haste makes waste. Money does not come easily, so don't be tricked into carelessly throwing it away. Diligently stick to the plan of reducing debt and increasing savings little by little until there is enough to meet your needs, emergencies, and even some wants. Don't waste hard-earned dollars on gambling, lotteries, or scams.

⑦ Stay the course. No matter what the challenge is, stay the course. Never give up. People often quit when they need a few more steps to reach the finish line. Do not procrastinate. Be it savings or debt. Just do it and go for it.

By being prepared, half the battle is won. Whatever form of disaster that comes will not be a burden as long as one is prepared. The only thing to do is to **START**.^{MS}



How to Bounce Back in a Post-Pandemic World

BY GENESIS KELLY S. LONTOC, RFP®

The Philippine economy achieved an annual GDP growth rate of 6.36% from 2015 to 2019. It was on a good growth trajectory until it experienced an unfortunate fortuitous event in the form of the COVID-19 pandemic.

This is considered to be a Black Swan event which does not occur frequently but has a high impact. In its early stages, the COVID-19 pandemic has already led to numerous deaths and sickness cases. The pandemic has rocked the healthcare systems of all nations. Many are scrambling to find a cure.

Apart from wreaking havoc to health, the pandemic is also expected to hurt the economy. Millions of workers are expected to be displaced as a result of disrupted business operations. Valuable remittances are expected to significantly decline, and these will dampen consumption and investment spending. From consecutive periods of growth, the economy is expected to contract and recovery will be dependent on how soon an effective cure is discovered. Many people are projected to be pushed toward poverty.

The pandemic has ushered everyone into a world characterized by volatility, uncertainty, complexity, and ambiguity. The term “New Normal” has been used to describe the possible response of society given the aftermath of the pandemic. The international agency AFP gives a glimpse of what to expect in the “New Normal”. Mass gatherings and travel will be restricted. Distancing at work and school will be observed. People will regularly wear masks and gloves. Hygiene will be prioritized. Connectivity will be key.

In the post-pandemic world, we can expect a heightened sense of health. We can also expect a heightened sense of wealth. As the world evolves, so will all of us. Individuals and businesses will have to adapt well to the changing conditions and circumstances.

WHAT CAN WE DO TO BOUNCE BACK IN A POST-PANDEMIC WORLD?

Set your goals. According to Stephen Covey, we need to begin with the end in mind. We need to have a goal. The goal will define how we will live our lives. The goal must be written. Busy schedules and multiple activities can lead us to lose sight and forget what our goals are. Top of sight will be top of mind. The goal has to be specific, measurable, ambitious, realistic and time bound. It has to be clear and simple to understand. Checking progress should be possible. The pandemic should not make us lose focus of achieving the goal.

In the post-pandemic world, one goal that can be pursued is to have sustainable net cash flow. This means being able to maximize the difference between money that goes into the household or business and money that goes out. A goal must have a corresponding plan. In order to achieve sustainable net cash flow, there are two strategies that can be employed. First, we can focus our efforts on achieving sustainable cash inflows. Second, we can focus our efforts on achieving optimized cash outflows.

Increase your income. To be able to earn, we need to know where we are good at and what resources we have at our disposal. Talent plus tools will determine the type of trade we should pursue. Each individual or company has a distinct value addition in the world. To sustain earnings, we need to sharpen the saw. Functional skills and leadership skills should be further developed given changing work conditions. New skills will allow us to grow professionally and gain more income. Skills that boost our money management skills will be vital.

Build your emergency fund. While earning is imperative as a starting point, what we do with what we earn is important too. The first step toward financial freedom is to begin creating wealth through saving. It is therefore important to devote a certain proportion of earnings to saving. A Peso saved is a Peso earned. Building an emergency fund will give us ready cash inflow in case the need arises. The fund can be



equivalent to around six months to one year of the average monthly lifestyle expenses. The fund must be placed in liquid instruments.

Get insurance. The post-pandemic world highlights that uncertainty will be the thing that is certain. Relying on savings alone for adverse fortuitous events may lead to dire financial consequences. Therefore, we need to get an umbrella before it rains. Insurance is an effective tool in risk management so that cash inflows can be protected. We need to protect ourselves through life insurance. For many in the new world order, the house will be both the home and the office. Protecting the house through non-life insurance is needed.

Invest your money. What can make people and businesses rich in the future? In reality, actions like earning, saving, and getting insurance are not enough. This is because prices tend to increase over time. Real wealth means money growth has to exceed price growth so that purchasing power is enhanced. A great tool that can beat inflation is investing. We save to beat temptation and we invest to beat inflation. Investing can be based on what the individual or business considers as the purpose or vision, goal, time horizon and risk profile.

There are many investing options available in the Philippines. Some popular options include treasury bills, bonds, money market instruments, pooled funds like mutual funds, UITFs, stocks, real estate, agriculture, and business. One basis for choosing can be on the reputation of the company and industry. Another basis of choosing can be on the track record. Past performance will show how resilient an option is. Current performance based on both financial strength and business intangibles shows how relevant an option is.

Review your strategies. The goal is supposed to be fixed but the strategies and tactics must be flexible. Keeping score of how current strategies perform is crucial in attaining the goal. Individuals may want to review for example what types of work and investments they can embark on that are aligned with the new environment. Businesses may want to review the type of product or service offerings they have. Repivoting strategies may be essential in ensuring that businesses stay alive and also address changing consumer dynamics.

Prioritize your expenses. Optimizing cash outflows is another important strategy. We have to learn to live within our means. We need to spend only what we can afford or run

the risk of having cumbersome money problems. The cash inflow levels must dictate the limits on spending. Listing and reviewing our expenses allow us to eventually categorize expenses between needs and wants, and ultimately determine our priorities. In the post-pandemic world, the needs would probably be related to health, food, hygiene, utilities, and connectivity.

Set a budget. Once the priorities are identified, a budget can be developed. This is a strategic tool that makes us allocate our money based on identified priorities. Budgets can be tracked daily, monthly, and yearly. A budget model can be the “20-50-30 budget”. Once cash inflows are obtained, 20% can be immediately allocated to saving and investing, 50% for necessities and the remaining 30% for wants. Adopting an Envelope Budget System can be useful since visual tools will make allocation more tangible and easier to monitor.

Be strategic. Optimizing cash outflows will spur people and businesses to be more intentional or strategic. Having an itinerary saves time and saves cost. Using a shopping

list helps identify the right products and quantities. Good forecasting for business will aid in helping avoid missed selling opportunities and excess stock. Diligent scouting for the best deals will make individuals and businesses get the right mix of product, price, place, and promotion. Using an eco-bag helps manage purchases and also helps preserve the environment.

Subscriptions will have to be reviewed in the course of optimizing cash outflows. Not all activities may still be an integral part of schedules given the new world. For individuals and businesses, liquidity will be important in such a way that current inflows and assets must meet current outflows and liabilities. High discrepancy between the two will be costly. Negotiation for favorable loan terms will be necessary.

Surviving and thriving in the post-pandemic world will mean a conscious effort to achieve sustainable net cash flow for both people and businesses. Hope springs eternal. The best is yet to come for all of us.^{MS}



“Once the **priorities** are identified, a budget can be **developed**. This is a **strategic tool** that makes us **allocate** our **money** based on identified **priorities**. **Budgets** can be tracked daily, monthly, and yearly.”



For just the cost
of a movie date,
subscribing to
MoneySense
will help you find
ways to earn, save
and invest money.

✓ WE TEACH YOU HOW TO GENERATE ACTIVE AND PASSIVE INCOME, INCREASE YOUR CASH FLOW, AND BUILD YOUR ASSETS to perhaps a few thousand in a few months, ten of thousands in a few years, and hundreds of thousands, if not millions, in a few decades.

✓ INVESTING IN YOUR FINANCIAL KNOWLEDGE FOR A FEW HUNDRED PESOS A YEAR AND A FEW HOURS EVERY MONTH REALLY PAY OFF. And all it takes is skipping one movie date (or one *barkada* gimmick, one shirt, or whatever). It really makes a lot of money sense.

ONE QUICK EXAMPLE: Investing ₱100,000 one-time in a mutual fund that averages 10% a year and let it stay for 25 years will earn you a little more than ₱1,000,000.



MOVIE DATE VERSUS ONE YEAR SUBSCRIPTION	
MOVIE DATE	
Two movie tickets	₱300
Popcorn and sodas	₱200
Gas and parking	₱300
Total cost	₱800
Total savings	₱0
Total income	₱0
ONE YEAR SUBSCRIPTION	
Total cost	₱540

Subscribe to MoneySense

NAME _____

ADDRESS _____

E-MAIL ADDRESS _____

TEL. NO. _____

MOBILE NO. _____

OCCUPATION _____

COMPANY _____

BIRTHDAY _____

CIVIL STATUS _____

One year
(4 Issues)
₱540
ADD ₱400
FOR DELIVERY OUTSIDE
OF METRO MANILA

- SEND SUBSCRIPTION INFO THROUGH:
email: info@moneysense.com.ph
- DEPOSIT CASH OR CHECK TO:
BPI CA # 3561-0294-06
- MAKE CHECKS PAYABLE TO:
MoneyTree Publishing Corporation
- YOU MAY ALSO MAIL YOUR SUBSCRIPTION INFO ALONG WITH CHECK PAYMENT OR PROOF OF DEPOSIT TO:
MONEYTREE PUBLISHING CORPORATION
Unit 206 Great Wall Building 136 Ykal Street,
San Antonio, 1203 Makati City
Tel. No. (02) 8844-2868
Website: https://www.moneysense.com.ph

MONEYSENSE IS AVAILABLE AT NATIONAL BOOKSTORE, FULLY BOOKED, POWERBOOKS, AND OTHER RETAIL OUTLETS.

Home Savings: Energy Efficiency Tips and Ways to Save on Utility Bills on Household Fixtures and Appliances

BY ARLYN W CHENG, LUTCF, CIS, CWM, RFP®

What would it feel like if you can have peace of mind in managing your household expenses and stop complaining about the never-ending cycle of paying utility bills? Anyone can feel overwhelmed having to deal with utility bills aside from the regular household expenditures.

Household bills represent the bulk of our personal expenses. It includes food, utilities, rent or home amortization, education expenses, car maintenance, insurance expenses, clothes, appliances, recreation, medical expenses, and others. There is a whole gamut of expenses to manage as CEO of your household.

One of the challenges that we constantly face is figuring out ways to optimize the usage of household appliance in maintaining our home with the objective of cutting down our utility bills. This will ultimately provide a higher disposable income that can be allocated elsewhere to meet family needs, fund leisure activities to enjoy a normal family life, or used to shorten the time frame to fund long term goals for our family.

In our homes, we rely on electricity to power our lights, hot water, appliances, and air conditioning.

Here is a process by which you can have an effective system to measure your energy savings:

- 1 Know your baseline. For a start, bring out your past 6 months of utility bills to observe the trends of your usage, including the amount you have paid to know your baseline in evaluating and deciding action steps. For your electricity consumption, each bill shows a graph indicating how much kWh you have been consuming for the past 13 months as well as your average usage for 13 months.
- 2 List down the household appliances using electricity and water.
- 3 Access the appliance and electronic energy use calculator

to identify which household appliances are the energy guzzlers. This will help you make wiser decisions in choosing home appliances should you consider replacing conventional or current models.

Here are some practical energy efficiency tips to manage your energy consumption and utility bills:

LIGHTING. Open the window to allow natural light to come in to eliminate the use of lighting fixtures during daytime. Installing skylights and positioning your reading or working table near the window is a practical way of maximizing the use of natural day light to save energy.

Consider switching traditional incandescent bulbs in your home to either CFL (Compact Fluorescent or LED (Light Emitting Diodes). These are about 4x more energy efficient than incandescent bulbs and last for many years. In comparing bulbs, use lumens instead of wattages. Lumens measure the brightness of light emitted by the bulb.

Assuming a normal usage of 6 hours a day with 10 bulbs, and energy rates based on overall charge of P9.45/kWh , replacing a 60-watt bulb with a 15-watt CFL saves you about P765 per month or a 75% savings. You can save up to P9,185 a year on your electric bill. LED bulbs will give you even greater amount of savings aside from longer life span. When you replace a 60W incandescent or 15W CFL to a 7W LED, you have about the same range of lumens, hence realize greater savings.

Instead of illuminating the whole room, use lamps to provide lighting over your desk, bed, and work area. There are also led night lights which can illuminate stairways, dark hallways, fixtures, bathrooms, bedrooms at night. Switching to dimmer switches means you only use as much light as needed.

Dirt can lessen the illumination so clean lighting fixing regularly. Turn off lights when not in use.

ELECTRIC FAN. For small rooms, desk fans are sufficient while stand fans are best for medium sized rooms due to adjustable height levels. For large spacious rooms, consider ceiling fans with longer blades which are more efficient in pushing around more air around the room.

Setting the right speed spells the difference in energy consumption. The faster the speed, the higher the consumption.

It is also essential to clean the fans regularly as the dust and impurities that accumulates at the fan blades, around the grills and motor housing can reduce the air generated by the fan, heat up and consume more energy.

TELEVISION. Instead of individually watching TV from your room, why not agree with family members to enjoy watching certain programs together? Isn't this a great way to create more family bonding moments while you save energy consumption? These can form memorable experiences in the future when you are no longer living together under one roof.

The size of the TV affects the wattage ratings and its energy consumption. Just keep in mind that the bigger the screen, the higher the wattage and energy consumed.

In order to enjoy a more immersive, theater-like viewing pleasure, you need a picture that fills up your field of vision. The fact is that there is an optimal viewing distance by the size of the TV and resolution. According to experts, getting an angle vision of 30° for mixed usage is good enough. You can ascertain the right size of the TV screen by estimating your viewing distance from the unit. Here is one of the recommended guideline: Minimum viewing distance (in inches) = screen size x 1.5. Maximum viewing distance (in inches) = screen size x 3. If the best size is not within your budget, buy the biggest TV you can afford.

In general, LED TVs are more energy efficient than the Plasma and CRT (Cathode -Ray Tube). You can save up to 77% energy cost for the same viewing experience by doing this. Be sure to take advantage of the energy savings mode if available. The savings can be anywhere from 27%-67% (meralco.com.ph)

AIR CONDITIONER. There are certain factors to consider in choosing the right size of air conditioner for them to operate at peak efficiency at relatively lower maintenance cost.

The first consideration is to match the horsepower to your room's size because the efficiency of the air conditioner unit depends on the space it will cool. Determine the floor area in square meters of your room. If the unit is too big for the size of the room, it will turn on and off more frequently and thus consume more energy. However, if the unit is too small for the size of the room, it will continuously work to reach your desired temperature level. It won't have enough power to do this. This will mean additional energy cost (meralco.com.ph)

Based on Meralco's Power Lab tests on different aircon and room size scenarios at 25° nighttime use, here are the recommended Horsepower for the corresponding room sizes:

Room Size	Aircon Horsepower (HP)
6-11 sqm	0.5 HP
12-7 sqm	0.75 HP
18-22 sqm	1.0 HP
23 - 27 sqm	1.5 HP
28-40 sqm	2.0 HP
41-54 sqm	2.5 HP

Another factor to consider is the location of the room where the sunlight hits the window. If it gets too much sunlight, you need a higher HP to cool your room efficiently. If it is heavily shaded, you can get a unit with lower HP. Do not place the TV or other items which can be a source of heat near the unit as the thermostat senses the heat causing your unit to run longer than necessary.

The third factor to consider is the number of occupants. If more than two people are using the room, you need a higher HP. Additional bodies mean more heat inside the room and hence, you need extra cooling capacity.

Another tip that can make your use of air conditioner more cost efficient is by switching on an electric fan after a few hours of using your aircon. This translates to saving about P1,050 every month assuming you place your air conditioner at 19°C for 3 hours and then switch on the electric fan (assuming 16" stand fan) for another 5 hours making 8 hours of total usage. Instead of paying P1,801.01 per month for the use of an air conditioner only, you pay P751.17 per month, saving P1,050. The computation is based on prevailing power charge at the time this power lab tests were conducted by Meralco for the purpose of demonstrating how you can save on energy cost using this scenario.

Ceiling fans can also keep the air circulating so that the air conditioner does not have to work as hard.

Set the thermostat at the highest most comfortable level which is somewhere around 25°. Setting your thermostat at a colder setting than normal when turning your unit on will not help cool your room any faster. Based on Meralco Power Lab test, you save more when you switch to mid setting.

Follow the prescribed schedule for cleaning and replacing the filter. Dirty filter blocks airflow and significantly reduces its efficiency as well as air quality. Doing this maintenance procedure can save 5-15% of cooling consumption

Well, common sense dictates that we keep the doors of air conditioned rooms closed when it is on to avoid warm air from coming, which changes the temperature and making your air conditioner work harder than necessary.

Inverter air conditioners are in vogue now due to optimum

control of motor operation, which results in higher power, higher efficiency leading to less energy consumption and realizing savings of about 25-64% energy costs.

WASHING MACHINES. Using the right washer can make laundry work so much easier in less time. With the advent of the inverter technology, it makes more sense to switch from the conventional washer as they are more efficient and can save you about 50% of washing machine costs.

Make it a point to wash at full loads to optimize energy use. However, it is not good to overload as it will make your unit work harder and less efficient. Use the right detergent as too much suds will require extra rinsing which causes your machine to expend more energy.

Different types of clothes require different wash cycles so sort the clothes from delicate to dirty heavily soiled clothes. Some may require pre-soaking to avoid having additional wash cycles.

It is better to follow your washing machine manual for proper operation.

Based on the estimates of Energy Star, a US-based agency that helps protect climate and save money through superior energy efficiency, almost 90% of the energy expended on the warm water wash cycle of your washing machine uses is used for heating the water? By converting warm to cold water, you will be consuming 10% of your previous energy consumption.

Newer models of washers have been lowering the wash temperature over the years. Front-loaders and high-efficiency top loaders run 10% cooler than agitator washers. Cold water preserves fabrics and reduce fading. Front loading machines use less water and therefore less energy than top loaders aside from reducing your water bill.

Even the manufacturers of laundry and fabric care products had adapted to these changes by mixing surfactants and enzymes that can remove dirt and stains at lower water temperatures across their product lines. The less hot water you use, the more energy you save.

However, if a family member is sick, you may use hot water mixed with chlorine bleach to reduce bacteria in the towels, bed linens, cloth diapers, or other messy garments. By the way, top loaders use less water which means that you will also see some savings in your water bill.

Buy the right washer capacity based on your needs. This is because a smaller capacity washer may also require you to increase the number of loads thereby increasing your energy costs.

Clean the link trap after each use to reduce energy use by 30%. This ensures proper airflow during the drying cycle and shorten the drying time.

Air dry as often as possible. Use the laundry line or collapsible drying rack to save on the use of dryer and at the same time make your clothes last longer.

REFRIGERATOR. As a rule of thumb, a 7-10 cu. foot refrigerator in general holds food capacity for 2 people. You may add an extra cubic for each additional person in the household. Accessibility to grocery stores, schedule, and desired level of freshness of food determine the frequency by which you shop and hence the storage capacity you need for your refrigerator. If your refrigerator is too big and you don't keep it filled, it will cost you more to operate.

However, do not overfill your refrigerator as it can block air circulation of cool air inside and makes your refrigerator work harder.

Check the Energy Efficiency Factor (EEF) of the refrigerator as it cost less to operate one with higher EEF. The EEF refers to the cooling efficiency of the unit. The higher the rating, the lower the energy consumption.

Consider replacing your conventional refrigerator with inverter technology as they are more efficient and you can save as much as 50% on refrigerator costs.

Do not store hot food immediately. Let it cool in room temperature. Store food properly by covering liquids, wrap food, and wipe off moisture from containers. Uncovered food can release moisture which makes the compressor work harder.

Check the rubber seal as it can wear out over time. If it is not closing properly, it is time to replace the rubber gasket.

Avoid unnecessary opening of the door. Think of what to take out from the refrigerator before opening it.

COOKER. Rice cookers normally have a keep warm function to maintain the heat until you start your meal. A smarter way is to time the schedule of cooking time before mealtime and unplug the power cord afterwards.

Use the right size of cooker based on your household needs. Oversized cooker consumes more energy. Make sure that the inner pot and hot plate are free from any form of impurities as the plate needs to be well cleaned and smooth to allow complete contact with the inner pot to ensure even and efficient heating.

If you are using electric stove, prepare all the ingredients you need before cooking to avoid frequent switching on and off. Match the size of the pan with the size of the burner to optimize heat transfer. Using flat-bottomed pots and pans are preferable to allow faster heat transfer. Cover pots and pans with lids while cooking will also prevent heat from escaping. Turning off the stove during the last minutes of cooking will help save electricity as the remaining heat will keep the food simmering.

Tests conducted by the Power Lab showed that induction cookers are more efficient than gas and electric stoves. Aside from being able to cook faster, it enables you to cook at the precise temperature and time. Moreover, it is safe from gas leaks and explosions.

You can use your toaster or microwave oven to heat leftovers or cook some food whenever you can instead of the conventional oven as this can cut your electricity consumption in half-peek through the window as 20% of the heat is lost every time you open the oven door. Try to cook a large portion when using your conventional oven as it takes the same amount of electricity as cooking a smaller

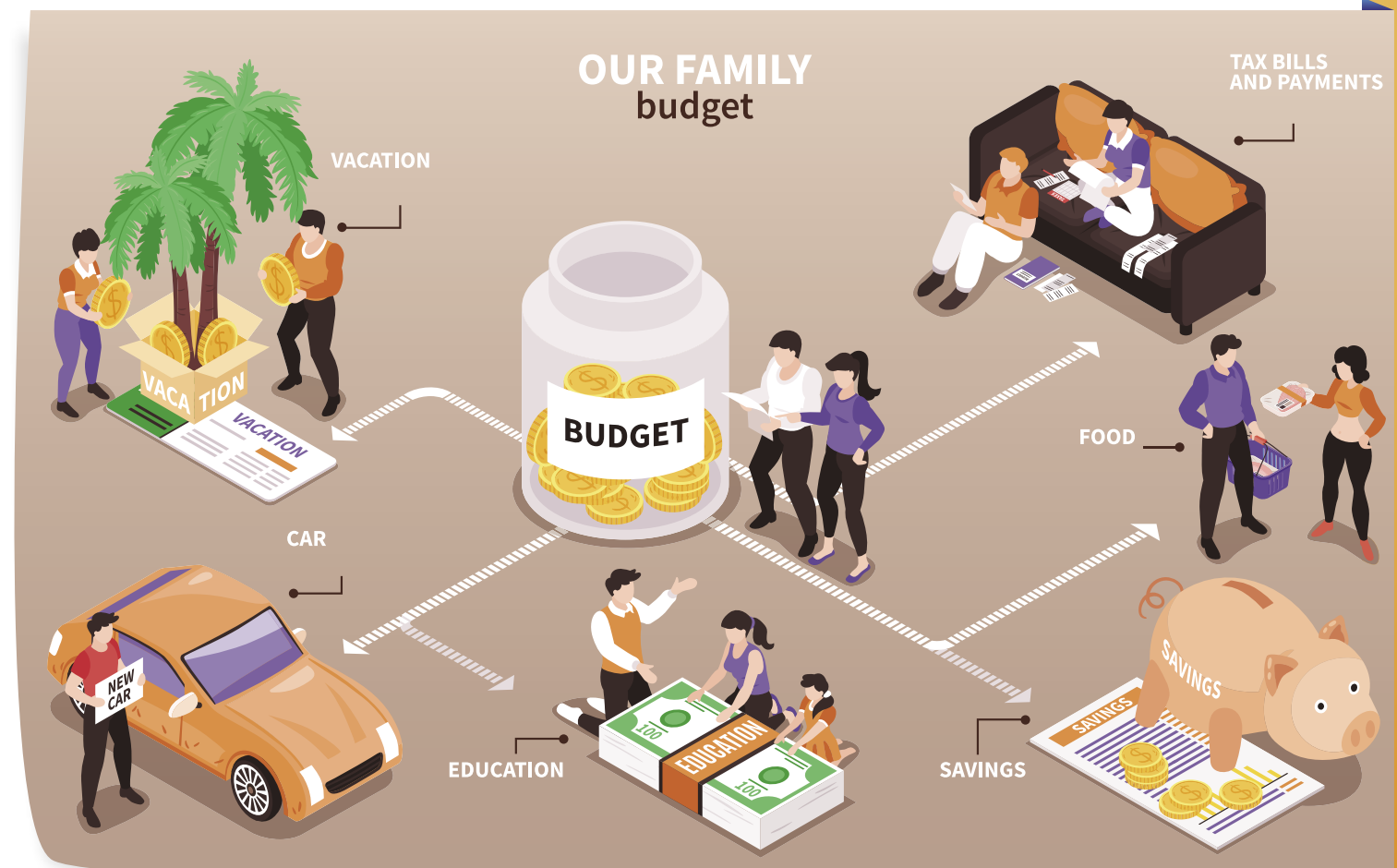
portion. Turn the oven off even before the cooking process is completing as the heat in the oven will continue to cook the dish until finished.

HOME COMPUTER. Use a power strip/surge protector for your computer monitors, printers, and other accessories so that you can easily turn off the switch on the power strip to prevent phantom power.

Turning down the brightness of your computer monitor to the lowest comfortable level will save on energy. Laptops consume between 15-60 watts while desktop computers consume around 70 -200 watts.

Get 90% savings when you turn to sleep mode, but it is better to turn off the computer if you will be out for a long break instead of resorting to screensaver because screensavers do not save energy.

ELECTRICAL DEVICES. Before you leave the house, unplug electrical devices which you do not need because most electrical devices constantly draw a small amount of energy even if not in use. This is referred to as phantom



load or vampire power just by being connected to the outlet and can easily add up when you have more than 3 devices or small appliances. Here is a common list to check: TVs, cell phone chargers, computers and printers, coffeemakers, microwave ovens, any device with standby indicator light, and others. A simple solution is to plug as much items in power strips and turn off the strips between uses.

In summary, the choice of appliance in your home depends on a number of considerations: number of occupants or family members, size of rooms, lifestyle, and income. Our stream of income is a crucial factor in smart spending and maintaining household appliances and utility bills that go with it.

These energy efficiency tips have been provided to help you optimize the use of your current appliances or make buying decisions when replacing them with the view of helping you reduce your utility bills and improve your quality of life.

Whether you are single, a stay-at-home parent, or a dual income couple, it makes sense to work on your household finances by discussing how to allocate

whatever sources of income you have to generate money harmony and peace.

You can be a role model to your young kids by instilling awareness and educating them on how those little practices in energy conservation can add up in minimizing utility expenses while enjoying the use of those appliances to live a better quality of life. These cost-saving measures will not only free up cash to fund other important family goals but will help them to grow as responsible adults and parents in the future. Would you agree that this is a great way to educate your kids about the value of saving money?

To end, here is a quote from Benjamin Franklin, "Beware of little expenses. A small leak will sink a great ship."

Arlyn W. Cheng is a Registered Financial Planner and Certified Jack Canfield Coach whose advocacy is to educate couples on personal finance to achieve money harmony by combining personal finance concepts with personal development. Her purpose in life is to use her deep sense of empathy and authenticity to inspire and empower people to live a life of joy, passion, and purpose. You may reach her via social media or email arlyn_moneysense@yahoo.com ^{MS}



“Once the **priorities** are identified, a budget can be **developed**. This is a **strategic tool** that makes us **allocate** our **money** based on identified **priorities**. **Budgets** can be tracked daily, monthly, and yearly.”

The country's biggest content marketing conference!

MARKETING CONTENT 360

6-7 AUGUST 2020
PHILIPPINES

conferences.marketing-interactive.com/content360-ph/

Position Trading 101

BY JOSEFINO GOMEZ, RFP®

Position trading has one of the longest trading time frame, which can span months to even years. Position traders usually use a combination of fundamental and technical analysis to make decisions. They also use end-of-day charts and weekly and monthly price charts when analyzing market trends. Short-term price fluctuations are overlooked in favor of longer-term trends. It may be similar to investing. But while buy-and-hold investing decides mostly or purely on fundamental reasons, position traders also look at the price trend of the stock.

Position trading is a trading style that is ideal for anyone who has less time to spend on trading, cannot trade stocks daily, and needs more flexibility in studying charts, setting orders, and monitoring positions.

THE GOAL AND CAVEATS. The goal of position traders is to participate in a major trend. Prices move based on demand and supply requirements. For a stock to go up in a sustainable manner, it must be supported by fundamentals of the company. The main appeal of this approach is that it doesn't require much time. Once you've finished the initial research and bought the stock, all you need to do is watch and wait. Upon entry before the trend gets fully formed, you might be required to view it more often. But once it forms a sustainable uptrend, the position is only monitored occasionally.

Two things to remember is that capital might be locked in for a long time. Make sure you won't need it for at least a year. Second, minor movements may turn into a major downtrend resulting in lost profits or huge losses if a trader fails to monitor the position and put in a trailing stop or a stop loss.

SPOTTING A POSITION TRADE. There are two ways to spot a potential position trade. One way is using technical analysis. Look at the stock charts that are beginning to trend, or those breakouts that signal the potential start of a trend.

A breakout or a trending stock to be sustainable must have a reason. Try to find out what the fundamental reason is if any.

Another way is to use fundamentals. Pick the stocks that you think is mispriced based on value, earnings or changes in the company. Check the charts regularly, at the end of the day or on weekends. Start buying once a breakout is seen or a trend has emerged. You may also scale in, buying slowly as the trend progresses.

Exit a position when the fundamental reason no longer exists, such as failure to meet your expectations. This could be due to negative changes in the company or poor earnings. You might want to sell as soon as possible. When the reason is that you've hit your target or the stock becomes overvalued, you could hold it and use a trailing stop. You may use technical analysis such as a trend line and the moving average (MA) line as your guide.

EXAMPLES OF POSITION TRADING. To better understand position trading more, below are some actual examples:

SSI. On September 2015, I bought a retailer called Store Specialists Inc. (SSI) as based on the chart it seems breaking out of a downtrend. As of June 2015, income was up over 20% year on year. I expected this growth to continue forward. There was a disclosed insider buying. I'm bullish on luxury good consumption due to the improving Philippine economy. Near the end of October, I added with an average cost of about P5 a share. By November of 2015, a new earnings report was released that was way below my expectations.

Year to date September 2015 earnings only grew 4% year on year and decreased almost 40% compared to last quarter. I immediately cut my losses and sold at about P4, losing about 25% on the stock. Due to position sizing, this loss was less than 2% of my total portfolio.

I ended with a revised investment thesis. Online stores are aggressively taking market share out of brick and mortar ones.

EEL. In 2011, I found a construction company called Engineering Equipment Inc. (EEI) selling over P3 a share. Fundamentally, it was selling below net book value. It's P/E was about five times. ROE is 13% to 18% for the past few years. Earnings has increased yearly from P200 million in 2006 to P657 million in 2010 while decreasing its liability.

Being undervalued, I expect that value should be at least P6. I bought initially around April of 2011 at P3.70, putting less than 5% of my expected total position as it breaks out of its 50 and 100 day MA. However, it fell back and went as low as P2.80. There being no company specific negative news and with my investing thesis unchanged, I added a bit near P3, scaling in by putting no more than 20% of my total allocated position for the stock. At the start of January of 2012, I added half of my intended position. This would be the best entry as the stock closes at P3.60, near the day's high. It breached 50-100-200 day MA on big volume.

By the start of February 2012, I made the final buy in at about P5. This would be the best entry for trend followers and those requiring more momentum and more validity of an uptrend as the daily moving averages have also turned up. The stock reached P6 in no time but I decided to let it run. By mid-June of 2013, prices started falling below the 50 and 100 day MA. Having reached its target and breaching my trailing stop, I sold at about P13 to P14 a share, realizing at least 180% return on the position.

PROS AND CONS. As you can see the pros of position trading are the ability to catch major moves, a time away from the screens, lower commissions and fees due to fewer trading

activities, and fast real-time internet connections are not as important.

The cons are you need large directional trends and it usually happens during bullish markets. You need lots of patience as trends will take time to form. There are hundreds of trading opportunities each day and you have to pick only the ones that pass your criteria. Lastly, your capital is tied up for a long time. Some of the stocks you hold might not move as fast as you expected and other stocks that you miss might move faster.

Most fund managers and those handling large amounts of capital have primarily been position traders. Eventually as the trading capital grows, day trading and swing trading gets harder to do. Position trading is the better choice as its application allows for management of larger amount of funds.^{MS}

Josefino Gomez, RFP® trades and invests in stocks and occasionally blogs his thoughts on trading and investing at phstocksblog.wordpress.com.



Buying Real Estate for Foreigners

BY RICHARD THADDEUS CARVAJAL, RFP®

Expats dwelling in the Philippines is a roaring trend these days.

As one of the premier investment hubs in Asia, the Philippines hosts a massive property market that appeals to more and more foreigners by the day. Owing to the country's booming real estate sector and the promising developments it brings, acquiring a property or opening up an investment deal here is hotter than ever, and you can sense it even if you're miles away from the Philippine soil.

So, if you're from a foreign land looking to explore more options to invest in real estate, know that there are plenty of opportunities you can find beyond your horizon and into the Pearl of the Orient.

Let's talk about foreign real estate investing in the Philippines.

FOREIGN OWNERSHIP IN THE PHILIPPINES. First, let's discuss the nitty-gritty that goes into owning a land or a property here in the Philippines. Generally, only Filipino citizens and corporations with at least 60% of the shares owned by Philippine nationals are allowed to own a land in the Philippines. This, of course, is in accordance with the Anti-Dummy Law. There are certain regulations and restrictions ruled by law when it comes to foreign ownership in the country, which means that one cannot simply buy and own land in the Philippines in one click.

However, foreigners can still acquire properties in the form of condominium units, buildings and even engage in long-term lease contracts—all with proper considerations. Buying a real estate property in the Philippines is conditional for foreigners, and it's legal as long as it ticks all the boxes in the law's exceptions. So, foreign property ownership is allowed if and only if:

- The real property was acquired before the 1935 Constitution.
- The foreigner, who is a legal or natural heir, inherited the property under the 1935 Constitution.

- The foreigner buys not more than 40% of the shares in a condominium project.
- The property was purchased by a former natural-born Filipino citizen subject to the law's limitations, where natural-born Filipinos who acquired foreign citizenship are entitled to own up to 5,000 sqm of residential land, and 1 hectare of agricultural land).
- The property was purchased by Filipinos who are married to foreigners and are able to retain their Filipino citizenship.

FOREIGN PROPERTY BUYING—HOW IT WORKS. There are numerous ways for foreigners to buy real estate in the Philippines. Let me enumerate some of them below.

Buy a condominium property. One of the easiest ways for a foreigner to invest in real estate in the Philippines is to buy a condominium unit. If you're purchasing a property as an investment, then it's best to go for condo units in business districts, especially now that Metro Manila is beating other cities in Asia when it comes to luxury units. Note that the Condominium Act of the Philippines or RA 4726 states that it's legal for foreigners to own condominium units, as long as Filipinos own 60% of the units in the building.

Acquire land through a corporation. Foreign individuals and corporations alike can obtain full ownership of a private land, residential house and lot, or commercial building and lot property in the Philippines by setting up a domestic corporation in the country. With this, the ownership must consist of less than or up to 40% foreign equity and is formed by 5 to 15 incorporators that are natural persons of legal age, majority of which should be Filipino residents.

Lease a real estate property. As I've mentioned above, long-term lease contracts are also a viable investment option for foreigners in the Philippines. This is the suitable investment setup for foreigners, expats, or foreign corporations with more than 40% foreign equity on ownership. The Investors' Lease Act of the Philippines states that foreigners may enter into a lease agreement with Filipino landowners for an initial period of up to 50 years, which is renewable once for an additional 25 years.

Own a house or a building. Foreigners are allowed to buy a house and other buildings in the Philippines, but only on a lease agreement. This means that they can acquire ownership of a house or building as long as they do not own the land which the house or building was built on.

Marry a Filipino native. Now this may sound a bit ridiculous but marrying a Philippine national is also a valid option when it comes to foreign ownership in the Philippines. If a foreigner or expat marries a Filipino native, the former claims hold of the property's title, but in the Filipino spouse's name. If the latter dies, the foreign spouse is given a period to sell the property or the property will be passed on to Filipino heir/s or relative/s.

3 THINGS YOU SHOULD CONSIDER. Now before you dive into that property investment, there are still a few more considerations you need to wrap your head around for you to be successful in your prospects.

1 First, scout for good locations. Something that resonates across all property investors in the Philippines is location, location, location. With all the particulars and restrictions of foreign ownership, it's only right that you choose a worthy spot for your property to stand and flourish on. Hotspots

like Metro Manila, Pampanga, Davao City, Tagaytay City, and Cavite are among the top locations for property investing in the country, so you might want to look into those areas.

2 Next, prepare for transaction costs. Real estate investing, especially for foreigners, comes with a somewhat hefty price. There are other transaction costs you should be aware of, like:

- Capital Gains Tax which is 6% of the sale price
- Documentary Stamp Tax that is 1.5% of the sale price
- Transfer Tax comprising 0.5% to 0.75% of the sale price
- Title Registration Fee that's usually around 0.25% of the sale price

3 And lastly, think twice about your decisions. Foreign property investing in the Philippines may come with a modicum of restrictions, but once you learn to strike the balance and properly weigh your options, it can be the most rewarding investment of your lifetime.

After all, the Philippines is home to 7,107 islands, ripe with magnificent wonders, peoples, locales, developments, and possibilities for everyone across borders to enjoy.^{MS}



Online Fitness Centers

BY EXCEL V. DYQUIANGCO

While this health crisis has forced many businesses to close shop, there are those that have taken advantage of this situation.

Online fitness gyms which started to boom at the start of the COVID-19 pandemic last March 2020 have brought exercise and workout right at the comfort of homes, without anyone leaving their places.

Here are some of the best online fitness gyms—whether owned by individuals or groups—that can help you shape up and boost your immune system against this coronavirus.



THE GIVARS EFFECT. The Givars Effect offers clients a 30-day long personalized training program according to their body type and fitness level, a nutrition plan to tend to their health goals, and a 2-way coach-to-client communication using various online platforms.

Unlike other free fitness videos widely available on the Internet, the Givars Effect doesn't just record the whole routine and expect the clients to get it right away. When following a set of exercises on screen, one of the most challenging tasks would be knowing and doing the correct workout form. According to Founder and CEO Joseph Francis Guevara, the Givars Effect teaches clients the proper movement execution of any given exercise through comprehensive, easy to understand workout videos.

"I believe that our specialty is that we cater to our

client's specific health and fitness needs," he says. "Our training system provides personalized workout programs to clients who are fit, active, and even more friendly to those who are trying to workout for the first time. Our programs are ECQ-friendly and don't rely on gym equipment! Instead of using weights, we teach our clients to use household items as improvised equipment!"

With its mission to create a healthier community—shaping everyone's physical, mental, and emotional self into its best version—the Givars Effect plans to have incremental progress every day. "As for our clients, we will still help them get that lifestyle change one person at a time," he says. "In the future, my goal is to have a community wherein we can respect and push each other achieve our lifelong fitness and health goals."

Website: www.thegivarseffect.com
FB Page: www.facebook.com/thegivarseffect
Contact Number: 09452249151



AYAFLAWS. Ayaflows is an online virtual yoga room that offers flowing yoga classes that focus on linking the breath with the movement. According to owner Aya Pascual, a yoga teacher, she and her friends came up with "Ayaflows," because her yoga practice is very personal.

"I want it to carry my name Aya, and they came up with 'flows,' because my yoga practice is more on movements and linking poses, making the yoga session more fluid and flowing; hence, Ayaflows," she says. "I think what makes my classes unique is the fact that more than focusing on the physical benefits of yoga, I care more for the calmness brought about by the linking of the breath with the body in my yoga classes. Personally, I'm passionate about sharing how yoga can help enhance your way of life; and through

these classes, I want the students to realize that the yoga practice is not only in the mat but also outside of it."

This quarantine, she has come up with the goal to share her yoga practice through this online platform called, Zoomaste Sessions. Ayaflows has three types of classes: Flow Slow (Beginners), Let Go (Intermediate), and Power (Advance).

"After this pandemic, I plan to move my classes to an in-class setup so I can finally meet my online students!" she says. "I also plan to teach regular classes in my home yoga studio in Kapitolyo, Pasig while continuing my page and private teaching. After the post-pandemic state settles back to normal, I'll move my practice out of Manila and to an Island (Siargao or El Nido), where I can start my own studio away from the hustle and bustle of the city."

FB Page: www.facebook.com/pg/ayafloWS/
Contact Number: +639178407357
Fee: 250php/head for donation-based classes and 2000-2500 per group class depending on how long's the session

PRETTY HUGE OBSTACLES. Pretty Huge Obstacles is Asia's largest indoor obstacles course facility. Located in SM Aura with around 2,000 sqm of obstacle fun including the 100m elevated racetrack, Pretty Huge Obstacles is the home of the Philippine National Team for Obstacles Course Racing (OCR).

"Our fitness platform is different and unique in a sense that we are goal specific," says Assistant General Manager Rio Taguibao. "Our Personal Training and Private Group sessions start by setting a goal that is specific and measurable. Whether you aim to lose weight, join the next obstacle course race, or run a marathon, we design a program for you to achieve your fitness goals. These sessions begin with an assessment to give us a baseline of the client and is a key element to track progress."

With this pandemic, this fitness center was forced to adapt quickly. They started their FB Live workouts to cater to them. After a while, they transitioned to online personal training, online private group sessions, and online paid classes to make the training more goal specific.

"There are still a lot of challenges now but we



continually have to find what these challenges are and adapt quickly," says Taguibao. "Our resources have to be reallocated and invested to software and programs that will allow us to shift and become an online platform."

Website: www.prettyhugeobstacles.com
FB Page: Pretty Huge Obstacles
Contact Number: 0917-3031111
Fee: Check website or email info@prettyhugeobstacles.com



WITH THE FUTS. Founders and husband and wife tandem Jay Futralan and Irish Planes-Futralan both work in the fitness industry. Irish teaches barre3, while Jay is a strength and conditioning coach for a professional volleyball team. They realized that they had to adapt to the times as the studios closed temporarily and the sporting events ended prematurely.

"The thing that sets our company from the rest is our combined experience," says Jay. "Irish used to be a champion cheerleader in college. She is also a retired national gymnast and a taekwondo black belt. On my part, I played track and field in college and I have 10 years of experience training athletes from more than 30 sports from all levels ranging from school kids to Olympic medalists. We have the knowledge, experience, and expertise to accommodate a wide range of clients."

A young fitness center that only opened last April 2020, With the Futs faces some biggest challenges. "Currently the field of online fitness coaching is saturated with numerous coaches offering their services in the absence of commercial gyms," says Jay. "Marketing is always a big challenge. You have to stand out. Editing is something we had to learn along the way to make our posts and page uniquely ours. I think one of the challenges right now is probably the erratic Internet connection. When you are dealing with your clients online, strong Internet connection is crucial."

FB Page: [withthefuts](https://www.facebook.com/withthefuts)
Contact Number: 09175715790
Fee: 2500/one on one training, 250/group class ^{MS}

Allianz Employees Heed Call to Help SOS Children's Villages Philippines

ALLIANZ PNB Life employees' bayanihan spirit. Allianz employees have raised funds to respond to a call for help from SOS Children's Villages Philippines as the non-government organization continues to provide for almost a thousand abandoned and neglected in their 8 villages across the country. In this file photo, Allianz PNB Life's chief marketing officer Gae Martinez (left) and president and chief executive officer Alexander Grenz (second from left) together with SOS Children's Villages' corporate relations head Admore Alzate (fourth from left) during a visit at the SOS Children's Village in Alabang, Muntinlupa.

At a time when they are facing their own challenges amid the coronavirus (COVID-19) pandemic, Allianz PNB Life employees responded to a call for help and raised funds for SOS Children's Villages Philippines, an organization that supports orphaned, abandoned, and neglected children in the Philippines.

SOS Children's Villages Philippines is experiencing a decrease in donations as its regular donors have also been affected by the COVID-19 pandemic. Allianz employees rallied and donated PhP150,000 of their own money to help cover the basic necessities of the children.

"We commend our employees for stepping up and helping a vulnerable sector during this pandemic. While we continue to send support to our front-liners, let us not neglect others whose food and shelter have also been severely affected," said Allianz PNB Life Chief Marketing Officer Gae Martinez.

SOS Children's Villages Philippines rely on support from organizations and individuals to sustain its operations. Its villages have been placed under lockdown to ensure the health and safety of the children under its care.

"As SOS Children's Villages remain at work for abandoned and neglected Filipino children under quarantine, we thank Allianz PNB Life for helping us keep the children safe, healthy, and in loving homes. Their outpouring of generosity in this time of crisis ensures that although our children are isolated, they are not alone," said Romil Rayos del Sol, Deputy National Director of SOS Children's Villages Philippines.

This is not the first time that Allianz PNB Life employees extended their help to SOS Children's Villages Philippines. They did the same just last February as part of their Dare To Be Fit 3 program, which promotes fitness as well as helping the community. The employees did a number of activities that earned points, which were then converted into pesos and donated to different organizations.

Last April, Allianz PNB Life donated meals to the Lung Center of the Philippines. The company sent freshly cooked dinner to the front-liners of the hospital for four weeks.

Allianz PNB Life has also ensured the well-being of its employees and intermediaries since the start of the quarantine period, providing them with financial and mental health assistance, as well as releasing safety guidelines to keep everyone secure and out of danger.^{MS}

About Allianz in Asia. Asia is one of the core growth regions for Allianz, characterized by a rich diversity of cultures, languages and customs. Allianz has been present in the region since 1910, when it first provided fire and marine insurance in the coastal cities of China.

Today, Allianz is active in 14 markets in the region, offering its core businesses of property and casualty insurance, life, protection and health solutions, as well as asset management. With its more than 32,000 staff, Allianz serves the needs of over 18 million customers in the region across multiple distribution channels and digital platforms.

About Allianz. The Allianz Group is one of the world's leading insurers and asset managers with more than 92 million retail and corporate customers. Allianz customers benefit from a broad range of personal and corporate insurance services, ranging from property, life and health insurance to assistance services to credit insurance and global business insurance. Allianz is one of the world's largest investors, managing around 673 billion euros on behalf of its insurance customers. Furthermore our asset managers PIMCO and Allianz Global Investors manage more than 1.4 trillion euros of third-party assets. Thanks to our systematic integration of ecological and social criteria in our business processes and investment decisions, we hold the leading position for insurers in the Dow Jones Sustainability Index. In 2018, over 142,000 employees in more than 80 countries achieved total revenues of 131 billion euros and an operating profit of 11.5 billion euros for the group. These assessments are, as always, subject to the disclaimer provided below.

About SOS Children's Villages Philippines. SOS Children's Villages Philippines is a duly recognized NGO dedicated to the care of orphaned, abandoned, and neglected children.

Due to the COVID-19 pandemic, all the 8 Children's Villages across the country are currently under lockdown. SOS children and children in their supported communities are in quarantine. These children are in urgent need of food, hygiene supplies, and vitamins so that they may remain safe and healthy amidst the COVID-19 pandemic. To let your kindness reach them, you may donate through their website at sosphilippines.org/donation or contact them at (02) 8373-8767.

Cautionary note regarding forward-looking statements. The statements contained herein may include prospects, statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements.

Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group's core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events), (iii) frequency and severity of insured loss events, including from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the EUR/USD exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions, including related integration issues, and reorganization measures, and (xi) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

No duty to update. The company assumes no obligation to update any information or forward-looking statement contained herein, save for any information required to be disclosed by law.

Privacy Note. Allianz SE is committed to protecting your personal data. Find out more in our Privacy Statement.

Contact Person: Charmaine Pahate | Managing and PR Director | Eggshell Worldwide Comm. Inc. | 09178102079 | 577.8239



Special 10th Anniversary Edition! 10 Years. 10 Events.



Visit www.money-summit.com for more info.



A Bank with a Heart for Every Filipino.

Looking out for your needs is what we do best. Inspired by our reason for being, we have it ingrained in our DNA, to serve you. Our rôle is to anticipate what will help you achieve your goals. Primed for the demands of the future, we are ready to serve you because we care. You are important to us!

Yan ang Bangkong may Puso. Malalapitan. Dito na tayo!

SAVINGS
♥♥

TIME
DEPOSIT ♥♥

HOME
LOAN ♥♥

PENSION
LOAN ♥♥

101 V.A. Rufino corner Dela Rosa Streets, Legazpi Village, Makati City 1229 Philippines
(632) 8840-3655 | (0917) 822-1953 | (0998) 584-8379 | customercare@veteransbank.com.ph

www.veteransbank.com.ph

Regulated by the Bangko Sentral ng Pilipinas
Financial Consumer Protection Department (+632) 708-7087 / consumeraffairs@bsp.gov.ph
Member: PDIC. Maximum Deposit Insurance for Each Depositor P500,000.
A proud member of **BancNet**