

# BPI-Philam banks on rising population, incomes to drive 2017 premium growth

BPI-PHILAM Assurance Corp. (BPI-Philam) is looking to ride on the country's expanding consumer and middle class market and the growing population to drive its growth this year, its chief executive said.

The bancassurance joint venture between Ayala-led Bank of the Philippine Islands (BPI) and the Philippine American Life and General Insurance Co. (Philam Life) said it is looking to tap the country's growing consumer segment as its primary source of expansion for the whole year.

"It is going to be the demographics and customer base. The population itself is growing... Middle-income is growing," BPI-Philam President and Chief Executive Officer Surendra M. Menon told reporters on Monday

when asked for the company's growth drivers for 2017.

He cited the worsening traffic situation in the country as proof of the growth of the middle-income segment, with more Filipinos now able to afford to buy vehicles.

"Everyone complains about traffic, but traffic is a good indication of the middle-income growing. They're obviously buying cars and other vehicles which causes more traffic jams but suggests the middle-income is growing fast and that will probably be the primary driver of growth," Mr. Menon said.

Latest industry data from the Chamber of Automotive Manufacturers of the Philippines, Inc. (CAMPI) and the Truck Manufacturers Asso-

ciation showed car sales surged during the first four months of 2017 from the comparable period in the previous year at 123,064 units, up 18.1%.

In April, the auto industry sold a total of 29,038 units, an uptick of 4.8% from the same period in 2016 and down 20.6% from March.

CAMPPI President and Vice President at Toyota Motor Philippines Rommel R. Gutierrez had said the sector's sales are expected to hit 440,000 to 450,000 by yearend.

Data from the Insurance Commission showed BPI-Philam ranked third in total premium income terms in 2016 with P19.257 billion. It placed fourth in net income terms as its bottom line stood at P1.704 billion last year. — **JMDS**