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PHILEQUITY CORNER

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How things look

"Optics" refer to how things may look, and how they influence perceptions. This is a serious area of study for social insight and even marketing.

Is the pandemic over? The optics of people discarding face masks seems to support this reality. If there are still a few who wear masks at a wedding reception, it is presumed that they are just fearful of spreading their own symptoms to others.

When a restaurant is full (with a long queue of patrons waiting for a table) the optics promotes the popularity of the place, for either its good food or reasonable prices, or both. It's no wonder that restaurants that are less crowded may employ "window sitters" to occupy tables and project the optics of a well patronized establishment.

Maybe, the worst example of how terrible things look when two discordant images are juxtaposed with each other is the probably apocryphal historical instance of Emperor Nero playing the lyre while Rome burned. Image handlers in those times might have explained this perception of apathy in a leader facing a crisis with a few possible spins. 1) He doesn't even have a lyre and can't play one even at a party; 2) He was with the firemen at that time helping douse out the conflagration, and the lyre incident was a week before at his nephew's wedding; 3) He was just tuning the strings; and 4) Isn't it more important to find out who caused the fire that destroyed ten districts of a city rather than asking about musical numbers?

What is the effect of losing 34 counts of a high-profile court case for a presidential candidate? Does the optic of political persecution take hold and cast the loser as a victim? Do the optics enhance or erode his standing in the polls?

Personal relationships are not exempt from optical considerations, especially when these involve celebrities. Being seen together for dinner or in bars provides the optics of being a couple, even when denials are staunchly expressed—we're just admiring ceiling fans while in a prone position. An attractive millennial holding hands with an elderly gentleman (boomer) provide the optics of a pending ATM withdrawal, usually by the latter. Is this generational partnership an optical illusion?

While many will dismiss the fuss over "how things look" with a shrug, as in the case of anonymous individuals that draw no instant or even belated recognition, they too are affected by optics. A job applicant who looks disheveled and spaced out is likely to be rejected in favor of a neat and well-spoken alternative, even when the former may have better credentials and work experience. (Do tattoos give off the wrong optics?)

Getting back to our more relevant area of study, which is business and economics, here are some optical clues of how the economy is doing. (Very well, thank you.) Here are some examples.

A bond float which is "oversubscribed" and planning to add to the original amount with a "greenshoe option" is optically successful, even when the original proposal was at the new levels anyway. The other optics of buyers upset over not getting their promised allocation adds to a positive perception.

Is it only on Sundays that mall restaurants fill up? The food outlets are so confident that they have instituted a "no reservation" policy. You just need to walk in, or line up to get a table, if you can. Some restaurants, outside the malls, have even imposed a reservation fee which is "non-refundable" in case of a "no show" (fifteen minutes of waiting from scheduled appointment) or cancellation.

Car sales are going up. So are the numbers for motorcycles. While these are quantitatively tracked, the optics of new cars (and new brands) zipping through the highways (or getting stuck in them) show many new models.

Even the optics of un-patronized cinemas with their free popcorn and iced tea provide the optics of alternate viewing. There is then the rise of internet connections and streaming options to again show the broadening alternatives of fiber optics.

Maybe the economic numbers tell a mixed story. Anyway, these deal with the past. The optics refer to the present and they show a positive narrative. It's no longer the pessimist/optimist example of looking at the glass as half-empty or half-full. It's really a matter of checking the faucet. Yep, it's still working.

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