

# The Daily Dispatch

January 10, 2022  
TODAY'S TOP NEWS

## Metro Manila subway hits completion rate of 25.09%

The Department of Transportation said the overall progress of the country's first underground mass transport system reached 25.09 percent as of November last year. Transportation Secretary Arthur Tugade said the P355-billion Metro Manila Subway Project is considered one of the largest infrastructure projects in the country.

## DOF: Retail liberalization to lure more investments

Finance Secretary Carlos Dominguez III said over the weekend the enactment into law of a measure that seeks to further liberalize the retail sector will open the country to more foreign direct investments and generate new jobs.

## NTC exceeds income goal for 2021 despite pandemic

The National Telecommunications Commission (NTC) said it collected P9.09 billion in income last year, topping 2020's P7.7 billion collection by 18%. Last year's income was also 72.4% higher than its target of P5.27 billion, making it the sixth straight year under the administration that the agency exceeded its goals.

## SEC approves Investree crowdfunding license

The Securities and Exchange Commission (SEC) issued a permanent license to Investree Philippines Inc. to operate as a funding portal and crowdfunding intermediary. The commission said the approval of Investree Philippines' license is a bid to further develop the crowdfunding market in the country.

## DA eyes more tropical fruit exports

The Department of Agriculture (DA) is targeting to sustainably increase the production of two major Philippine fruits, namely banana and pineapple, including other traditional and emerging high value crops that have export potentials and could give farmers higher incomes.

## Philippine Stock Market Update



**Previous Close:**  
7,011.11

**1 Yr Return:**  
-0.74%

**Open:**  
6,990.07

**YTD Return:**  
-0.23%

**52-Week Range:**  
6,080.94 - 7,475.75

**Source:**  
Bloomberg

## Foreign Exchange

As of Jan. 9, 2022

US Dollar	Philippine Peso
1	51.490

## PDST-R2 Rates

As of Jan. 9, 2022

Tenor	Rate
1Y	1.5626
3Y	3.2341
5Y	4.2514
7Y	4.7001
10Y	4.8257
20Y	4.9644

## Daily Quote

"Don't be afraid to give up the good to go for the great."

-- John D. Rockefeller

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## MORE LOCAL NEWS

### Globe dips after surge in coronavirus cases

Renewed movement restrictions as the country sees a spike in new coronavirus infections derailed market sentiment last week that affected local stocks including Globe Telecom, Inc. Analysts point to the surging COVID-19 cases as what dragged the stocks to fall across the market on the first trading week of the year.

### NLEX Corp. unveils expansion plans for 2022

NLEX Corp. plans to start this year the construction of a two-kilometer expressway section between the existing Mindanao Avenue toll plaza and Quirino Highway in Novaliches, Quezon City, the company's top official said. The company also intends to start work on the third bridge at Candaba Viaduct.

### Shell fully pays import tax under protest

Pilipinas Shell Petroleum Corp. (PSPC) has paid ahead of deadline over P3.4 billion to settle the disputed alkylate import taxes levied against it, the Finance Chief said. Finance Secretary Carlos G. Dominguez III on Friday sent reporters a Customs document indicating that PSPC paid P1.77 billion on Jan. 6.

### Virus surge clouds outlook for IPOs

The ongoing surge in coronavirus disease 2019 (COVID-19) infections in the country is clouding the prospects for upcoming initial public offerings (IPO). This as residential developer Haus Talk, Inc. and Figaro Coffee Group, Inc. are scheduled to make their Philippine stock market debut this month.

### Subsidies for GOCCs decline in November

Subsidies extended to government-owned companies fell by 46% year on year to P12.33 billion in November, the BTr said. Subsidies for government-owned and -controlled corporations (GOCCs) declined compared with the P22.78 billion in the same month last year, when the government provided P10 billion to the LBP.

### Peso seen depreciating to 52 by 3rd quarter

The peso may depreciate further to 52 to \$1 by the Q3 with the hawkish stance of the US Federal Reserve and the country's widening current account shortfall, according to DBS Bank Ltd. of Singapore. Philip Wee, foreign exchange strategist at DBS, said the door is open for the local currency to weaken to 52 to \$1 on monetary policy

### Surprise rate cut unlikely

The BSP is expected to remain accommodative the entire year as the Omicron variant will further stall economic recovery in the Philippines. In its weekly brief, London-based Capital Economics maintained that the central bank would not deliver any surprise rate adjustment, with monetary policy remaining loose for 2022.

### Cash assistance law will not offset import losses

President Duterte recently signed Republic Act 11598 or the Cash Assistance for Filipino Farmers Act, which mandates the Department of Agriculture (DA) to provide cash transfers to rice farmers tilling two hectares or less until 2024.

### Index may crash below 7,000

With no end in sight for record daily cases of new COVID-19 infections in the country, the stock market will continue to bear the brunt of the Omicron-driven pessimism, traders said. The benchmark Philippine Stock Exchange index (PSEi) declined for the third straight week amid another wave of COVID-19 cases in the country.

### More investments seen flowing to retail trade

The Department of Trade and Industry (DTI) said the signing into law of a measure that lowers the minimum paid-up capital for foreign retailers would help encourage more investments into the country.

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## TODAY'S TOP ASIAN NEWS

### ComfortDelGro acquires stake in medical transport

Transport operator ComfortDelGro on Monday (Jan 10) said its subsidiary, ComfortDelGro MedCare (CDG MedCare), has entered into a sale and purchase agreement with vendors Neo Lay Kim and Ng Chew Chuah to acquire a 90 per cent stake in Ming Chuan Transportation for \$8.5 million.

### China venture funding hits record \$177b in 2021

When China's government launched a sweeping crackdown on the technology industry over the summer, panicky venture capital investors stopped writing cheques and start-up valuations began to plummet. Then a strange thing happened: In just a matter of weeks, the start-up machine kicked back into gear.

### Cathay, Golden Village cinemas merger lapses

A merger of the Cathay Cineplexes and Golden Village cinema businesses appears to be off the cards. In a bourse filing on Friday, Cathay owner mm2 Asia said that the long-stop date of the agreement for the potential deal lapsed on Dec 31.

### Carsome raises US\$290m Series E round

CAR e-commerce platform Carsome has raised US\$290 million in its Series E round at a post-money valuation of US\$1.7 billion.

### Vertex Technology lodges prospectus for S\$200m SPAC

VERTEX Technology Acquisition Corporation (VTAC), a special purpose acquisition company (SPAC) established by Vertex Venture, lodged a preliminary prospectus with the Monetary Authority of Singapore (MAS) on Thursday (Jan 6), in connection with a proposed offering of units.

## TODAY'S TOP GLOBAL NEWS

### Oil rides into 2022 on bullish wave

Oil has started off 2022 with a bang. A market that was supposed to suffer a ballooning surplus instead surpassed US\$80 a barrel last week as global demand shrugs off the Omicron variant of the coronavirus, while a host of supply constraints hit producers from Canada to Russia.

### Palihapitiya SPAC in talks with Akili Interactive

Social Capital Suvretta Holdings Corp I, a special purpose acquisition company (SPAC) led by Chamath Palihapitiya, is in talks to merge with Akili Interactive, a startup that specialises in technology-based cognitive therapies, according to people with knowledge of the matter.

### Sanofi partners w/ Exscientia to develop new drugs

[PARIS] French drugmaker Sanofi will partner with British AI firm Exscientia to develop up to 15 drug candidates across oncology and immunology, in a deal worth up to US\$5.2 billion in milestone payments, the two companies said on Friday.

### Reddit taps Goldman Sachs, Morgan Stanley for IPO

[BENGALURU] Social media platform Reddit Inc, whose message boards became central to meme stock trading frenzy in 2021, is tapping Wall Street banks Goldman Sachs Group and Morgan Stanley for its initial public offering, Bloomberg News reported on Friday (Dec 7), citing people familiar with the matter.

### Meta expands in Texas with major office lease

[TEXAS] Facebook parent Meta Platforms is going bigger in Texas. The company has leased half of what will be Austin's tallest skyscraper, making the social media giant the latest major business to expand in the state.