

The Daily Dispatch

January 12, 2022
TODAY'S TOP NEWS

First Metro predicts 7% growth in 2022

First Metro Investment Corp. said it expects the Philippine economy to grow by 6% to 7% in 2022, driven by the industry and services sectors. First Metro president Jose Patricio Dumlao said he was expecting the prospects of the economy to be brighter this year, after nearly two years of grappling with the COVID-19 pandemic.

Cavite accepts \$10.9b int'l airport proposal

SPIA Development Consortium, which consists of major local and foreign conglomerates, secured an original proponent status from the provincial government of Cavite to develop a \$10.9-billion international airport in Sangley Point.

PH banks' bad loans soar to P481 billion

The amount of bad loans in the Philippine banking sector rose to P481 billion at the end of November 2021, according to data issued by the BSP. At the end of November, gross nonperforming loans (NPLs) incurred by lenders had climbed by 19.07 percent to P481.87 billion, up from P404.68 billion a year earlier.

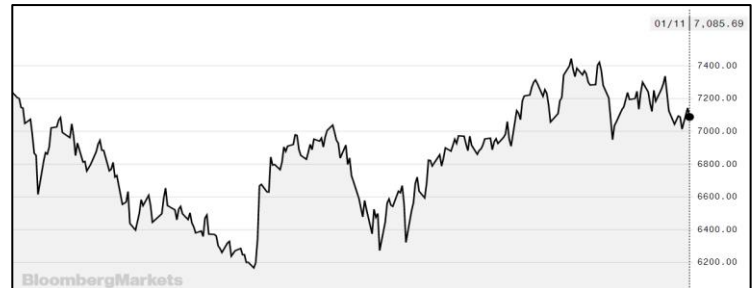
November trade gap hits record high

The Philippines' trade gap reached a record high of \$4.70 billion in November 2021, according to preliminary official data released on Tuesday. The Philippine Statistics Authority (PSA) data showed imports grew 38.8 percent year on year to \$10.97 billion while exports increased 2 percent to \$6.27 billion.

Smart ties up with Samsung

Smart Communications Inc. has tapped Samsung to "drive the development" of 5G Standalone (5G-SA) technology in the Philippines. Samsung Philippines President James Jung said 5G SA technology paves the way for a variety of new industry applications that utilize 5G's full features.

Philippine Stock Market Update



Previous Close:

7,085.69

1 Yr Return:

0.52%

Open:

7,142.53

YTD Return:

0.62%

52-Week Range:

6,080.94 - 7,475.75

Source:

Bloomberg

Foreign Exchange

As of Jan. 11, 2022

US Dollar	Philippine Peso
1	51.14

BVAL Reference Rates

As of Jan. 11, 2022

Tenor	Rate
1Y	1.534
3Y	3.174
5Y	4.223
7Y	4.689
10Y	4.873
20Y	5.009

Daily Quote

"I've grown most not from victories but from setbacks. If winning is God's reward, then losing is how he teaches us."

-- Serena Williams

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MORE LOCAL NEWS

TransCo plans net connectivity via power lines

State-led National Transmission Corp. (TransCo) will roll out communications infrastructure on power lines to connect rural public schools to the internet. TransCo has tested the information and communications technology that will use existing power line infrastructure to help the DepEd link public schools to the internet.

PSEi seen to reach 8,100 by yearend

First Metro Investment Corp. (FMIC) is expecting the benchmark Philippine Stock Exchange index (PSEi) to potentially hit an 8,100 high in 2022. In a briefing on Tuesday, FMIC said it is expecting the 30-member PSEi to post a 13% to 15% growth this year, to close around 7,900 to 8,100 by yearend.

PHL gets ADB grant to craft 'growth strategy'

The Asian Development Bank (ADB) has approved a \$225,000 grant to the Philippine government to create an economic growth strategy to help reach its target of becoming a high-income country in two decades. The ADB in a document said the grant was approved on Dec. 28.

World Bank flags difficulty in accessing trade info

Information on cross-border trade rules and penalties is largely inaccessible to trade companies and customs brokers in the Philippines, with possible detrimental effects on key stakeholders like women, the World Bank Group said in a report.

BDO starts offer of sustainability bonds

BDO Unibank, Inc. on Monday started its public offering of peso-denominated fixed-rate sustainability bonds to raise at least P5 billion in fresh funds. The papers, which make up the third issuance under its P365-billion bond program, have an indicative tenor of two years, the lender said in a disclosure to the stock exchange.

Philippines to grow 6.2% this year – HSBC

The Philippine economy will likely expand by more than six percent this year, but returning to pre-pandemic levels may take a few more years, according to HSBC. Fan Cheuk Wan, chief investment officer for Asia, Global Private Banking and Wealth at HSBC, said the Philippines is likely to post a GDP growth of 6.2% this year.

Power firms vow enough coal inventory

Power generators are assuring the public of enough inventory amid Indonesia's coal export ban, which is seen to have a short-term impact on the Philippines. The Philippine Independent Power Producers Association Inc. said its member generation companies are continuously monitoring the developing concern on Indonesia's coal export ban.

Stocks turn negative as new cases hit records

Stocks turned negative yesterday as investor sentiment soured following a series of record-breaking daily cases of new coronavirus infections. Investors are keeping an eye on the rising numbers of COVID cases as this would likely force government to impose another tight lockdown, further delaying economic recovery.

AboitizPower to issue up to P10 billion bonds

Aboitiz Power Corp. is issuing up to P10b worth of fixed-rate retail bonds within the first quarter, partly to fund its Cleanergy portfolio expansion. AboitizPower said it filed an application with the SEC to issue the third tranche of its P30b fixed-rate retail bonds registered on March 1, 2021 under the shelf registration program of SEC.

Trade gap balloons to \$4.7 billion

The country's trade shortfall widened to a record high in November as the economy reopened, with imports, particularly oil, flowing in at faster-than-expected pace. Data from the PSA showed the trade deficit soared by 119.5% to reach a record-high \$4.71 billion in November, from \$2.14 billion in the same month a year earlier.

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TODAY'S TOP ASIAN NEWS

Asia-Pacific dividend growth to ease

DESPITE slowing dividend growth in some regions and sectors, global dividend payouts is expected to rise further by 6% this year to US\$2.09tn, according to a report by IHS Markit. After leading the strong growth last year, dividend payouts in the Asia-Pacific region is expected to ease from 23% in 2021 to 3% this year.

Biggest-ever IPO has India tweaking rules

From adjusting capital-markets rules to sending phone messages and publishing newspaper advertisements, the authorities and executives are leaving no stone unturned in trying to ensure Life Insurance Corp (LIC) of India's record initial public offering (IPO) is a success.

eFishery raises US\$90m in Series C co-led by Temasek

INDONESIA-BASED agritech startup eFishery closed a US\$90 million Series C round co-led by Temasek, SoftBank Vision Fund 2 and Sequoia Capital India, it announced in a press statement on Tuesday (Jan 11).

Singapore Airlines to raise \$500m-750m in bond deal

[SYDNEY] Singapore Airlines is aiming to raise US\$500 million to US\$750 million in a US dollar bond deal, according to 2 sources with direct knowledge of the matter.

World Bank cuts 2022 global growth forecast

Covid-19 flare-ups, diminished policy support, and lingering supply-chain bottlenecks will see the global economic recovery cool more than previously estimated in 2022, after last year's expansion clocked the fastest post-recession pace in eight decades, the World Bank said.

TODAY'S TOP GLOBAL NEWS

Aeromexico says creditors approve its restructuring

Mexican carrier Aeromexico on Tuesday said its creditors have overwhelmingly approved the company's restructuring plan as part of its efforts to emerge from bankruptcy.

Boeing wins annual jet order race

Boeing Co (BA.N) bounced back to win the traditional annual order race against Airbus SE (AIR.PA) on an adjusted basis, but its European rival remained the world's largest planemaker based on the number of jets delivered, data showed on Tuesday.

Cerberus cuts Deutsche Bank, Commerzbank stakes

[FRANKFURT] US financial investor Cerberus, which has favoured a merger of Deutsche Bank and Commerzbank in the past, on Monday divested a large chunk of its holdings in the two top German lenders, the bank running the sale said.

EU to block South Korean shipping mega-merger

[BRUSSELS] The EU antitrust authority will block the merger of South Korean ship-making giants Daewoo and Hyundai over concerns that the deal may restrict the supply of cargo vessels, sources said Tuesday.

Maersk expects cargo delays to persist

[COPENHAGEN] Top container shipping firm AP Moller-Maersk on Tuesday warned its customers it was still struggling to move goods around the world as the easing of congestion is taking longer than the Danish company had hoped for.