

# The Daily Dispatch

February 06, 2020  
TODAY'S TOP NEWS

## Ayala gets OK to increase stake in wind farm

The government's competition watchdog gave the Ayala group the green light to acquire a stake in Philippine Wind Holdings Corp. (PhilWind), allowing AC Energy Philippines (ACEPH) to take majority control of wind farm operator North Luzon Renewables Energy Corp.

## Lotte plan for full control of Pepsi PH halted

The Securities and Exchange Commission (SEC) halted Korean firm Lotte Chilsung Beverage Co. Ltd.'s offer to buy a big chunk of Pepsi Cola Products Philippines Inc. (PCPPI) amid questions on the independence of an advisor tapped to evaluate the deal.

## Phinma eyes control of 2 more schools in Indonesia

Armed with fresh equity from new institutional investors, Phinma Education Holdings Inc. is scaling up its footprint in Indonesia by taking over management control of its second university in Southeast Asia's most populous market.

## January inflation at 8-month high

Higher food prices partly as a result of the eruption of Taal Volcano and the new sin tax rates jacked up inflation to an eight-month high of 2.9 percent year-on-year in January, the government reported on Wednesday.

## PSE to overhaul rules on involuntary delisting

The Philippine Stock Exchange is tightening the rules on involuntary delisting to improve the exit mechanism for minority investors, expand delisting grounds and impose harsher penalties against erring directors and officers.

## Philippine Stock Market Update



**Previous Close:**

7,352.85

**1 Yr Return:**

-5.19%

**Open:**

7,373.59

**YTD Return:**

-6.58%

**52-Week Range:**

6,790.58 - 8,419.59

**Source:**

Bloomberg

## Foreign Exchange

As of Feb. 5, 2020

US Dollar	Philippine Peso
1	50.775

## PDST-R2 Rates

As of Feb .5, 2020

Tenor	Rate
1Y	3.924
3Y	4.227
5Y	4.354
7Y	4.389
10Y	4.422
20Y	5.008

## Daily Quote

"Ideas are commodity. Execution of them is not."

--Michael Dell

# The Daily Dispatch

## MORE LOCAL NEWS

### ERC braces for tight power supply during summer

The Energy Regulatory Commission (ERC) has reminded power generation companies, including those that are required to invite competitive bidders for their output, to continue operating in the face of an expected tight supply around April and May.

### Oil prices, nCoV on top of BSP rate meeting

Easing global oil prices as well as the impact of the outbreak of the 2019 novel coronavirus (nCoV) are at the top of the agenda of the Bangko Sentral ng Pilipinas (BSP) during its rate setting meeting today. "These are two of the major factors in today's policy meeting," BSP Governor Benjamin Diokno said in a text message yesterday.

### PayMaya steps up cashless adoption

PayMaya Philippines Inc. is stepping up its campaign to encourage more Filipinos to adopt cashless payment through the PayMaya app. PayMaya launched yesterday its "BalikBayad" campaign which is eyed to follow the success of its "Don't Pay Cash. PayMaya!" initiative in 2019.

### Bank lending grows at faster pace in 2019

The country's biggest banks continued to post faster credit growth in December amid the easing cycle of the Bangko Sentral ng Pilipinas. BSP Governor Benjamin Diokno said loans disbursed by universal and commercial banks went up by 10.9 percent to P9.51 trillion in December last year.

### DOT mulls revisions in arrivals targets

The Department of Tourism (DOT) is still assessing whether or not to revise its foreign arrival target this year as the numbers are expected to drop amid the novel coronavirus (nCoV) outbreak. "We are still assessing the situation," Tourism Undersecretary and spokesperson Benito Bengzon Jr. said.

### Virus to slowdown PH exports – DTI

Data from the Philippine Statistics Authority showed that China was the Philippines biggest supplier of imported goods with 22.9% share of total imports in November 2019. Imports from this country amounted to \$2.05bn, from \$1.8bn in November 2018. Other major trading partners were Japan, USA, Thailand, and South Korea.

### SMC to issue up to ₱60B worth of CPs to fund capex

Diversified conglomerate San Miguel Corporation (SMC) is planning to raise up to ₱60 billion from the issuance of commercial papers in one or more tranches as it slates massive capital expenditures for this year.

### Thai retailer Central prices IPO near top of range

Thailand's largest retailer, Central Retail Corp, priced its initial public offering (IPO) near the top end of an indicative range, in a deal worth about \$2.6 billion, setting up the listing of the country's largest IPO this month.

### Keppel Capital raising \$1b for Asian property fund

Keppel Capital, the asset management arm of Singapore conglomerate Keppel Corporation, is reportedly gearing up to raise at least \$1 billion for a fourth pan-Asian value-add property fund, just a year after it secured \$1.1 billion, including co-investments, for the third fund under the Alpha Asia Macro Trend (AAMTF) series.

### Baring PE divests \$101m in Manappuram Finance

Baring Private Equity Partners India Ltd on Tuesday divested a stake worth over \$101 million (Rs 721 crore) in Kerala-based gold loan financier Manappuram Finance Limited.

# The Daily Dispatch

## MORE ASIAN NEWS

### India: Rebel Foods secures \$4.9m debt funding

Rebel Foods, best known for its cloud-kitchen brands Faasos and Behrouz Biryani, on Wednesday said it has raised ₹35 crore in debt from venture debt fund Alteria Capital. Founded by Jaydeep Barman and Kallol Bannerjee, Rebel Foods runs 325 internet kitchens in India and has recently expanded abroad

### Thailand's largest IPO braves market

Thailand's largest retailer, Central Retail Corp, priced its initial public offering (IPO) near the top end of an indicative range, in a deal worth about \$2.6 billion, setting up the listing of the country's largest IPO this month.

## TODAY'S TOP GLOBAL NEWS

### QIC backs \$1b funding in Generate Capital

Queensland Investment Corporation (QIC), one of Australia's largest investment managers, announced that it has invested in San Francisco-based Generate Capital, the clean energy infrastructure investor, which raised \$1 billion in new funding to expand its renewable energy and sustainable infrastructure fleet.

### U.S. Senate acquits Trump in historic vote

President Donald Trump was acquitted on Wednesday in his U.S. Senate impeachment trial, saved by fellow Republicans who rallied to protect him nine months before he asks voters in a deeply divided America to give him a second White House term.

### Data suggests virus infections under-reported

Fatalities from the coronavirus epidemic are overwhelmingly concentrated in central China's Wuhan city, which accounts for over 73% of deaths despite having only one-third the number of confirmed infections.

### Bain Capital buys controlling stake in IT firm

Bain Capital has agreed to buy a controlling stake in Italian IT services provider Engineering, the U.S. private equity firm said on Wednesday, in a deal one source said valued the company at about 1.6 billion euros (\$1.8 billion) including debt.

### US trade deficit falls for 1st time in 6 yrs

The US trade deficit dropped for the first time in six years in 2019 as the White House's trade war with China curbed the import bill, helping the economy to continue growing moderately in the fourth quarter despite a slowdown in consumer spending.

### Coronavirus outbreak is starting to pinch profits

Major corporations from Apple to Hyundai and Walt Disney Company are warning that the coronavirus outbreak is weighing on their businesses. The health crisis in China has forced the closure of shops and theme parks, severely reduced foot traffic at outlets that remain open and disrupted parts of the global supply chain.

### China patent of nCov drug may lead to legal wrangle

The state-backed Institute of Virology in Wuhan filed the patent for using remdesivir to fight the novel coronavirus on January 21, according to a statement posted on its website two weeks later on February 4. If approved, the drug will be used to facilitate its potential global market.

### World Bank to lower global growth forecast

The World Bank will revise its global growth forecast downwards due to the new coronavirus, the president of the multilateral lender said Tuesday, amid fears the epidemic in China will harm global supply chains.