

The Daily Dispatch

February 11, 2020
TODAY'S TOP NEWS

Citi sees more interest rate cuts

Global banking giant Citi expects potential interest rate cuts by the BSP until the second half if the country's economic growth loses momentum. In a report, Citi economist for the Philippines Nalin Chutchotitham said there is room for additional 25 to 50 basis points rate cuts without becoming too accommodative.

PNB, PNB Savings Bank integration seen by March

Philippine National Bank's absorption of its thrift bank subsidiary PNB Savings Bank (PNBSB) has been approved by regulatory authorities and is set to take effect by March. "The integration shall be implemented through PNB's purchase and assumption of assets and liabilities of PNBSB as of Feb. 29."

Outsourcing subsectors cut growth targets through 2022

Several outsourcing subsectors cut their revenue targets across-the-board after the industry lowered its growth figures under a road map through 2022 due to geopolitical challenges, protectionism and automation. IT and software trails the other subsectors with a 2.7-6.2% annual revenue growth target from 2019 to 2022.

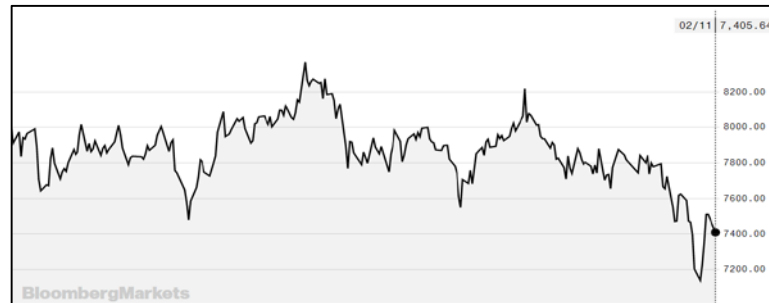
PHL eyed as fintech start-ups' hub

THE government is eyeing to turn the Philippines into an incubation hub for fintech start-ups, as the country tries to catch up with its regional neighbors on innovation and new solutions. Trade Undersecretary Rafaelita M. Aldaba said it is important for the country to implement its industrial policy to be able to catch up with regional neighbors.

Tobacco floor prices higher by P2/kg

TOBACCO leaf buyers, users and farmers have reached a compromise to raise floor prices by P2 per kilogram (kg) across all types and grades for trading years 2020-2021, according to the National Tobacco Administration (NTA).

Philippine Stock Market Update



Previous Close:

7,979.92

1 Yr Return:

-6.58%

Open:

7,444.66

YTD Return:

-5.15%

52-Week Range:

7,129.19 - 8,419.59

Source:

Bloomberg

Foreign Exchange

As of Feb. 10, 2020

US Dollar	Philippine Peso
1	50.74

BVAL Rates

As of Feb. 10, 2020

Tenor	Rate
1Y	3.930
3Y	4.162
5Y	4.284
7Y	4.336
10Y	4.394
20Y	4.968

Daily Quote

"Just believe in yourself. Even if you don't, pretend that you do and, at some point, you will."

-- Venus Williams

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MORE LOCAL NEWS

Local 7-11 franchise to bring Seven Bank in PHL

PHILIPPINE Seven Corp., which holds the master franchise of 7-Eleven convenience stores in the country, is set to bring Seven Bank's white automated teller machines (Atms) in the country. In its disclosure, the company said it signed a deal with Pito AxM Platform Inc., a wholly owned subsidiary of Seven Bank Ltd. of Japan.

MRC Allied to expand energy portfolio in 2020

For its energy portfolio, the company wants to maintain its focus on solar rooftop projects. It also plans to tap opportunities on utility scale project developments, continuing existing projects within the umbrella of MRC, such as Sepalco's 50-megawatt solar project, the 100-MW SPI Clark solar project and the 60-MW Naga solar project.

ABS-CBN: We've complied with all laws on franchise

ABS-CBN Corp. maintained it has always complied with the laws governing its franchise and had secured all regulatory approvals for its operations. In a statement after the Office of the Solicitor General filed a quo warranto case against it, the company said the allegations of the government lawyers "are without merit."

MPTC opens first Calax segment

Metro Pacific Tollways Corp. (MPTC) unit MPCALA Holdings Inc. has commenced preparatory works on the second segment that would complete the 45-kilometer Cavite-Laguna Expressway (CALAX) as the toll road's first section becomes fully operational.

EastWest Bank eyes P2B via maiden bond issue

Gotianun-led East West Banking Corp. is raising at least P2 billion from the domestic debt market for its maiden bond issuance. Rafael Algarra, senior executive vice president and treasurer at EastWest, said the bond offering would also pave the way for future issuances.

PEZA plans expansion of Mactan ecozone area

The Philippine Economic Zone Authority (PEZA) plans to expand the Mactan Economic Zone (MEZ) in Cebu on reclaimed land of the ecozone's coastal area to accommodate existing and new locators. The development comes as the agency is opposing the proposed second runway for the Mactan-Cebu International Airport (MCIA).

Cebu foreign investors buck runway project

Some 150 foreign companies at the Mactan Economic Zone 1 (Mez1) may be forced to pack up and transfer their manufacturing operations to other countries due to a proposed runway project. The Mactan-Cebu International Airport Authority (MCIAA) wants to put up a parallel runway in anticipation of increased traffic.

Moody's unit sees slowdown in consumer spending

The outbreak of the novel coronavirus (2019-nCoV) would not only impact on tourism but also consumer spending as Filipinos avoid going out to prevent infection, the financial intelligence arm of Moody's said Monday.

11-month FDIs still down despite Nov net inflows

Foreign businessmen brought in more long-term equity investments to the Philippines last November, but still not enough to reverse the decline recorded in the first 11 months of last year, according to data from the Bangko Sentral ng Pilipinas (BSP).

Data on Pogo paint grim picture for PH labor force

MANILA, Philippines – Only two out of every 10 available jobs in the Philippine offshore gaming operations (Pogo) industry go to Filipinos, according to Sen. Joel Villanueva.

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MORE LOCAL NEWS

SCG revamps core businesses, eyes enterprise shift

SCG is set to revamp three core businesses and equip human resource development to effectively shift from being a manufacturer to a solution and service provider, with the eye of maintaining sustainable business growth in 2020.

TODAY'S TOP ASIAN NEWS

Asian airlines face growth warning with virus

Asian airlines face “drastic” cuts in their planned growth because of the coronavirus crisis, an industry group warned, adding gloom to an already depleted Singapore Airshow as more companies scaled back plans on Monday.

APTT eyes 5G tie-up with Taiwan firm

The parent company of Dynami Vision, which is the sole shareholder of Asian Pay Television Trust (APTT)'s trustee-manager, is looking to pare its stake for an undisclosed sum. The buyer in the proposed deal is Da Da Digital Convergence Co, a company controlled by Taiwan-listed Dafeng TV's founder Dai Yung Huei.

Warburg Pincus adds digital telco Circles.Life

Singapore-headquartered digital telco – Circles.Life – Tuesday said it had raised ‘substantial investment’ from global PE major Warburg Pincus, and added that its latest round of funding, coupled with the capital it had raised earlier would help accelerate its growth and expansion into new markets.

Temasek-backed Iora Health raises \$126m

US-based primary care provider Iora Health has raised a Series F funding round of \$126 million led by Premji Invest, the personal investment vehicle of Wipro Ltd. chairman and Indian tech titan Azim Premji.

Xiaomi invests \$6m in platform WorkIndia

WorkIndia, a blue collar recruitment platform, has raised Rs42 crore from Chinese electronics company Xiaomi. Previous investors of WorkIndia who have done multiple investment rounds in the company include Beenext and Japanese hedge fund Asuka Investments among others.

TODAY'S TOP GLOBAL NEWS

Xerox sweetens offer for HP

Xerox Holdings Corp raised its offer to buy HP Inc by \$2 to \$24 per share on Monday, following several rejections of its previous buyout offer by the PC maker. Xerox said its latest offer comprises \$18.40 in cash and 0.149 Xerox shares for each HP share and that it plans to launch a tender offer on or around March 2.

Google drops plan to buy into African wind farm

Google has cancelled plans to buy a 12.5 per cent stake in Africa's largest wind farm after delays to the project, Danish wind turbine maker Vestas said on Monday. The 310 megawatt (MW) Lake Turkana wind farm in Kenya was initially set for completion 2017, after which Google had committed to buy the stake from Vestas.

Video creation platform Clipchamp raises \$8.8m

Clipchamp Inc, a Brisbane-based global video creation platform, announced that it has raised A\$13.2 million (\$8.8 million) in its Series A funding round led by US venture capital firm Tola Capital, with participation of syndicated investment platform TEN13 and existing investors.

Arm to launch new AI chip for small devices

Arm Ltd, a semiconductor technology firm owned by SoftBank Group, unveiled a chip technology aimed at putting artificial intelligence functions on tiny devices such as sensors designed to detect patterns in human speech or other streams of data.