

The Daily Dispatch

February 12, 2020
TODAY'S TOP NEWS

Maynilad invests P41 b to expand wastewater service

MAYNILAD Water Services, Inc. has spent more than P41 billion to improve and expand its wastewater services since the government privatized the operation of Metro Manila's water services in 1997, the west zone concessionaire said on Tuesday.

PDIC sells P277 mn worth of closed banks' assets

The Philippine Deposit Insurance Corp. (PDIC) sold P277 million worth of properties previously owned by 559 closed banks last year, higher compared to the total sold in 2018. Last year's total sales was 46% more than the 383 properties sold in 2018.

nCov expected to dent consumption in 2020

A prolonged novel coronavirus (nCoV) outbreak will hurt public consumption but a rebound in capital formation is expected to drive growth this year. Nicholas Antonio T. Mapa, senior economist at ING Bank Philippines, said the economy could see a rebound in capital formation or investment this year on the back of monetary easing.

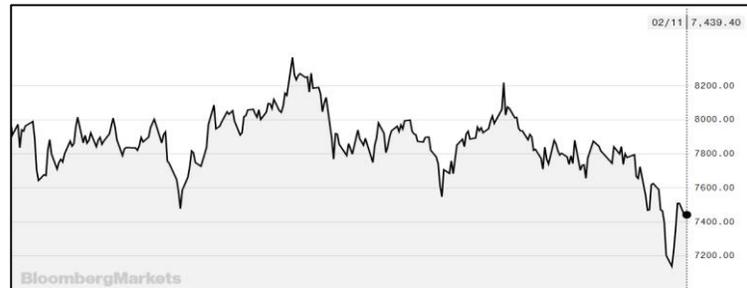
Philippines economy to grow by 6.3% in Q1 — IMF

The International Monetary Fund (IMF) expects a 6.3 percent growth for the Philippine economy in the first quarter despite a spate of natural disasters led by the eruption of Taal Volcano as well as the global outbreak of the 2019 novel coronavirus (nCoV).

JP Morgan expects another rate cut in Q2

JP Morgan Chase & Co. expects the Bangko Sentral ng Pilipinas (BSP) to cut its interest rates anew by another 25 basis points in the second quarter. Economist Nur Raisah Rasid said the Monetary Board would likely lower benchmark rates between April and June amid the benign inflation environment as well as economic growth concerns.

Philippine Stock Market Update



Previous Close:

7,439.40

1 Yr Return:

-5.87%

Open:

7,435.25

YTD Return:

-4.95%

52-Week Range:

7,129.19 - 8,419.59

Source:

Bloomberg

Foreign Exchange

As of Feb. 11, 2020

US Dollar	Philippine Peso
1	50.54

BVAL Reference Rates

As of Feb. 11, 2020

Tenor	Rate
1Y	3.926
3Y	4.160
5Y	4.277
7Y	4.325
10Y	4.375
20Y	4.961

Daily Quote

"Use your fear... it can take you to the place where you store your courage."

-- Amelia Earhart

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MORE LOCAL NEWS

Fitch upgrades Philippines rating outlook

Fitch Ratings revised the outlook of the Philippines to positive from stable, signaling a better chance for the country to get another credit rating upgrade within the next 12 to 18 months. Last Friday, the country bagged a credit rating upgrade to BBB+ from Tokyo-based Rating and Investment Information Inc.

SC gives ABS-CBN 10 days to address revocation

THE Supreme Court has directed television giant ABS-CBN Corporation and its subsidiary ABS-CBN Convergence to answer within 10 days the quo warranto petition filed by the Office of the Solicitor General (OSG) seeking the revocation of its legislative franchise.

Lopez-led FGen creates 160mn preferred shares

THE board of Lopez-led First Gen Corp. (FGen) has approved the company's increase in authorized capital stock after it created some 160 million in preferred shares, which it will use to raise cash. The board also approved the sale of its entire stake in a hydro subsidiary to another subsidiary.

Loss from Taiwan ban may hit P2.3bn in 6 weeks

Using tourism receipts from Taiwan in 2019, an additional \$45 million or P2.3 billion in revenue may be forgone by the local economy for half of February and the entire month of March. This does not include losses by the airlines, which are currently hard-pressed to reschedule bookings of passengers after the Taiwan ban was announced Monday night.

PEZA seeks reclamation of 200 hectares in Cebu

PEZA Director-General Charito B. Plaza raised this proposal as the ecozone authority is backing behind the position of locators in the Mactan Economic Zone 1 (MEZ 1) against the plan by the Mactan Cebu International Airport Authority (MCIAA) to relocate the ecozone as it will be used for the construction of a second international runway.

Unioil group taking over CIP

The Unioil group has acquired 78.04 percent of Chemical Industries of the Philippines (CIP) as most shareholders sold their stocks despite an alternative offer floated by another group.

MWC to put up Mandaluyong treatment plant

Manila Water Co. Inc. is tapping Suez Asia's Water Asia Business as well as Megawide Construction Corp. to build in Mandaluyong City a sewage treatment plant that can process 60 million liters of sewage daily.

Flat glass maker seeks tariff protection

The country's lone flat glass maker said it might shut down operations because it couldn't compete with the surge in cheaper imports, unless the government decides to further tax its competition.

Senate panel wants online gaming halt over tax issues

A SENATE panel on Tuesday recommended the suspension of the Philippine Offshore Gaming Operators (POGOs) after learning foregone revenues in 2019 hit an estimated P50 billion. "Isuspende muna ang lahat ng POGO operations hangga't hindi natin naayos ang ating mga patakaran," Senator Emmanuel Joel J. Villanueva said

More agriculture produce eyed for export

The Department of Agriculture (DA) aims to export more farm products amid an expanded value chain and stronger collaboration with the private sector. Secretary William Dar recently attended the Export Development Council meeting with the DTI where he pushed for an increase in the country's exports of farm and fishery products

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TODAY'S TOP ASIAN NEWS

Asian bankers brace for a virus-related drought

Bankers in Asia are bracing for a deal drought as efforts to limit the spread of the coronavirus epidemic have put key meetings and roadshows on hold. Several auctions of assets are facing delays or re-assessments and preparations for potential Chinese initial public offerings (IPOs) are also slowing, bankers said.

Mastercard wins approval to enter CH's \$27t market

Mastercard won approval to set up a bank card clearing business in China, gaining access to a US\$27 trillion payments market. Mastercard's joint venture in the country needs to complete preparation work within a year, the People's Bank of China said in a statement Tuesday.

Ketto raises \$30m for charitable causes

Ketto, a crowdfunding platform for fundraising of social, creative, and personal causes, announced that it has raised \$30mn with the help of CleverTap's philanthropy arm CleverTap4Good. "With CleverTap we can personalize our communication, so our users stay connected to the causes close to their hearts," said co-founder Zaheer Adenwala

Brookfield overtakes Blackstone in India

Canadian alternative asset manager Brookfield Asset Management trumped US private equity firm Blackstone to emerge as the largest private capital investor in India in 2019, lifted by deals with Reliance Industries Ltd (RIL).

Singapore luxury co-living comes with steep price

Co-living concepts are largely similar across Asia. Residents pay for a private room with a bed, and common areas like living, dining, kitchen and often bathroom, are shared. Singapore's Figment Pte is setting out to change that, offering residents their own piece of the city-state's history and local flavor.

TODAY'S TOP GLOBAL NEWS

T-Mobile-Sprint merger wins approval from judge

T-Mobile US Inc's edged closer to a takeover of Sprint Corp after a federal judge on Tuesday approved the deal, rejecting a claim by a group of states that said the proposed transaction would violate antitrust laws and raise prices.

Stocks inch higher as new coronavirus cases fall

Asian shares and Wall Street futures nudged higher on Wednesday amid hopes the worst of the coronavirus in China may have passed, although prevailing uncertainty about the outbreak has kept investors wary.

Infosys to buy US firm Simplus for \$250m

Infosys Ltd informed the stock exchanges it will acquire Simplus, one of the fastest-growing Salesforce platinum partners in the US and Australia for up to \$250 million. The acquisition is expected to close during the fourth quarter of fiscal 2020.

Ride-hailer Lyft forecasts slower growth in 2020

Lyft Inc on Tuesday forecast slower revenue growth in the new year and the company refused to match larger rival Uber, which recently moved up a key profit target by a year, sticking to its later date of projected profitability. Investors were left disappointed, sending shares down 5.5% after hours.

Airbnb swings to a loss as costs climb

Home rentals giant Airbnb Inc swung to a loss for the first nine months of last year as costs climbed sharply, The Wall Street Journal reported here on Tuesday, citing people close to the company.