

# The Daily Dispatch

February 13, 2020  
TODAY'S TOP NEWS

## Philippines to achieve A credit grade in 2 years'

The Philippines is on its way to becoming an A-rated economy in the next two years after bagging a series of outlook and credit rating upgrades from international debt watchers, according to economic managers. BSP Gov. Benjamin Diokno said the outlook upgrade from Fitch Ratings may translate to a credit rating upgrade soon.

## NEDA confident of 6% growth in Q1

Economic growth in the first quarter can be expected to remain at around six percent as the economy remains resilient to headwinds and public sentiment on the novel coronavirus COVID-19 outbreak begins to improve, the National Economic and Development Authority (NEDA) said.

## PH seen to remain world's biggest rice importer

The Philippines is expected to maintain its status as the world's biggest rice importer even as it decides to import less rice this year. This year, the country is seen importing some 2.5 million metric tons of rice, 13.8 percent lower than the previous year.

## Trump 'fine' with end of Philippines military pact

US President Donald Trump dismissed concerns on Wednesday about the Philippines canceling a major military accord, saying the decision would save Americans money. The 1998 Visiting Forces Agreement (VFA) created a legal framework for the presence of US troops in the Philippines and for organising joint military exercises.

## DoubleDragon plans \$1.3b multi-year REIT offering

The Philippines' DoubleDragon Properties Corp plans a sale of shares worth up to 66 billion pesos (\$1.3 billion) in a real estate investment trust (REIT), starting this year, to generate funds for expansion, its chairman said on Wednesday.

## Philippine Stock Market Update



Previous Close:

7,383.10

Open:

7,390.01

52-Week Range:

7,129.19 - 8,419.59

1 Yr Return:

-5.59%

YTD Return:

-5.88%

Source:

Bloomberg

## Foreign Exchange

As of Feb. 12, 2020

US Dollar	Philippine Peso
1	50.528

## PDST-R2 Rates

As of Feb.12, 2020

Tenor	Rate
1Y	3.917
3Y	4.157
5Y	4.286
7Y	4.343
10Y	4.388
20Y	4.980

## Daily Quote

"Never hope for it more than you work for it."

--Sonya Teclai

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## MORE LOCAL NEWS

### Concepcion Industrial after-tax profit up 27%

CONCEPCION Industrial Corp. (CIC) reported a 27% jump in profit after tax and minority interest in the fourth quarter, driven by a larger volume from its consumer segment. The listed manufacturer of refrigerators and air-conditioners said the figure for the last three months of 2019 stood at P305 million.

### Airline refunds to hit P3B due to virus scare

The local airline industry is taking a multibillion-peso hit after the government ordered a ban on tourists who traveled to China as well as travel to and from the epicenter of the growing new coronavirus epidemic.

### SM Prime plan to sell P100B in debt paper OKD

Property giant SM Prime Holdings Inc. (SMPH) has obtained regulatory clearance to sell as much as P100 billion worth of debt paper over a three-year period, gaining flexibility to fund more shopping malls and other big-ticket property projects.

### ING, Unicef team up to support fintech startups

Dutch financial giant ING and the United Nations Children's Fund (Unicef) have teamed up to help catalyze fintech startups that can offer scalable groundbreaking solutions that will benefit the financially excluded and hardest-to-reach communities in the Philippines and the rest of the world.

### DOT, TCP in joint program to boost tourism income

MANILA, Philippines — With tourism revenues on the wane because of government restrictions to stop the spread of the coronavirus disease 2019, the Department of Tourism (DOT) and the Tourism Congress of the Philippines (TCP) said they would work together to boost domestic tourism to make up for the losses.

### AirAsia PH posts 25% jump in '19 passenger traffic

AirAsia Philippines saw 2019 passenger traffic surge higher by 25 percent as it added planes and new destinations. The budget airline, part of Malaysia's AirAsia Group, carried 8.55 million passengers last year versus 6.87 million at the end of 2018, a filing to the Malaysian stock exchange showed.

### DoubleDragon plans \$1.3-B multi-year REIT offering

The Philippines' DoubleDragon Properties Corp. plans a sale of shares worth up to ₱66 billion (\$1.3 billion) in a real estate investment trust (REIT), starting this year, to generate funds for expansion, its chairman said on Wednesday.

### Economic officials laud Fitch rating on PH

The administration's key economic officials lauded the Fitch Ratings' decision to adjust upward the outlook on the Philippines, noting this latest favorable action is crucial in the government quest for a more inclusive economic growth.

### MetroPac Movers building logistics center in Laguna

METROPAC Movers, Inc. (MMI) is building a logistics center on a 52,000-square meter land in Sta. Rosa City, Laguna, which will have facilities for dry goods and refrigerated goods. The logistics unit of Metro Pacific Investments Corp. (MPIC) it is about to begin construction on the project, which it claims is the "most modern logistics

### Duterte refuses to talk to new water investors

MANILA- President Rodrigo Duterte said Wednesday he refuses to talk to new investors in the water distribution business as he urged the public not to let the issue on the government's "onerous" contracts with water firms pass.

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## PHL tourism to lose P23 bn a month due to COVID-19

The tourism industry alone could lose P22.7 billion in revenues per month amid the coronavirus disease 2019 (COVID-19) outbreak, with Philippines also seen to be among the most vulnerable countries that might suffer from disruptions in global supply chains after some factories in China halted operations.

## PH logs record-high exports at \$70.3 B

Philippine exports reached a record-high of \$70.3 billion in 2019 from \$69.3 billion last year despite external headwinds from the global trade policy uncertainties, geopolitical tensions, and country-specific challenges.

## TODAY'S TOP ASIAN NEWS

### Prolonged virus outbreak to hurt AsPac banks

Moody's Investors Service has painted a gloomy picture for the banking sector in the Asia Pacific region including the Philippines amid the prolonged outbreak of the 2019 novel coronavirus. The debt watcher said the earnings and asset quality of banks in the region would be affected if the virus outbreak is prolonged.

### Triputra Agro said to mull \$500m Indonesia IPO

PT Triputra Agro Persada, backed by Singapore's sovereign wealth fund GIC Pte, is gearing up for an initial public offering in Indonesia that could raise about \$500 million, according to people familiar with the matter.

### Vietnam to selectively remove 49% foreign ownership

The State Bank of Vietnam (SBV) has proposed to remove the 49 per cent foreign ownership limit in payment intermediary businesses, according to a statement on Monday. SBV will not enlist the foreign ownership cap of 49 per cent in the final proposal to be submitted to the Prime Minister in June 2020, the country's central bank said.

## Thai travel platform Tourkrub raises \$5m in Series B

Bangkok-based travel tech startup Tourkrub is reportedly raising \$5 million in a Series B funding round from undisclosed investors, according to a statement. The company's fundraising round is followed by a \$3 million funding by Thailand's local travel group King Power Click.

## TODAY'S TOP GLOBAL NEWS

### Boeing sounds alarm about virus impact on aviation

Boeing issued a stark warning about the impact of the deadly coronavirus outbreak, saying there was "no question" it would hammer the aviation industry and the broader economy. The virus has killed more than 1,100 people and infected tens of thousands in China, and spread to over two dozen other countries.

### TDF rates lower on all tenors; ₱170 B offered

The central bank's three-tenor term deposit facility (TDF) all had lower yields this week following the Monetary Board's decision to cut the policy rate by 25 basis points (bps) last Thursday, bringing down the benchmark or the RRP to 3.75 percent.

### SoftBank Vision Fund loses US\$2b on struggles

In a sign of continuing struggles with its startup investments, SoftBank Group Corp lost money again in its Vision Fund, one quarter after the Japanese company posted a record quarterly loss driven by the meltdown at WeWork. The Vision Fund lost 225.1 billion yen (\$2.84 billion) for the three months ended in December.

### WhatsApp hits 2 bn users, defends encryption features

WhatsApp now has 2 billion users -- 500 million more than it had just two years ago. The messaging service announced the latest tally Wednesday, about six years after Facebook Inc. acquired the app for \$19 billion.