

The Daily Dispatch

February 17, 2021
TODAY'S TOP NEWS

Gov't to devolve P295B of projects

The budget department has ordered agencies to prioritize the full devolution of certain local infrastructure projects next year to ensure continuous funding for big-ticket items. A Supreme Court ruling that gives local governments a bigger share in national taxes will take effect in 2022.

Duterte signs FIST into law

President Rodrigo R. Duterte on Tuesday signed the law allowing financial institutions to sell bad loans to asset management companies. Republic Act No. 11523, FIST Act, creates specialized asset management firms that would acquire nonperforming assets from distressed financial institutions.

PH sole newsprint manufacturer halts operations

The country's sole newsprint manufacturer is looking to restart operations in the second half after it stopped production last year. Trust International Paper Corp. (TIPCO) had let go of 258 direct employees in June 2020 when it stopped manufacturing operations due to pandemic-related constraints.

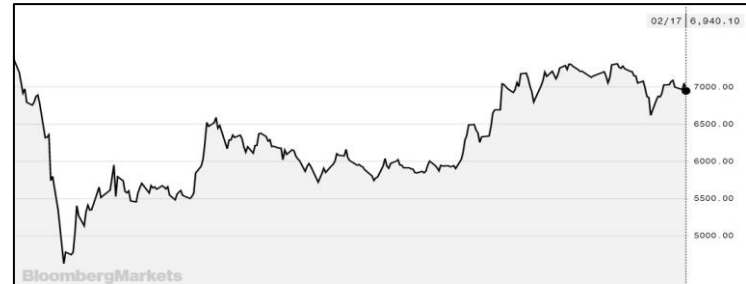
Ayala unit sells Manila Water shares to Razon

A subsidiary of Ayala Corp. has agreed to sell its preferred shares in Manila Water Co., Inc. to Trident Water Co. Holdings, Inc. as control over the water concessionaire continues to shift. The company said the preferred shares are equivalent to a 39.09% voting stake and 8.19% economic stake in Manila Water.

Yoshinoya to open 50 stores in PH after Jollibee JV

Japanese beef bowl restaurant Yoshinoya is expected to have more stores in the Philippines, after the brand entered into a partnership with Jollibee Foods Corporation.

Philippine Stock Market Update



Previous Close:

7,044.06

1 Yr Return:

-3.57%

Open:

6,991.36

YTD Return:

-2.70%

52-Week Range:

4,039.15 - 7,472.99

Source:

Bloomberg

Foreign Exchange

As of Feb. 16, 2021

US Dollar	Philippine Peso
1	48.3

BVAL Reference Rates

As of Feb. 16, 2021

Tenor	Rate
1Y	1.423
3Y	2.229
5Y	2.708
7Y	2.937
10Y	3.143
20Y	4.027

Daily Quote

"One person can make a difference,
and everyone should try."

-- John F. Kennedy

The Daily Dispatch

MORE LOCAL NEWS

MetroPac Movers begins construction of Sta. Rosa hub

Sta. Rosa, Laguna—MetroPac Movers Inc (MMI) recently began construction of a large scale, co-located dry goods and cold storage facility in Sta. Rosa, Laguna, as part of a strategic pivot towards systems integration in the supply chain category.

First Gen's 414-MW plant in Batangas now back online

First Gen Corp. said it had brought back online on Monday its 414-megawatt (MW) San Gabriel combined cycle power plant in Batangas, after having been out of commission since September 2020.

Cebu Air sets pricing for P12.5-B share sale

The operator of budget airline Cebu Pacific finalized the pricing details of a P12.5-billion share sale set in March this year. Cebu Air Inc., the carrier's listed operator, said the sale would involve a convertible preferred share offer to existing stockholders.

Citi hikes inflation forecast to 3.6%

Global banking giant Citi has raised its inflation forecast for the Philippines over the next two years, but expects the Bangko Sentral ng Pilipinas (BSP) to keep rates at an all-time low of two percent until the middle of next year to help the economy recover from the pandemic-induced recession.

Consumer spending to fuel bounceback

Robust household spending is seen fuelling a strong rebound from a pandemic-induced recession last year, the research unit of the Fitch Group said. Fitch Solutions Country Risk and Industry Research said consumer spending is seen bouncing back with a 5.7-percent growth this year after contracting by seven to nine percent last year.

SM Prime income drops 52% in 2020

Property giant SM Prime reported a consolidated net income of P18b last year, down 52% from P38.1b posted in 2019. SM Prime president Jeffrey Lim said the company's core businesses are slowly recovering from the contraction brought about by community quarantines which were imposed since last year as a result of the COVID-19.

BDO installing more QR-enabled ATMs

BDO Unibank Inc. will install more QR (quick response)-enabled ATMs nationwide to allow more convenient transactions for clients and at the same time limit the risk of exposure to COVID-19. Tovi Mendoza, senior vice president, said withdrawing using QR codes is now available with 100 QR-enabled ATMs in Makati City.

ING sees strong Q2 GDP rebound

ING Bank said the Philippines is in for a strong bounceback with a double-digit growth in the second quarter, ending 5 quarters of contraction brought about by the recession. ING said the GDP is seen growing by 13% in Q2 from a contraction of 3.4% in Q1 as the economy further reopens from measures to contain the spread of COVID-19.

Peso strongest in 4 years as forex reserves ease

The peso yesterday pierced the 47 to \$1 level to hit its strongest level in more than 4 years as the country's foreign exchange buffer eased in January from an all-time high in December. The local currency gained 11.5 centavos to close at 47.93 to \$1 from Thursday's 48.045 to \$1. It opened stronger at 48.04 and hit an intra-day high of 47.9.

LandBank bares P2-b lending program for fishers

Land Bank of the Philippines said Tuesday it launched a P2-billion loan program to help commercial fishing operators to upgrade or acquire new vessels. LandBank president Cecilia Borromeo said the new credit facility would be available under the commercial fishing vessel financing program.

The Daily Dispatch

TODAY'S TOP ASIAN NEWS

JD.com's logistics unit to sell shares via HK IPO

The logistics unit of Chinese e-commerce giant JD.com is set to sell its shares through an initial public offering (IPO) at the Hong Kong stock exchange. JD Logistics' application to the local bourse on Tuesday came more than two months after JD Health raised US\$3.5 billion in its maiden share offering in December.

Japan exports, machine orders pick up in January

Japan's exports accelerated in January, led by a jump in Chinese demand, and manufacturers' sentiment turned positive for the first time since 2019 signalling a gradual recovery from last year's deep coronavirus slump, reports showed on Wednesday (Feb 17).

Hedge fund bets on Indo, Sg currencies strengthening

A macro hedge fund spun out of Millennium Management is building bullish positions in the Indonesian rupiah and Singapore dollar, betting that measures adopted by the two countries could boost their currencies.

Ascendas India Trust to buy office building for \$92m

Ascendas India Trust (a-iTrust) has entered into definitive agreements to acquire another office building at Hitec City in Hyderabad, India. The first Indian property trust in Asia will purchase the aVance 6 building from Phoenix Infocity for 5.06 billion rupees (S\$92 million), its manager said yesterday.

HK developer sells Asia's priciest apartment

Hong Kong tycoon Victor Li's CK Asset Holdings sold a luxury apartment for a record-breaking HK\$459 million (S\$78.4 million), another sign that the city's upscale housing market is recovering.

TODAY'S TOP GLOBAL NEWS

Berkshire reveals big stakes in Verizon, Chevron

Warren Buffett's Berkshire Hathaway Inc on Tuesday announced two major new investments, revealing an \$8.6 billion stake in the phone company Verizon Communications Inc and a \$4.1 billion stake in oil company Chevron Corp.

Chip shortage could impact nearly 1M vehicles

A shortage of auto semiconductor chips could impact nearly 1 million units of global light vehicle production in the first quarter, data firm IHS Markit said on Tuesday, significantly upping a prior forecast.

Adidas plans to sell struggling Reebok brand

German sportswear maker Adidas plans to sell or spin off its underperforming Reebok brand, 15 years after it bought the United States fitness label to help compete with archrival Nike.

Amazon quietly acquires e-commerce rival Selz

Amazon has quietly purchased the Australian-based e-commerce platform Selz, which enables businesses to build their own online stores. The deal, terms of which were not disclosed, was made last month and confirmed by Selz in a blog post. US media reported the acquisition on Tuesday (Feb 16).

Nestle to sell N.American water brands to One Rock

Nestle SA said on Wednesday it will sell its North American water brands including Pure Life and Poland Spring to private equity firms One Rock Capital Partners and Metropoulos & Co for \$4.3 billion.