

# The Daily Dispatch

February 18, 2020  
TODAY'S TOP NEWS

## Despite COVID-19, Fitch unit keeps PH GDP outlook

Fitch Solutions Macro Research is maintaining its gross domestic product (GDP) growth forecast for the Philippines for now despite the outbreak of coronavirus disease (COVID-19). The research arm of the Fitch Group has retained the projected GDP growth of the Philippines at 6.3 percent this year.

## Remittances hit record highs in 2019

The amount of money sent home by Filipinos abroad hit record levels last year, piling up for six consecutive months going into the Christmas holidays, despite fears of a global recession and rising geopolitical tensions, the Bangko Sentral ng Pilipinas (BSP) reported yesterday.

## PCC raises thresholds for M&A review

The PCC raised the thresholds for the compulsory notification of mergers and acquisitions (M&A), with the adjustments to take effect next month. PCC said it raised the threshold for the size of persons or the value of assets or revenues of the ultimate parent entity to P6 billion from P5.6 billion previously.

## Eton Properties not for sale — Tan Say

Eton Properties chief operating officer Karlu Tan Say, said her father Lucio Tan's property company is not for sale. Say, who succeeded her late brother Lucio "Bong" Tan Jr. as COO of Eton, said the company posted strong sales last year and is expected to maintain its upward momentum.

## SM Prime malls, residences drive 18% profit rise

Earnings of SM Prime Holdings, Inc. in 2019 rose 18% to P38.1 billion, driven by the sustained growth of its mall and residential network across the country. The Sy-led property developer reported double-digit growth in its consolidated net income amid a 17% increase in its consolidated operating income to P56.7 billion.

## Philippine Stock Market Update



**Previous Close:**

7,326.85

**1 Yr Return:**

-6.45%

**Open:**

7,329.03

**YTD Return:**

-6.09%

**52-Week Range:**

7,129.19 - 8,419.59

**Source:**

Bloomberg

## Foreign Exchange

As of Feb. 17, 2020

US Dollar	Philippine Peso
1	50.582

## PDST-R2 Rates

As of Feb. 17, 2020

Tenor	Rate
1Y	3.8890
3Y	4.1300
5Y	4.2660
7Y	4.3330
10Y	4.3970
20Y	4.9730

## Daily Quote

"Success seems to be connected with action. Successful people keep moving. They make mistakes, but they don't quit."

-- Conrad Hilton

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## MORE LOCAL NEWS

### EO imposes price cap on 133 medicines

PRESIDENT Rodrigo R. Duterte on Monday signed the executive order (EO) placing cap on the retail prices of 133 medicines, including those for hypertension, diabetes, cardiovascular disease and some types of cancer.

### International tourist arrivals hit 8.26 million

INTERNATIONAL tourist arrivals reached 8.26 million in 2019, exceeding its 8.2 million full-year target, the Department of Tourism (DoT) reported on Monday. In a statement, the DoT said the annual tourist arrivals figure was 15.24% higher than the previous year's 7.17 million.

### Bacoor projects seen to yield P1.8B annually

Development projects in Bacoor are being carried out in full consideration of environment preservation, said Bacoor City Mayor Lani Revilla. These projects, which include the proposed 420-hectare reclamation projects along the city's coast, are expected to provide the city of Bacoor in Cavite with additional P1.8 billion annual revenue.

### BDO leasing unit questions SEC halt order

Leasing firm BDO Leasing and Finance Inc. (BLFI) is contesting the Securities and Exchange Commission (SEC)'s suspension of its registration statement as a listed company that removed its capability to offer shares to the public.

### Local insurance player gets fresh capital infusion

Non-life player SGI Philippines General Insurance Co. Inc. has already pumped up its capitalization to P1.3 billion ahead of the 2022 deadline for insurers to raise paid-up capital.

### China loans for PH infra projects to continue

MANILA, Philippines—Even as the Chinese economy takes a hit from the COVID-19 outbreak, Beijing's top diplomat in Manila has assured that the economic giant will continue to extend loans and grants for big-ticket infrastructure projects in the Philippines.

### Globe partners with Ilocos Norte for free Wi-Fi

Globe Telecom partnered with the provincial government of Ilocos Norte to boost the digital transformation of the province, also known as the "Northern Gateway of the Philippines."

### Treasury bill rates fall further

Dollars sent back to the country by expatriate Filipinos hit their highest level in history last year, thanks to the growing amount of dollars remitted by land-based workers with long-term contracts, the Bangko Sentral ng Pilipinas said on Monday.

### Eastern Comm. sets bigger expansion in 2020

EASTERN Communications, one of the premier telecommunications companies in the country, is further expanding services to more areas, with ongoing network buildup in Luzon, Visayas, and Mindanao this 2020.

### SEC suspends registration statement of BDO Leasing

THE Securities and Exchange Commission has suspended the registration statement as a listed company of BDO Leasing and Finance Inc. after learning its primary business will be changed with the sale of most of the company to a group led by Luis Yu.

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## TODAY'S TOP ASIAN NEWS

### Virus could be knockout blow for HK tourism, retail

The coronavirus, which has killed more than 1,700 people across the border in mainland China and one of 60 patients in Hong Kong, has reduced tourist arrivals to a trickle and kept residents away from shops at a time when the city is mired in its first recession in a decade.

### Japan economy logs worst drop in over five years

Japan's economy suffered its worst quarterly contraction in more than five years at the end of 2019 after a tax hike and typhoons, according to official data. The nation's gross domestic product in the three months to December shrank 1.6 percent from the previous quarter, before the novel coronavirus outbreak in China hit Japan.

### China's coronavirus death toll passes 1,800: govt

The death toll from China's new coronavirus epidemic jumped past 1,800 on Tuesday after 93 more people died in Hubei province, the hard-hit epicentre of the outbreak. In its daily update, the province's health commission also reported 1,807 new cases, a smaller number of infections compared to those declared on Monday.

### Covid-19 prompts bet on low-risk govt papers

INVESTORS are parking their funds in low-risk government securities amid uncertainties posed by coronavirus disease 2019 (Covid-19.) The Bureau of the Treasury's (BTr) Auction Committee on Monday fully awarded bids for the Treasury bills (T-bills) worth P20 billion on offer amid strong market demand.

### Metrobank participates in CLS Settlement service

CLS Group Holdings AG, a market infrastructure delivering settlement, processing and data solutions, announced on Feb 17 that Metropolitan Bank & Trust Co. (Metrobank) is the 1st Philippine bank to access CLS Settlement as a 3rd-party participant. UBS, a CLS Settlement member, will provide access to Metrobank, the company said.

## TODAY'S TOP GLOBAL NEWS

### Apple unlikely to meet revenue due to virus

Apple Inc (AAPL.O) said on Monday it would not meet its revenue guidance for the March quarter because of the coronavirus outbreak slowing iPhone production and weakening demand in China.

### U.S. mulls cutting Huawei from global chip suppliers

The Trump administration is considering changing U.S. regulations to allow it to block shipments of chips to Huawei Technologies from companies such as Taiwan's TSMC (2330.TW), the world's largest contract chipmaker, two sources familiar with the matter said.

### German court orders Tesla to stop clearing factory

The Higher Administrative Court for Berlin-Brandenburg ordered Tesla to stop clearing trees on the wooded site near Berlin until it considers an environmental group's appeal. In a statement on Sunday, the court said it had to issue the injunction because otherwise Tesla might have completed the work over the next three days.

### Apple will miss revenue forecasts due to virus

"We do not expect to meet the revenue guidance we provided for the March quarter," it said in a statement, adding that worldwide iPhone supply would be "temporarily constrained" and demand in China had been affected.

### Bezos launches \$10b fund to combat climate change

In a post to his 1.4 million followers on Instagram, the e-commerce tycoon said the Bezos Earth Fund would "fund scientists, activists, NGOs — any effort that offers a real possibility to help preserve and protect the natural world."