

The Daily Dispatch

March 17, 2020
TODAY'S TOP NEWS

DTI guidelines propose rent relief for retailers

The Department of Trade and Industry (DTI) has asked mall operators and commercial landlords to waive rents as stores shut during the month-long Metro Manila quarantine. DTI said in its "guidelines" that "with the declaration of General Community Quarantine," mall operations will be limited to establishments offering basic necessities.

Jan. remittance growth fastest in nearly 2 years

Money sent home by overseas Filipino workers (OFW) climbed at its quickest pace in nearly two years in January as diversified deployments helped boost inflows amid global uncertainties. Analysts, however, warned that the coronavirus disease 2019 outbreak could dent remittances — which provide a boost to household spending.

Banks see lower loans, more bad debt on virus

Banks have now activated their business continuity plans (BCP) and are allowing flexible work arrangements as they brace for the impact of the coronavirus disease 2019. A reduction in new loan bookings by 20% compared to the previous year is possible. Nonperforming loans (NPL) may double by December 2020 compared to the previous year's.

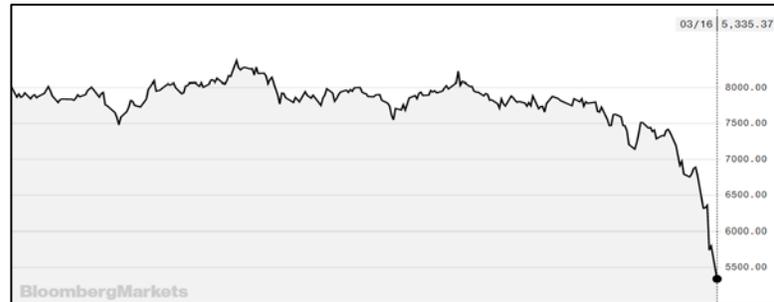
Peso weakens on virus fears

The peso shed 47 centavos yesterday to close at a five-month low of 51.5 to \$1 from Friday's 51.03 as the coronavirus disease 2019 or COVID-19 continued to wreak havoc on financial markets around the world. BSP Gov. Benjamin Diokno brushed aside the weakening of the peso, saying the Philippines has strong macroeconomic fundamentals.

BSP expected to cut rates on Thursday

The Bangko Sentral ng Pilipinas (BSP) is seen cutting interest rates by 50 basis points or more on Thursday to cushion the impact of the coronavirus disease 2019 or COVID-19 on the economy. BSP Governor Benjamin Diokno said in a television interview that monetary authorities have enough space.

Philippine Stock Market Update



Previous Close:

5,793.94

Open:

5,506.96

52-Week Range:

5,097.90 - 8,419.59

1 Yr Return:

-30.34%

YTD Return:

-31.73%

Source:

Bloomberg

Foreign Exchange

As of Mar. 16, 2020

US Dollar	Philippine Peso
1	51.57

BVAL Rates

As of Mar. 16, 2020

Tenor	Rate
1Y	3.671
3Y	4.340
5Y	4.476
7Y	4.534
10Y	4.684
20Y	4.818

Daily Quote

"The best way out is always through."

-- Robert Frost

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MORE LOCAL NEWS

Energy companies are business as usual

Energy companies are on business as usual mode despite different levels of impact of the spread of the corona virus disease (COVID-19). While there is an expected drop in vehicle usage, fuel companies see an uptick in the consumption of liquefied petroleum gas (LPG) as more Filipinos stay at home.

PSEi plunges to 7-year low

Share prices continued to plunge yesterday, sinking to their lowest level in seven years as investors count the cost of the impact of the coronavirus disease 2019 or COVID-19 on the economy. Several mall chains in Metro Manila announced their temporary closure starting Sunday, resulting in an even bleaker outlook.

AC Energy 2019 income balloons to P 24.6B

AC Energy Inc. said its net earnings ballooned six times to P24.6 billion in 2019 from P4.1 billion in 2018 as new solar farms in Vietnam went online and while the Ayala subsidiary partially unloaded its thermal assets in the Philippines.

Employees take hit as Lucio Tan firm losses soar

MacroAsia Corp., the country's largest aviation support company, is slashing costs as the airline sector reels from the COVID-19 pandemic. Lucio Tan-led MacroAsia said it started on Monday a rota-ting voluntary no-work, no-pay schedule across all pay grades and that employees would be offered early retirement with no premium.

CebPac announces layoffs as local flights grounded

MANILA, Philippines — Cebu Pacific, the country's largest budget airline, is letting go of over 150 cabin crew members on Thursday as the COVID-19 pandemic forces it to ground all domestic flights by March 20 this year.

PH stock market shuts down indefinitely by Mar 17

The Philippine Stock Exchange is shutting down trading starting Tuesday, March 17, until further notice. This is in line with Pres. Rodrigo Duterte's order widening the ongoing "community quarantine" to the entire Luzon island and not just Metro Manila. The lockdown is intended to contain the coronavirus (COVID-19) pandemic.

SM allots P100M for COVID-19 front-liners

The country's largest conglomerate SM Investments Corp. (SM) has earmarked P100 million to help public hospitals acquire coronavirus (COVID-19) testing kits and equipment for healthcare workers, the front-liners in the battle against this new pandemic.

TODAY'S TOP ASIAN NEWS

Tencent set for fastest growth since 2018

Tencent Holdings picked up millions of new gamers during the global coronavirus outbreak - yet that surge in mobile play may be slowing as the world's No 2 economy goes back to work. The quest for entertainment among millions confined to home translated into a big boost for Tencent's marquee games, Honor of Kings and Peacekeeper Elite.

Gateway Partners to buy \$100m stake in TVS SCS

Singapore-based private equity firm Gateway Partners is acquiring a minority stake in TVS Supply Chain Solutions Ltd (TVS SCS), for \$100 million, the logistics arm of the \$8.5-billion TVS Group, said in a statement. The investment involves both primary portion and secondary element, TVS SCS said in a statement Monday.

Indian social commerce app Shop101 raises \$3.9m

Social commerce startup Shop101 is raising about \$3.9 million (Rs 28.69 crore) in Series C funding from its existing investors, including Stellaris Venture Partners, Unilever Ventures, Kalaari Capital, and Vy Capital.

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MORE ASIAN NEWS

Tencent Music beats revenue estimates as users surge

China's Tencent Music Entertainment Group beat Wall Street estimates for fourth-quarter revenue on Monday, as the music streaming service added more paying users, sending its shares up 3% in U.S. extended trading.

Family offices make inroads in China

For a country that's adding billionaires at the world's fastest pace, China doesn't have many businesses that specialize in serving ultra-high-net-worth individuals. The nation's newly wealthy are distrustful of outsiders and clans frequently prefer turning to executives within the family business to run their investments.

Asia markets fall as US may go into recession

Most Asia-Pacific stocks tumbled Tuesday, taking cues from the biggest-ever sell-off of US equities overnight, as President Donald Trump conceded the world's largest economy "may be" headed for a recession and the Group of 7 leaders vowed to work together to blunt the economic chaos caused by the coronavirus.

China boosts face mask production fivefold

China has stepped up its capacity to produce face masks by more than five-fold in a span of one month amid the global coronavirus scare. The manufacturing feat is fanning concerns about a glut when infection cases taper off.

TODAY'S TOP GLOBAL NEWS

Amazon to hire 100,000 workers for online orders

Amazon.com Inc (AMZN.O) on Monday said it would hire 100,000 warehouse and delivery workers in the United States to deal with a surge in online orders, as many consumers have turned to the web to meet their needs during the coronavirus outbreak.

Single biggest shock' for Airlines, airports

Airlines and airport operators said they are taking steps such as suspending dividends, selling and leasing back airplanes and flying cargo on empty passenger jets as they grapple with a cash crunch and plunging demand caused by the coronavirus outbreak.

EU PEs preparing portfolios to fight cash crunch

European private equity firms are preparing their portfolios for a potential liquidity crunch as the impact of the coronavirus roils markets and threatens global growth, people with knowledge of the matter said.

Dow plunges 3,000 pts for biggest 1-day drop ever

The Dow Jones Industrial Average on Monday plunged 3,000 points for its biggest one-day point drop ever as US President Donald Trump updated the nation on the coronavirus outbreak spreading throughout America.

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Airbnb extends full refund policy worldwide

The San Francisco-based company said it will extend its virus-related cancellation policy to every country in the world, allowing hosts and guests to cancel reservations with no charge or penalty.