

The Daily Dispatch

March 18, 2020
TODAY'S TOP NEWS

PHL becomes 1st country to shut financial markets

The Philippines on Tuesday became the first country to shut all financial markets until further notice, amid the implementation of a lockdown in Luzon aimed at curbing the spread of the coronavirus disease 2019 (COVID-19).

Aboitiz group allocates P73B capex this year

Aboitiz Equity Ventures, Inc. (AEV) is setting aside P73 billion in capital expenditures (capex) in 2020, with its power and infrastructure units getting the biggest share, the holding firm said on Tuesday. This year's allocation is nearly 38% higher than the P53 billion spent in 2019, it added.

BSP to boost oversight of payment systems

The Bangko Sentral ng Pilipinas (BSP) is looking to boost its oversight of payment systems under a draft circular which will establish a framework for the sector. The draft framework now open for industry comments provides that the BSP may issue policies to boost "innovative" payment solutions while mitigating risks associated with the use of

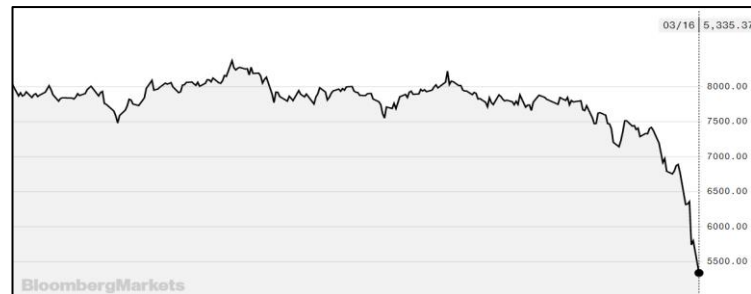
PH eyes \$1B in loans vs COVID-19

The Philippines is seeking \$1 billion (more than P51 billion) in loans to nearly triple its war chest in the fight against COVID-19, hoping to boost the P27.1-billion package unveiled by President Duterte's economic team.

Ayala unveils P2.4B COVID-19 response package

The country's oldest business house, Ayala group, has unveiled a P2.4-billion coronavirus (COVID-19) response package for businesses within its eco-system, including income support and rent condonation for tenants of shopping malls padlocked during the month-long Luzon-wide lockdown.

Philippine Stock Market Update



Previous Close:

5,335.37

Open:

6,384.28
5,097.90

52-Week Range:

5,097.90 - 8,419.59

1 Yr Return:

-31.10%

YTD Return:

-31.73%

Source:

Bloomberg

Foreign Exchange

As of Mar. 17, 2020

US Dollar	Philippine Peso
1	51.8

BVAL Reference 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

"Grant me courage to serve others;
For in service there is true life."

-- Cesar Chavez

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MORE LOCAL NEWS

Meralco, distributors extend bill collection by a month

The Energy Regulatory Commission ordered distribution utilities in Luzon to extend by a month the collection of customer bills falling due on March 15 to April 14 following the government's pronouncement of an enhanced community quarantine for Luzon.

PH airlines workers' fears heighten

Employees of domestic airlines are worried about their jobs as operators power down their fleets and ground hundreds of aircraft after President Rodrigo Duterte ordered wider measures to contain the spread of the new coronavirus disease 2019 (COVID-19).

Farmland buyouts feared over REIT revisions

The private sector has sounded the alarm over the threat of massive buyout of farmlands amid the revisions in the Real Estate Investment Trust Act (REIT) that will leave more farmers jobless. The Philippine Chamber of Agriculture and Food Inc. (PCAFI) has expressed concern over the imminent destruction of agricultural lands.

Bataan coal plant construction postponed

The completion of a coal-fired power plant in Bataan has been further pushed back to the third quarter due to the coronavirus (COVID-19) disease. The management of Aboitiz Power Corp. acknowledged that the virus outbreak affected the construction of GNPowder Dinginin Coal Plant Ltd. Co.

Philippines growth target down to 5.4 % — Moody's

Moody's Investors Service slashed anew the gross domestic product (GDP) growth forecast for the Philippines to 5.4 percent this year due to the impact of the coronavirus disease 2019 or COVID-19. This is the second time in less than a month that the debt watcher lowered the GDP growth target for the Philippines.

Banks extend due dates of borrowers

Philippine banks are heeding the call of the Bangko Sentral ng Pilipinas (BSP) to waive the fees for digital transactions and extend the due dates of borrowers amid the month-long enhanced community quarantine adopted by Malacañang to prevent further spread of the coronavirus disease 2019 or COVID-19.

GCash, partners to raise funds for health workers

FINANCIAL technology (fintech) company GCash has partnered with seven nongovernment organizations (NGOs) and foundations to launch a fund-raising campaign to purchase medical gear for the frontline health workers that are fighting the deadly novel coronavirus (Covid-19).

SM Group to donate P100 million to hospitals

The SM Group on Tuesday said it has allocated P100 million to provide personal protective equipment, Covid-19 test kits, alcohol and other medical supplies to the Philippine General Hospital (PGH), Research Institute for Tropical Medicine (RITM) and other hospitals.

GSIS, SSS buy P385 million worth of stocks

State-run Social Security System (SSS) and Government Service Insurance System (GSIS) bought a combined total of P385.089 million worth of stocks on the last trading day of the Philippine Stock Exchange (PSE) before the entire Luzon island was placed on enhanced community quarantine.

PH capital markets to reopen

The Philippine capital markets will reopen while Metro Manila remains on a month-long lockdown, the Department of Finance (DOF) said late Tuesday. The Philippine Dealing System, the Philippine Stock Exchange, and the Bangko Sentral ng Philipinas (BSP) will be exempted from the Luzon-wide enhanced community quarantine.

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TODAY'S TOP ASIAN NEWS

SoftBank Group falls most after S&P cuts outlook

SoftBank Group Corp. shares fell the most since 2012 after S&P Global Ratings cut its outlook to negative, citing the broad market declines and the Japanese conglomerate's plans to spend up to 500 billion yen (\$4.7 billion) buying back shares.

Indian microlender SmartCoin snags \$7m

Bengaluru-based micro-lending company SmartCoin has raised about \$7 million in a fresh funding round led by impact investment fund LGT Lightstone Aspada. Existing investors Unicorn India Ventures and Accion Venture Lab also participated in the round.

Thai SCG packaging unit's \$1b IPO put on hold

The \$1 billion initial public offering (IPO) of Thailand's Siam Cement Group Plc's (SCG) packaging business has been shelved with global financial markets roiled by the coronavirus epidemic, two sources with direct knowledge of the matter said.

As China's outbreak eases, a wary return to shops

As shops shut their doors across Europe and the United States, in China the sharp drop in new coronavirus cases has encouraged consumers to venture back into malls and restaurants - for the most part quite gingerly but occasionally in throngs.

TODAY'S TOP GLOBAL NEWS

Virus-stricken airlines face bailout or bust

Airlines worldwide face an unprecedented existential threat as the coronavirus shuts down global travel, leaving governments with controversial and costly decisions about which carriers to bail out. A toxic mix of fear, crippling travel bans and investor panic have pummelled the sector.

U.S. airlines try to quickly reduce workforce

U.S. airlines are seeking to quickly reduce their workforces through early retirement packages or unpaid leave of up to 12 months with medical benefits in an effort to cut costs as the rapid spread of the coronavirus keeps people from flying.

Trump seeks \$1 trillion economic stimulus

The Trump administration on Tuesday pursued a \$1 trillion stimulus package to buttress an economy hit by coronavirus fears that could deliver \$1,000 checks to Americans within two weeks, while New York said it might order residents of the most populous U.S. city to stay at home.

World Bank adds \$2 billion to funds available

- The World Bank on Tuesday said it had increased to \$14 billion the amount of fast-track financing available to members to respond to the global coronavirus pandemic, adding \$2 billion to an initial package announced on March 3.

Global recession likely as COVID extends disruption

A global recession is now becoming more likely as the rising number of cases of COVID-19 worldwide lead to greater disruption and aggressive market selloff, Oxford Economics said. The still slow normalization of businesses in China also suggests that this will be an even bigger drag on global growth than what was expected.

Exxon pays more to borrow amid market turmoil

Exxon Mobil Corp (XOM.N) paid a big premium to raise \$8.5 billion in new debt on Tuesday, as a rout in energy prices and stock market jitters fueled by the coronavirus outbreak eroded investor confidence in the largest U.S. oil producer.