

# The Daily Dispatch

March 23, 2020  
TODAY'S TOP NEWS

## PSE tightens trading band to address volatility

The Philippine Stock Exchange Inc. (PSE) said it has been allowed to reduce the lower static threshold of individual stock prices to 30 percent, from 50 percent based from its previous closing price to address volatility during trading.

## SM assures workers of salaries, benefits

The SM Group, one of the largest employers in the country, said all of its employees will receive their regular compensation, as well as the extension of an emergency financial assistance to its frontliners, security guards and janitorial staff during the enhanced community quarantine during March 16 to April 14.

## Petron assures steady fuel supply

The country's largest oil refiner assured consumers of continuous supply of its petroleum products while Luzon is under enhanced community quarantine, which affects more than 50 million people. Petron Corp. also said it would make sure that there is enough fuel for vital industries while Luzon is grappling with Covid-19.

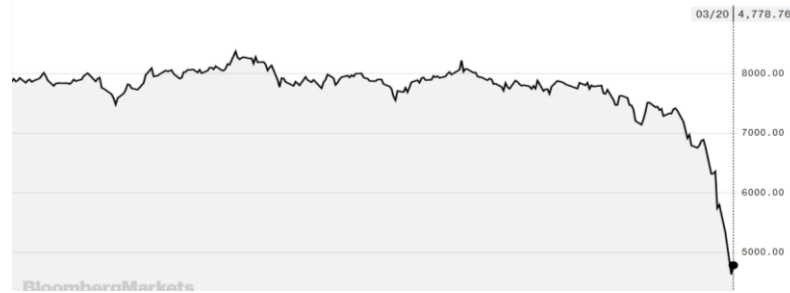
## DOTr bans entry of foreigners

Only Overseas Filipino Workers (OFWs), repatriating Filipinos, their foreign spouses and children (provided that the foreign spouse and children are traveling with the Filipino national), foreign government and international organization officials accredited to the Philippines, will be allowed to enter the country.

## FiT-All fund sufficient to support renewables

The National Transmission Corp. said it still has a "sufficient" balance in the feed-in-tariff allowance (FiT-All) fund to aid renewable energy developers and help sustain their operations during the Luzon-wide enhanced community quarantine.

## Philippine Stock Market Update



Previous Close:  
4,778.76

1 Yr Return:  
-41.29%

Open:  
4,527.29

YTD Return:  
-41.98%

52-Week Range:  
4,039.15 - 8,419.59

Source:  
Bloomberg

## Foreign Exchange

As of March 20, 2020

US Dollar	Philippine Peso
1	51.110

## PDST-R2 Rates

As of March 20, 2020

Tenor	Rate
1Y	3.7210
3Y	4.5360
5Y	4.7970
7Y	4.9000
10Y	4.9400
20Y	5.2910

## Daily Quote

"The future depends on what you do today."

-- Mahatma Gandhi

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## MORE LOCAL NEWS

### Panic selling pulls down SM Prime

Panic selling among investors prevailed during the shortened trading week amid continued pandemic uncertainty, making Sy-led SM Prime Holdings, Inc. one of actively traded issues last week. A total of 83 million SM Prime shares worth P2.17 billion exchanging hands from March 16 to 20, data from the PSE showed.

### FedEx continues to reach virus-stricken locations

Multinational logistics company FedEx Corp. said it continues with its delivery services to and from areas affected by the spread of coronavirus disease 2019 (COVID-19). It said it was delivering medical supplies donated by international non-government organizations to the Philippines' Health department.

### PH economy to barely grow in 2020

The Philippine economy is expected to "barely grow at all in 2020 as a whole," but is expected to rebound strongly in 2021 to register a growth rate of 8.5 percent, said London-based Capital Economics.

### PAL struggles to continue international flights

Philippine Airlines has mustered up enough strength to continue operating a number of international flights in the next few days amid losses. PAL said it would operate limited international services to and from Manila in response to the government's call to help foreign tourists return home and OFWs fly back to their places of work.

### External debt up 6% to \$83.6 billion

The country's external debt increased by nearly six percent to \$83.62 billion in 2019 from \$78.96 billion in 2018 as the national government borrowed more from foreign lenders to finance infrastructure development and social services, according to the Bangko Sentral ng Pilipinas.

### Government cash buffer still healthy

The government still has a healthy cash buffer to fund programs despite the one-month extension of the deadline for income tax filing and payments, according to the BTr. National Treasurer Rosalia de Leon said the government coffer is still awash with cash following the successful issuance of retail Treasury bonds.

### D&L keeps food, sanitation production going

Despite challenges arising from the Luzon-wide quarantine, food and plastic input manufacturer D&L Industries is keeping selected production lines operational to prevent any disruption in the supply of raw materials for the critical food and sanitation chemical industries.

### BIR wants tax amnesty application deadline extended

The Bureau of Internal Revenue (BIR) has recommended the extension of the deadline for application for the ongoing tax amnesty program on delinquencies, while tax managers last week sought clarification on the one-month deadline extension for the filing of 2019 income tax returns.

### Manila Water boosts supply flow

Manila Water Co. Inc. has installed 63 line boosters in the East Zone to bring supply to areas that are on high ground or are farthest from their central distribution system as the high-demand summer months approach.

### Century Pacific: no production shortfall

Po family-led Century Pacific Food Inc., the country's largest canned food producer, assured the public of sufficient supply of its products during the month-long quarantine of Luzon, refuting talks about a looming shortfall.

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## MORE LOCAL NEWS

### Big firms defer fund-raising plans

Some of the country's top corporations have deferred big-ticket fund-raising plans amid the financial market bloodbath and Luzon-wide lockdown triggered by the COVID-19 pandemic.

## TODAY'S TOP ASIAN NEWS

### South Korea drive-in cinemas enjoy sales boom

A long queue of cars forms in front of a drive-in cinema in Seoul, as South Koreans look for safer spaces to enjoy a movie without the risk of contracting the coronavirus raging across the world. Scores of events — from K-pop concerts to sports matches — have been cancelled or postponed over the contagion.

### Asia steps up virus efforts as 2nd wave strikes

From Australia's Bondi Beach to the streets of New Delhi, authorities across Asia have ramped up efforts to stem the spread of the deadly novel coronavirus amid fears of a second wave of infections in places where outbreaks had appeared under control.

### Social commerce startup Chilibeli bags \$10m

Indonesia-based social commerce startup Chilibeli has raised a Series A round of \$10 million led by US venture capital firm Lightspeed Venture Partners. Other VCs participating in the round include Golden Gate Ventures, Sequoia Surge, Kinesys Group, and Alto Partners, the company said in a statement.

### Li & Fung gets \$930m take-private offer

The family that founded the world's largest supplier of consumer goods, Li & Fung Ltd, is trying to take the company private in an HK\$7.22 billion (\$930 million) deal amid the double whammy of the U.S.-China trade war and the widening coronavirus pandemic.

### Yum China Holdings turns to catering, cooking kits

KFC and Pizza Hut operator Yum China Holdings Inc. is trying out new business lines like catering and delivering raw food for home-cooking to boost revenue as Chinese customers shun eating out amid the coronavirus pandemic.

## TODAY'S TOP GLOBAL NEWS

### Fed aid includes \$3k for families, \$4 tn liquidity

The coronavirus economic relief bill being finalized by the U.S. Congress will include a one-time \$3,000 payment for families and allow the Federal Reserve to leverage up to \$4 trillion of liquidity to support the nation's economy, U.S. Treasury Secretary Steven Mnuchin said on Sunday.

### Oil falls more than \$1 as coronavirus spreads

Oil prices fell more than \$1 a barrel at the start of the trading session on Sunday, as more governments ordered lockdowns to curb the spread of the global coronavirus pandemic that has slashed the demand outlook for crude. Brent crude LCOc1 futures fell \$1.84, or 6.8%, to \$25.14 a barrel by 2215 GMT.

### Virgin companies to invest \$250m to save jobs

British entrepreneur Richard Branson said on Sunday companies in his Virgin empire will be investing \$250 million in coming weeks and months to save jobs from the impact of the coronavirus outbreak.

### McDonald's to temporarily close UK, Ireland restos

McDonald's Corp (MCD.N) said on Sunday it would temporarily close all its restaurants in the UK and Ireland by Monday evening because of the coronavirus outbreak. "We have taken the difficult decision to close all McDonald's restaurants in UK and Ireland by 7pm on Monday 23rd March at the latest", the company said in a tweet.