

# The Daily Dispatch

March 25, 2020  
TODAY'S TOP NEWS

## Angkas starts food delivery service to help bikers

Ride-hailing platform Angkas now has a food delivery service to help its bikers during the government-imposed quarantine period. This was after the motorcycle taxi pilot run officially ended last Monday. Angkas (DBDOYC, Inc.) introduced late Monday night via social media its new food delivery service.

## Eagle Cement profit up 25% to P6 billion

Eagle Cement Corp. reported a 25% growth in its 2019 earnings, attributed to the full-year operation of its new production line in Bulacan. The cement manufacturer said its net income last year stood at P6.02 billion, driven by a 20% improvement in net sales to P19.82 billion.

## SEC asks finance firms to offer borrower relief

The Securities and Exchange Commission is appealing to financing and lending companies to relax their requirements for borrowers while Luzon is under quarantine. The corporate regulator asked firms to consider measures like loan term extensions and suspension of collection to help the community during the COVID-19 lockdown.

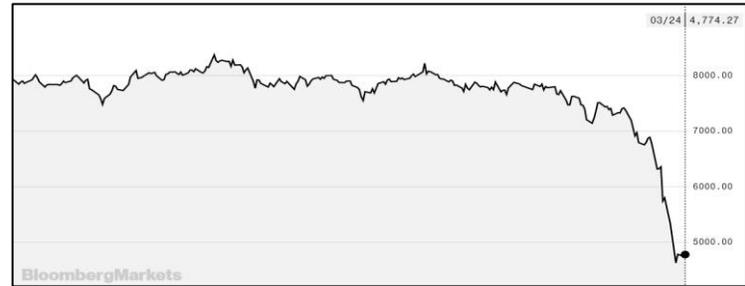
## NEDA warns of lower to negative GDP growth

The prevailing coronavirus disease 2019 or COVID-19 crisis will likely slow down Philippine economic growth this year to a range of between negative 0.6 up to 4.3 percent this year, if the adverse impact of the contagion on the economy is felt until June, according to a report by the National Economic and Development Authority.

## Land Bank assures continued cash grants

Land Bank of the Philippines said it will continue to release cash grants to the beneficiaries of the Conditional Cash Transfer (CCT) program of the Department of Social Welfare and Development's Pantawid Pamilyang Pilipino Program or 4Ps during the enhanced community quarantine (ECQ) lockdown.

## Philippine Stock Market Update



**Previous Close:**

4,774.27

**1 Yr Return:**

-34.16%

**Open:**

5,006.76  
5,000.50

**YTD Return:**

-35.13%

**52-Week Range:**

4,039.15 - 8,419.59

**Source:**

Bloomberg

## Foreign Exchange

As of Mar. 24, 2020

US Dollar	Philippine Peso
1	50.85

## BVAL Reference Rates

As of Mar. 24, 2020

Tenor	Rate
1Y	3.738
3Y	4.749
5Y	4.926
7Y	4.992
10Y	5.060
20Y	5.758

## Daily Quote

"Start by doing what's necessary; then do what's possible; and suddenly you are doing the impossible."

-- Francis of Assisi

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## MORE LOCAL NEWS

### BSP to cut RRR by 400 bps this year

The Bangko Sentral ng Pilipinas (BSP) will reduce banks' reserve requirement ratio (RRR) by another 400 basis points (bps) in 2020, effectively slashing the rate to 10 percent from 14 percent and flooding the financial system with fresh funds in the amount of P450 billion at least.

### Ayala unit completes P 4.6-B acquisition deals

AC Energy Philippines Inc. (ACEPH), through wholly owned subsidiaries, have closed two transactions amounting to a combined P4.61 billion and involving the acquisition of shares in two renewable energy firms.

### Kadiwa outlets eyed to augment food supply in metro

To provide more options for the public to access affordable agricultural products, the country's agriculture chief has instructed the heads of attached agencies to expand the number of "Kadiwa" outlets in the metropolis.

### Gov't gives 6 insurance firms temporary reprieve

The Insurance Commission (IC) has granted temporary reprieve even to insurers which had failed to meet end-2019 capitalization requirement as Luzon is rendered immobile by COVID-19 quarantine.

### Fuel-marking delivers 6B liters tax-paid petroleum

The volume of marked tax-paid oil products breached the six-billion liter mark last week, while the Bureau of Customs (BOC) sought exemption of the fuel marking program from movement restrictions during the Luzon community quarantine against the COVID-19 pandemic.

### PAL eyes more US flights w/ American Airlines pact

Lucio Tan's Philippine Airlines (PAL) is targeting eight new destinations in the United States, its largest expansion move in North America thus far, through an alliance with American Airlines, one of the "big three" carriers in the United States.

### Fitch unit cuts forecast for PH vehicle sales

A unit of Fitch group trimmed its forecast for Philippine vehicle sales this year as movement restrictions to slow the spread of the coronavirus disease 2019 or COVID-19 are expected to dampen demand for vehicles. For next year and onward, the Fitch unit has a more bullish outlook.

### GSIS to advance release of pension for April

The GSIS will release pension benefits for the month of April earlier than scheduled to provide assistance to members amid the coronavirus disease 2019 or COVID-19 pandemic. In a statement, GSIS president and general manager Rolando Macasaet said government retirees would receive their pension earlier than April 8.

### Electricity prices at the spot market drop almost 40%

The average prices at the Wholesale Electricity Spot Market plunged by almost 40% in the first week of the 30-day enhanced community quarantine as power demand fell 21%, according to the market operator. The Independent Electricity Market Operator of the Philippines said the actual average prices dropped to P1.64/kwh in the first week.

### Social Housing bares payment moratorium

Social Housing Finance Corp., the lead government agency tasked to implement socialized housing for low-income earners, announced Tuesday a three-month moratorium on the payment of loan amortization of its partner-homeowners from March 16, 2020 to June 16, 2020.

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## TODAY'S TOP ASIAN NEWS

### First of HK new online-only banks starts operating

ZA Bank, a unit of China's ZhongAn Online P&C Insurance began operating on Tuesday, it said in a statement, the first of Hong Kong's new online only banks to do so. Hong Kong last year issued eight so-called virtual banking licences to companies including Alibaba affiliate Ant Financial.

### SoftBank plans to sell \$14b in Alibaba shares

SoftBank Group Corp plans to sell about US\$14 billion of shares in Chinese e-commerce leader Alibaba Group Holding as part of an effort to raise US\$41 billion to shore up businesses battered by the coronavirus pandemic, according to people with knowledge of the matter.

### COVID-19 crisis set to spur M&A in SE Asia

The COVID-19 crisis is set to spur a round of mergers and acquisitions as startups begin to see the impact of the global pandemic on their cashflows, Vinnie Lauria, a managing partner at Golden Gate Ventures, said. "There's going to be a few entities with a lot of cash, like the Gojeks of the world, Tokopedia, Traveloka," Lauria said

### Carlyle raises \$2.3b for its Japanese buyout fund

Carlyle Group said it has raised 258 billion yen (\$2.3 billion) for its biggest Japan fund to date, aiming to pick up businesses shed by conglomerates as well as companies where elderly owners have no obvious successors.

### Burger King India to raise \$20m financing from PE

With its initial public offering (IPO) plans impacted by the coronavirus (COVID-19) pandemic induced market crash, Everstone Capital backed-fast food chain Burger King India Ltd has been engaged in talks to raise around Rs100-150 crore from private equity funds, said two people aware of the development.

## TODAY'S TOP GLOBAL NEWS

### US could be next virus epicenter, India locks down

The United States could become the global epicenter of the coronavirus pandemic, the World Health Organization said on Tuesday, as India announced a full 24-hour, nationwide lockdown in the world's second-most populous country.

### US airlines seek aid far exceeding post-9/11

With each day that the coronavirus outbreak spreads and claims more lives, the damage to global airlines rises too. United States (US) carriers on Monday put a price tag on their pain: They asked the federal government for more than \$50 billion in rescue aid.

### Emirates Group cuts passenger flights, keeps cargo

The Emirates Group announced it will retain its cargo operations, but will temporarily suspend most passenger operations effective March 25 Wednesday. Since the COVID-19 outbreak began, Emirates Airlines and its ground handling operator, have been adapting their operations in line with regulatory directives as well as travel demand.

### Cromwell E-Reit sells 12 assets, buys 3 in Europe

The manager of Cromwell European Real Estate Investment Trust (Cromwell E-Reit) has sold 12 light industrial/logistics assets as well as acquired three others in Europe. Both deals were completed on Tuesday, the manager said in a bourse filing on Wednesday morning.

### Coronavirus to bring U.S. capital return letdowns

U.S. investors will likely see sharp declines in capital returns this year as companies look to conserve cash during the coronavirus crisis, according to S&P Dow Jones Indices which is predicting a significant first-quarter decline in buybacks and a dismal second quarter.