

The Daily Dispatch

April 12, 2021
TODAY'S TOP NEWS

BoI to identify industries for CREATE incentives

The Board of Investments (BoI) will be releasing a preliminary list of industries eligible for incentives under the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act. The CREATE law cutting corporate income taxes and rationalizing tax incentives took effect on Sunday.

Feb. trade gap widens as imports rise

The country's trade-in-goods deficit widened in February as imports grew for the first time in 22 months and exports contracted albeit at a slower pace. Merchandise imports rose by 2.7% to \$7.60 billion in February following a 12.1% annual decline in January.

No 'drastic' liquidity moves for now — BSP

The central bank is not keen on "drastic" liquidity-infusing moves as the impact of the pandemic is better addressed by fiscal measures, BSP Governor Benjamin E. Diokno said. The Monetary Board maintained its key policy rate at a record low of 2%, even as inflation surpassed the annual target range of 2-4%.

Gross borrowings plunge in February

The National Government's gross borrowings stood at P53.912B in February, plunging 89% from P479.23B a year ago when the Treasury sold retail Treasury bonds (RTB). The borrowings in February were 92.41% lower than the P710.32B raised in January when the Treasury renewed its P540B loan with the central bank.

DoT to propose adoption of IATA Travel Pass

The tourism department is set to present a proposal to the Inter-Agency Task Force on Emerging Infectious Diseases (IATF) for airlines to adopt a platform developed by the International Air Transport Association (IATA) that will enable passengers to digitally manage their travel documents and share their test and vaccination results.

Philippine Stock Market Update



Previous Close:
6,545.17

1 Yr Return:
20.34%

Open:
6,562.11

YTD Return:
-8.72%

52-Week Range:
5,390.97 - 7,432.40

Source:
Bloomberg

Foreign Exchange

As of April 11, 2021

US Dollar	Philippine Peso
1	48.540

PDST-R2 Rates

As of April 11, 2021

Tenor	Rate
1Y	1.9242
3Y	2.7633
5Y	3.2656
7Y	3.7453
10Y	4.3096
20Y	4.9879

Daily Quote

"Life is like riding a bicycle. To keep your balance, you must keep moving."

-- Albert Einstein

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MORE LOCAL NEWS

DoF: More jobless Pinoys in Feb

The unemployment rate in the country rose to 8.8 percent in February, which translated to more jobless Filipinos. Preliminary figures it provided showed that the February rate — higher than the 8.7 percent rate in January — was equivalent to 4.18 million out-of-work individuals, expanding from the 3.95 million in a month earlier.

Duterte eases NCR lockdown

President Rodrigo Duterte has placed Metro Manila and four nearby provinces in a less restrictive modified enhanced community quarantine (MECQ) until April 30. Malacañang said last week the country cannot sustain a strict lockdown because the government has no more funds to provide cash assistance to low-income families.

DTI: No need to relax loan rules on tourism MSME

Trade Secretary Ramon M. Lopez remains convinced that the loan processing guidelines of the P6-billion CARES for Travel program of the Small Business Guarantee Corp. (SB Corp.) don't need to be revised. "The capacity to process loans is high. That's why there's no backlog."

500-M doses of Sinovac ferried by PAL Sunday

Half a million doses of Sinovac vaccine from China arrived in Manila on Sunday afternoon, as health authorities scramble to arrest a surge in Covid-19 cases. The latest shipment is part of the 25 million doses purchased by the Philippines from Chinese vaccine manufacturer Sinovac.

Pilipinas Shell plans to remain in PSE despite

Pilipinas Shell Petroleum Corp. will not delist from the Philippine Stock Exchange after shutting down its 110,000-barrel-per-day refinery in Tabangao, Batangas last year. Pilipinas Shell said it would focus on transforming the Tabangao refinery into a world-class oil import terminal.

EDC allots P17 billion capex this year

Lopez-led Energy Development Corp. (EDC) is spending P17 billion this year to ensure long-term growth. EDC CFO Erwin Avante said in a text message to The STAR that of the total, P7 billion has been earmarked for "growth projects, P5 billion for drilling, and the balance for resiliency, maintenance, and other capex."

Petron reacquires Treats store chain

Petron Corp. has reacquired the Treats convenience store chain from the San Miguel Food Group to enhance synergy with the operation of its service stations. Petron said it executed an asset and purchase agreement with the San Miguel Food Group last Feb. 22 to reacquire the Treats convenience store business.

2020 IPP to remain transitional list

The 2020 Investment Priorities Plan (IPP) could serve as the transitional list of sectors to be promoted for investments and qualified for incentives while the Strategic Investment Priority Plan (SIPP) is being crafted under the Corporate Recovery and Tax Incentives for Enterprises (CREATE) law, the Board of Investments (BOI) said.

Index returns to 6,400 level on bargain hunting

The main index climbed out of a four-month low to return to the 6,400 level yesterday as investors tried to fish for marked down stocks. The benchmark Philippine Stock Exchange index or PSEi gained 51.18 points or 0.80 percent to close at 6,446.35, while the broader All Shares index added 25.61 points or 0.65 percent to finish at 3,913.32.

Govt owes P1.2b to RE developers under FIT

Unpaid billings to renewable energy (RE) developers under the feed-in tariff (FIT) system has reached over P1.2 billion as state-run National Transmission Corp. (TransCo) has not yet secured regulatory approval to raise FIT-allowance collection from consumers.

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TODAY'S TOP ASIAN NEWS

Grab's \$34b SPAC deal puts SEA tech on the map

Grab Holdings and Traveloka are poised to become public companies in coming months, kickstarting a coming-out party for South-east Asia's long-overlooked Internet scene.

Chinese tech start-ups pull IPO plans

A growing number of Chinese tech start-ups are cancelling plans to list on Nasdaq-style markets at home with some eyeing Hong Kong share sales instead, as regulators tighten scrutiny of IPO applicants after the halting of Ant Group's US\$37 billion float.

China fines Alibaba 18.2b yuan in monopoly probe

[HONG KONG] China imposed a fine of 18.2 billion yuan (\$\$3.73 billion) on Alibaba Group after an anti-monopoly probe, part of a regulatory crackdown that has raised concerns about the future of Jack Ma's tech empire.

China set to clear Tencent's \$3.5b deal for Sogou

[HONG KONG] China's antitrust regulator is ready to clear tech giant Tencent Holdings' plan to take the country's No 3 search engine Sogou private, three people with knowledge of the matter told Reuters, a move that signals the watchdog is willing to wave some deals through even as it ratchets up sector scrutiny.

TODAY'S TOP GLOBAL NEWS

Microsoft in talks to buy AI firm for about \$16b

Microsoft Corp is in advanced talks to buy artificial intelligence and speech technology company Nuance Communications Inc at about \$16 billion, according to a source familiar with the matter.

BHP, Vale Samarco JV files for bankruptcy protection

Samarco Mineracao SA, a joint venture between Brazilian miner Vale SA and BHP Group Ltd, has filed for bankruptcy protection to prevent creditors' claims from affecting its operations, Vale said in a Friday securities filing.

Heathrow plan to raise US\$3.8b challenged

London's Heathrow faces opposition from some board members to its plan to raise 2.8 billion pounds (US\$3.8 billion) from airlines and customers by increasing airport prices, the Telegraph newspaper reported.

Aramco in \$12.4b oil pipeline deal w/ EIG-led group

ENERGY giant Saudi Aramco said it has struck a US\$12.4 billion deal to sell a minority stake in a newly formed oil pipeline business to a consortium led by US-based EIG Global Energy Partners.

Boeing faces checks on Max jets for electrical flaw

[CHICAGO] Boeing will need to inspect hundreds of undelivered 737 Max jets for a potential flaw in their electrical power systems, said people familiar with the matter. About 450 Max planes built since early 2019 could potentially require repairs, a total that includes about 90 aircraft in commercial operation.

Credit Suisse tightens limits after Archegos hit

[NEW YORK] Credit Suisse Group is tightening the financing terms it gives hedge funds and family offices, in a potential harbinger of new industry practices after the Archegos Capital Management blowup cost the Swiss bank US\$4.7 billion.