

The Daily Dispatch

May 15, 2020

TODAY'S TOP NEWS

DOF willing to drastically cut CIT

The Department of Finance is amenable to the proposal to reduce the country's corporate income tax rate by July to stimulate businesses amid economic crisis and financial distress. Citing recommendations from the DOF, Acting Socioeconomic Planning Secretary Karl Kendrick T. Chua said they support the proposed 5% CIT reduction from 30%

SEC extends annual report deadlines

The SEC has extended the deadlines for the submission of annual reports and audited financial statements of companies with fiscal years ending in the middle of the COVID-19 pandemic. Companies may submit their annual reports and/or audited financial statements within 60 calendar days from the regular filing deadlines.

Skyway extension construction resumes today

San Miguel Corporation (SMC) today resumes construction of its two-month delayed Skyway Extension project after the government's InterAgency Task Force on COVID-19 issued guidelines for workers. SMC, through its San Miguel Infrastructure, is the concession holder of the Metro Manila Skyway.

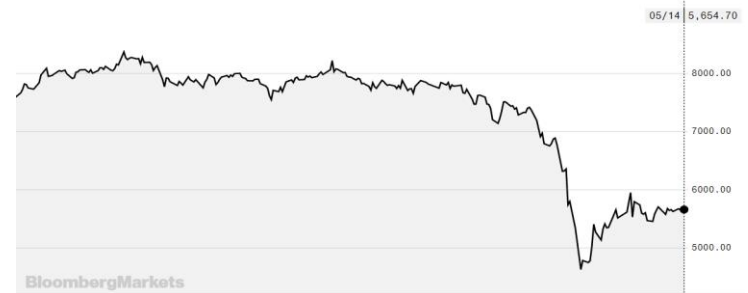
Aboitiz bats for more infrastructure spend

Aboitiz InfraCapital has urged for increase in infrastructure spending, whether funded by government or the private sector. Cosette V. Canilao, Aboitiz InfraCapital President and CEO, said that Public-Private Partnerships can help fill in gaps brought about by funding reallocations amid the ongoing COVID-19 crisis.

PSE grants approval for IPO of Sia's retail unit

The Philippine Stock Exchange Inc. (PSE) has given its final approval to start the book building process for the initial public offering (IPO) of Merry Mart Consumer Corp., the start-up grocery chain led by businessman Edgar "Injap" J. Sia II.

Philippine Stock Market Update



Previous Close:

5,654.70

1 Yr Return:

-24.82%

Open:

5,659.12

YTD Return:

-28.36%

52-Week Range:

4,039.15-8,419.59

Source:

Bloomberg

Foreign Exchange

As of May 14, 2020

US Dollar	Philippine Peso
1	50.54

BVAL

As of May 14, 2020

Tenor	Rate
1Y	2.7980
3Y	2.9070
5Y	3.0270
7Y	3.1720
10Y	3.3160
20Y	4.1870

Daily Quote

“Optimism is the faith that leads to achievement.
Nothing can be done without hope and confidence.”
—Hellen Keller

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MORE LOCAL NEWS

Gov't unveils COVID-19 recovery plan

The economic team revealed its proposed recovery plan to help the economy bounce back from the ongoing crisis. Of the total funding, P50 bn will be used as additional capital for state-owned banks Land Bank of the Philippines and Development Bank of the Philippines and another P20 bn for loans of the Philippine Guarantee Corp.

PAL Group completes global safety audit

Flag carrier Philippine Airlines (PAL) and PAL Express have complied with the highest international aviation safety standards and completed their 2019 IATA Operational Safety Audit (IOSA). The audit is conducted every two years and is accepted by top government aviation authorities as the gold standard in airline safety assessments.

Eagle Cement's Q1 profit down 25%

Ang family-led cement manufacturer Eagle Cement Corp. saw a 25 percent year-on-year drop in first quarter net profit to P1.2 billion as construction activities were halted in mid-March as part of measures to curb the coronavirus (COVID-19) pandemic.

JG Summit's Q1 core profit down 19%

Gokongwei-led conglomerate JG Summit Holdings saw a 19-percent year-on-year decline in core net profit to P4.3 billion in the first quarter as coronavirus (COVID-19) pandemic caused financial hemorrhage in its airline business while the global public health crisis likewise gnawed on its food and petrochemical business.

Bloomberry's Q1 profit down 38%

Integrated gaming resort developer and operator Bloomberry Resorts Corp. suffered a 38-percent year-on-year decline in first quarter net profit amounting to P1.4 billion as the coronavirus (COVID-19) pandemic took a heavy toll on the casino and tourism businesses.

Cebu Pacific forced to scuttle big plans

Budget airline Cebu Pacific is slashing spending this year by over 50 percent as the new coronavirus disease (COVID-19) pandemic forces a review of its long-term expansion plans.

Remittances seen to end 18-year growth streak

Remittances from overseas Filipino workers (OFWs) may decline by 2.5 percent this year, ending 18 years of robust growth due to job losses, falling income and severely restricted deployment of new workers abroad due to the coronavirus disease 2019 or COVID-19 pandemic, according to US-based credit rating agency Fitch Ratings.

Shell posts P5.5 billion loss

Pilipinas Shell Petroleum Corp. (PSPC) incurred a P5.5 billion loss in the first quarter as it took a hit from the impact of the coronavirus disease 2019 or COVID-19 and the Taal Volcano eruption. PSPC said the drop was due to the collapse in global oil prices, coupled with the slowdown in economic activity.

Typhoon Ambo complicates PH COVID response

The first typhoon to hit the Philippines this year is complicating government efforts to fight the COVID-19 pandemic. While national and local officials said they prepared for any eventuality, typically cramped evacuation centers, are presenting a challenge for localities to enforce social distancing measures.

DoE eyes 30% fuel discount for agriculture sector

A 30% discount on petroleum products is sought for farmers and fishermen in the Philippines as part of efforts to ensure food security, the Department of Energy (DoE) said. Energy Undersecretary Felix William Fuentesbella said his department was proposing to oil companies that this subsidy be granted to agricultural entities.

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TODAY'S TOP ASIAN NEWS

SoftBank heads for record loss after \$80 bn spree

SoftBank expects to book a record 1.35 trillion yen (\$12.5 billion) operating loss for the fiscal year ended March 31. The company's Vision Fund business, technology investments that contributed more than half of the conglomerates profit a year ago, has swung to a record 1.8 trillion yen loss.

CH healthcare inv. booms on virus-related bets

China's healthcare and biotech firms are capitalising on a surge of interest in the sector due to the coronavirus pandemic by raising a record US\$6.8 billion in fresh equity-linked transactions this year.

Property rebound led by top-tier buys

Property prices have risen in China since measures to curb the coronavirus were eased in March. The market appears to be brimming with pent-up demand amid a supply shortage, with at least one big property developer making plans to diversify into pig farming.

Japan lifts state of emergency in 39 prefectures

Japan lifted its state of emergency in 39 out of its 47 prefectures yesterday, ahead of the planned expiry on May 31, following a sharp drop in new Covid-19 cases nationwide. Prime Minister Shinzo Abe told a news conference that the emergency decree may be lifted in the remaining eight regions as soon as next Thursday

South Korea to reopen schools despite new cases

High school seniors in South Korea will return to school next week, despite growing concern over widening chain infections traced to a cluster outbreak in Seoul's nightlife hub Itaewon. It includes at least nine students infected by a teacher who went clubbing.

TODAY'S TOP GLOBAL NEWS

Goldman Sachs to buy wealth mgt. custodian Folio

Goldman Sachs Group Inc (GS.N) plans to buy a boutique wealth management custodian and technology company called Folio Financial Inc for an undisclosed amount of money, according to a letter that Folio sent to its customers on Thursday and was viewed by Reuters.

Nike warns of Q4 hit from virus-related closures

Nike Inc (NKE.N) said on Thursday store closures across the globe will hurt its retail and wholesales businesses in the fourth quarter, even as it ramps up its e-commerce capabilities to address increased online orders amid the COVID-19 pandemic.

WTO chief to step down early

GENEVA — The head of the World Trade Organization said Thursday that he will leave his post a year early, a "personal decision" that sets the stage for a succession contest at the trade body amid lingering U.S.-China tensions and a coronavirus pandemic that has doused the global economy.

FRA unveils plan for 'crown jewels' tourism sector

France on Thursday announced measures worth 18 billion euros (\$27.66 billion) to support its tourism sector, which has been hammered by the coronavirus crisis and resulting shutdown of beaches, leisure attractions and hotels.

Taiwan's TSMC announces \$12bn U.S. chip factory

Taiwan Semiconductor Manufacturing Co Ltd, a major supplier to Apple Inc, announced on Friday it will build a \$12 billion chip factory in Arizona, in what the company called a "strong partnership" with the U.S. government.