

The Daily Dispatch

May 15, 2023
TODAY'S TOP NEWS

IMF supports BSP rate hike to cool inflation

The International Monetary Fund supports any move by the Bangko Sentral ng Pilipinas to further increase interest rates to bring back inflation within the target range of 2 percent to 4 percent.

RLC eyes REIT offering for malls, logistics units

Property developer Robinsons Land Corp., the country's second largest shopping mall operator, is studying the possibility of conducting a real estate investment trust offering for its malls and logistics businesses.

Blueleaf Energy commits over \$2b in PH renewables

Singapore-based Blueleaf Energy, a portfolio company of Macquarie's Green Investment Group, said it plans to invest, together with its partners, over \$2 billion to put up 2,000 to 3,000 megawatts of renewable energy projects in the Philippines over the next five years.

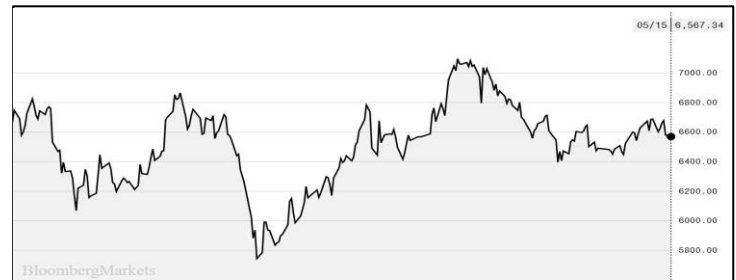
International visitor arrivals surpass 2m

International visitor arrivals in the Philippines breached the 2-million mark as of May 2, reflecting the rebound of the global travel and tourism industry, data from the Department of Tourism showed over the weekend.

Gov't on track to bringing down debt-to-GDP ratio

Finance Secretary Benjamin Diokno said over the weekend the government is on track to bringing the debt-to-GDP ratio lower than 60 percent by 2025, consistent with the aspirations set under the Medium-Term Fiscal Framework.

Philippine Stock Market Update



Previous Close:

6,578.15

1 Yr Return:

5.66%

Open:

6,582.57

YTD Return:

0.24%

52-Week Range:

5,699.30 - 7,137.62

Source:

Bloomberg

Foreign Exchange

As of May 14, 2023

US Dollar	Philippine Peso
1	55.790

BVAL Reference Rates

As of May 14, 2023

Tenor	Rate
1Y	5.9943
3Y	5.7999
5Y	5.7477
7Y	5.7617
10Y	5.8066
20Y	5.9324

Daily Quote

“Only wisdom and virtue can truly win men's devotion.”

— Liu Bei

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MORE LOCAL NEWS

PNB earnings surge 71% to P4.8B in first quarter

Philippine National Bank (PNB) saw its net income surge to P4.8B in the first quarter, 70.9% higher than the P2.8B recorded a year earlier. Net interest income amounted to P10.45B, up 22.60% from P8.52B and mainly due to higher yields on loans, investment securities, deposits with banks and interbank receivables.

Digital transactions up 30% in Q1 – LandBank

The Land Bank of the Philippines said that the value of its major digital banking platforms in Q1 of 2023 rose by 30% compared to a year earlier. The increase to P735.95B from the previous year's P567.6B was facilitated by a total of 41.2M transactions representing a 5-percent rise year on year via digital transactions

Tripartite council to address labor issues

Labor Secretary Bienvenido Laguesma said the recently created tripartite advisory council (TAC) between the Department of Trade and Industry and Philippine Economic Zone Authority (PEZA) will address labor-related issues in the Philippines.

Gross borrowings slip in Q1

The National Government's gross borrowings declined by 9.46% in the first quarter, the Bureau of the Treasury (BTr) said. Data from the BTr showed that gross borrowings dropped to P979.762 billion in the January-to-March period, from P1.08 trillion in the same period a year ago.

Meralco expects energy sales to increase by 4%

Manila Electric Co. (Meralco) expects energy sales volume to grow by 4% this year as households return to their normal consumption while commercial establishments surpass pre-pandemic power usage, a company official said.

Design changes up MRT-4 cost by P28 billion

The government will spend about P28B more for the construction of the Metro Rail Transit Line 4 (MRT-4) due to changes in the project's design and technology. Documents showed that the government will now require at least P87B to deliver the civil works and procure the systems and trains for MRT-4.

Maynilad plans IPO before 2027

West zone concessionaire Maynilad Water Services Inc. is looking to undertake its initial public offering (IPO) sometime in 2025 or 2026, a year or two ahead of the deadline set by the franchise granted by Congress. The water company has started the process for its mandated maiden offering which is targeted in 2025 or 2026.

Telcos lose, gain from SIM registration

The country's mobile service providers have lost close to four million subscribers since the start of the SIM card registration, but gained a better view of their business with inactive mobile numbers out of the picture. Smart Communications Inc. and Globe Telecom Inc. lost a combined 3.8M users at the onset of SIM registration.

DA working on bringing onion prices down

The Department of Agriculture (DA) on Monday said it is studying all options, including possibly importing the commodity, to lower its cost. The DA are coordinating with onion farmers to determine how they could lower the farmgate price, which currently stands at P100 to P120 per kilo.

PH pushes back retail dollar bond offering to Q3

The Philippine government is pushing back a planned offering of US dollar-denominated retail bonds to the third quarter, when the exchange rate may be more favorable for potential Filipino investors working overseas, a senior finance official said.

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TODAY'S TOP ASIAN NEWS

Softbank-backed Yanolja buys travel-tech company

SOUTH Korea's largest trip-booking company Yanolja is acquiring Israeli technology provider Go Global Travel to become one of the world's largest travel solution platforms.

Japan megabanks set to forecast hefty profits

JAPAN'S top three banks are expected to forecast their highest profits in years, driven by a pickup in client activities and subdued bad loan costs.

Banks go big on cash handouts in HK mortgage frenzy

Fierce competition for new mortgage customers is driving banks in Hong Kong to offer the highest cash rebates in nearly two decades. The deals, offered as a percentage of the principal loan amount, ramped up from about 1.3% last year to as much as 2.6% currently, the highest in over 17 years, per Centaline Mortgage Broker data.

Revolut super app challenges local fintech players

Financial technology (fintech) firm Revolut is responding to fierce competition in the online payments sector by ramping up its service options, with the aim of building a super app. One initiative lets users link their Revolut wallets to accounts at 6 banks, enabling them to move cash into their e-wallets without leaving the app.

Malaysian economy grows faster than expected in Q1

Malaysia's economic growth beat expectations in the first quarter of 2023, with robust domestic demand justifying the central bank's recent move to return borrowing costs to pre-pandemic levels. Gross domestic product for the 1st quarter expanded 5.6% from a year ago, faster than the Bloomberg survey median estimate of 5.1%.

TODAY'S TOP GLOBAL NEWS

Newmont snaps up rival Newcrest in A\$28.8b deal

AUSTRALIAN mining company Newcrest said on Monday it had agreed to a takeover by US rival Newmont, creating a world-leading gold producer in a deal worth A\$28.8 billion (\$25.43 billion).

GM recalling ~1 million US vehicles for airbag defect

GENERAL Motors (GM) said on Friday (May 12) it will recall nearly 1 million sport utility vehicles in the United States because the driver's air-bag inflator may explode during deployment.

Oil overdone on downside; demand outlook strong

MAY, infamously known as the month of downtrends, can't ring any truer for crude oil. West Texas Intermediate (WTI) mellowed below the strategic mark of US\$70 per barrel again, at a level where the US aimed at refilling the lost barrels in its strategic reserve.

Netflix plans to cut spending by \$300m in 2023

Netflix plans to cut its spending by US\$300 million in 2023, The Wall Street Journal reported, citing sources familiar with the matter. Company leaders urged staff to be judicious with their spending, including in relation to hiring, but said there would be no hiring freeze or additional layoffs, according to the report.

Linda Yaccarino named Twitter's next CEO

NBCUniversal global advertising chief Linda Yaccarino has resigned to join Twitter as its next chief executive. Twitter owner Elon Musk confirmed the hire in a tweet Friday. Musk said Yaccarino will focus primarily on business operations, while he will focus on product design & new technology.