

The Daily Dispatch

June 30, 2020
TODAY'S TOP NEWS

Ayala joint venture enters bidding war for Infigen

An affiliate of Ayala-led AC Energy, Inc. and Spanish distribution utility Iberdrola, S.A. are now in a bidding war to take over an Australian energy company after both firms have raised their offer prices.

BPOs face slowing growth this year

MANY business process outsourcing (BPO) companies expect flat growth or a contraction this year, while some big businesses still hope to grow by single-digits amid the pandemic, according to an informal poll conducted by the Information Technology and Business Process Association of the Philippines (IBPAP).

KKR unit completes First Gen share purchase

A holding company of New York-listed KKR & Co., Inc. has completed its share purchase at Lopez-led First Gen Corp., receiving acceptances higher than targeted. A unit of KKR Asia Pacific Infrastructure Holdings Pte. Ltd. has accepted tendered shares of 427,041,291, representing 11.9% of the Philippine energy firm's outstanding common shares.

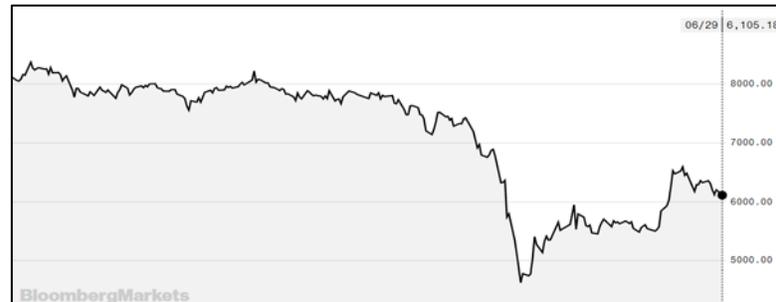
PAL mounts more cargo flights amid travel slack

Flag carrier Philippine Airlines (PAL) is reinventing itself to be able to mount more cargo flights to generate revenues while still operating on limited capacities as the industry's full recovery is expected to happen in 2023 yet.

France commits €250 M for 2 projects in PH

The Department of Finance (DOF) and the Agence Française de Développement (AFD) signed two credit facility agreements to expand the financial services of the Philippines to vulnerable sectors and increase private sector participation in infrastructure projects.

Philippine Stock Market Update



Previous Close:

6,105.18

Open:

6,134.49

52-Week Range:

4,039.15-8,419.59

1 Yr Return:

-21.06%

YTD Return:

-20.64%

Source:

Bloomberg

Foreign Exchange

As of June 29, 2020

US Dollar	Philippine Peso
1	49.80

BVAL Rates

As of June 29, 2020

Tenor	Rate
1Y	2.283
3Y	2.281
5Y	2.441
7Y	2.623
10Y	2.801
20Y	3.438

Daily Quote

"When deeds speak, words are nothing."

--Pierre-Joseph Proudhon

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MORE LOCAL NEWS

Domestic travel expected not happening soon

Domestic travel is not expected to be happening soon as Filipinos expect to travel in the next six months yet preferably to destinations closer to home as they prioritize health and cost considerations, according to a survey and industry players' forecast.

ADB OKs \$26.5 million loan for Philippines

The Asian Development Bank (ADB) has approved a new \$26.5 million loan for the Philippines to enable its local government units (LGUs) to boost revenues by adopting digital tools for real property tax valuation and collection.

Altus lists by way of introduction

Altus Property Ventures Inc. (APVI), a unit of the Gokongwei's JG Summit Holdings Inc., which listed its shares by way of introduction at the Philippine Stock Exchange (PSE) on Friday, saw its share price rise on its trading debut. APVI had an initial listing price of P10.10. It closed at P18.50 per share on its market debut.

Megaworld Q1 income down 9%

Tycoon Andrew Tan-led Megaworld Corp. posted a 9-percent year-on-year decline in attributable net profit to P3.5 billion in the first quarter amid challenges arising from the eruption of Taal Volcano and the lockdown measures spurred by the coronavirus pandemic.

Gov't launches online bank for OFWs

Overseas Filipino Bank (OFBank) is targetting to enroll up to 2,000 bank accounts a day among Filipinos living and working abroad as the digital-only and branch-less lender unveiled its mobile app to make financial transactions easier and more accessible.

T-bill rates fall below 2% after surprise rate cut

Treasury bill rates fell below 2 percent on Monday following the Bangko Sentral ng Pilipinas' (BSP) surprise and hefty interest rate cut last week that sent investors flocking to the auction of government securities.

ALI raises P 10B from bond issue

Property giant Ayala Land Inc. (ALI) has raised a total of P10 billion from the issuance of local bonds, raising the curtain for nonbank corporate issuers to tap the local bond market anew after the Philippines was subjected to strict lockdown protocols to contain the coronavirus pandemic in mid-March.

DA centralized bidding to benefit farmers

Filipino farmers stand to benefit from lower prices of urea fertilizer following a centralized bidding conducted by the Department of Agriculture (DA) last April. DA officials said the price of urea, a widely used fertilizer in the Philippines, dropped below P1,000 per 50-kg bag following DA's successful centralized bidding.

DA, Aboitiz team up for RE use in food production

The Department of Agriculture and the Aboitiz Group will optimize the use of renewable energy in pushing for urban farming in a bid to boost food production in the country. Aboitiz-led Weather Philippines Foundation has turned over 19 units of 30-watts solar panels to the DA to provide power to the water systems for vegetable production.

InstaPay, PesoNet transactions hit P310 billion

Digital payments through the automated clearing houses established by the Bangko Sentral ng Pilipinas (BSP) reached P310 billion from March to May or during the height of the community quarantine to limit the spread of the coronavirus disease 2019 or COVID-19.

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MORE LOCAL NEWS

DICT to cut permits for common towers

The Department of Information and Communications Technology (DICT) targets to cut by more than half the permits needed to build common towers. The DICT said it seeks to lessen common tower permitting requirements by 52 percent this year in collaboration with other government agencies.

TODAY'S TOP ASIAN NEWS

Renewable fund to raise \$2.5B for region's recovery

The South East Asia Clean Energy Facility (SEACEF) said it will invest more than \$2.5 billion in Southeast Asian renewable energy projects to support the region's recovery from the pandemic, with a focus on the Philippines, Vietnam and Indonesia.

Nokia wins Taiwan Mobile 5G contract

Finnish telecoms equipment maker Nokia said on Monday it has won a 5G contract worth about 400 million euros (\$625 million) from Taiwan Mobile to build out the telecom operator's next-generation network as the sole supplier.

Tencent, Primavera funding grocery app at \$3b value

Investors including Tencent Holdings and private equity giant Primavera Capital are joining a funding round that values Chinese grocery delivery upstart Xingsheng Youxuan at US\$3 billion, people familiar with the matter said. The two companies are bankrolling one of the more recent entrants to a sector galvanised by the pandemic.

Japan factory output slumps as economy sinks deeper

Japan's industrial output fell for a fourth straight month in May to the lowest level since the global financial crisis, highlighting the widespread impact of the coronavirus on factory and overall business and consumer activity.

TODAY'S TOP GLOBAL NEWS

Lululemon to buy home fitness start-up for \$500mn

Lululemon Athletica Inc (LULU.O) said on Monday it would buy home fitness company Mirror for \$500 million, as the high-end yogawear maker looks to cash in on booming demand for home workout classes spurred by coronavirus lockdowns.

Australian employment recovering gradually

Australian employment is continuing to pick up gradually after the huge losses caused by coronavirus lockdowns, recovering around 30 per cent of the jobs initially shed, data showed on Tuesday (June 30).

Uber makes offer to buy delivery service Postmates

Uber has made a takeover offer to buy Postmates, the upstart delivery service, according to three people familiar with the matter, as the on-demand food delivery market consolidates and Uber looks for new ways to make money.

Norwegian Air scraps \$10.6b deal for Boeing

Norwegian Air Shuttle has notified Boeing that it is terminating purchase agreements for all 97 of its remaining jets on order with the US planemaker. The decision covers 92 of Boeing's 737 Max planes, five 787 Dreamliners and a related maintenance pact, Norwegian said in a statement on Monday (June 29).

Temasek watching Keppel as \$4b bid hangs in balance

Temasek is prepared to drop a \$4 billion bid for control of Keppel Corp should the Singapore conglomerate's next earnings report trigger a clause that allows it to walk away, according to people familiar with the matter.