

The Daily Dispatch

July 03, 2020
TODAY'S TOP NEWS

BIR, BOC collection dips 16% to P1.15tn in H1

With restrictions in business activity in most parts of the country due to the Covid-induced lockdowns, the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC) also missed their combined target of P1.187 trillion from January to June this year, according to the preliminary data submitted to the Department of Finance (DOF).

NEDA: 'new normal' poses brakes on economic growth

In a presentation at the House of Representatives Committee on Economic Affairs, Acting Secretary Karl Chua said the "new normal" will prevent the economy from relying on external demand to boost the economy while on the domestic front, there could be spikes in the deficit-to-GDP ratio and lower gov't revenues.

Think tank: BSP may cut key rates in H2

THE Bangko Sentral ng Pilipinas (BSP) is expected to cut key policy rates in the second half as the economy seeks further support toward recovery. First Metro Investment Corp. (FMIC) and University of Asia and the Pacific (UA&P) said in a report that the Central Bank might still be open for a 25-basis-point cut in the next policy meetings.

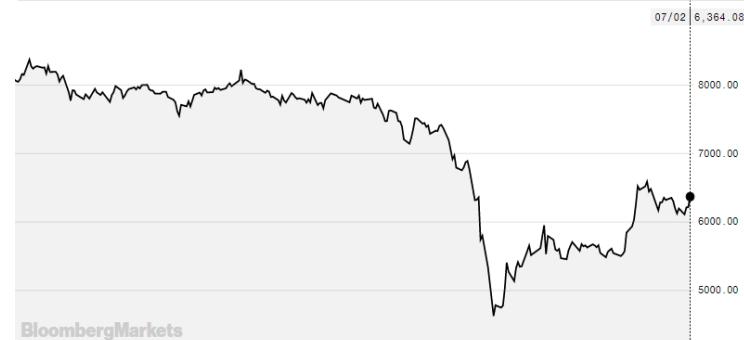
PCCI calls for easing of business travel

The Philippine Chamber of Commerce and Industry (PCCI), the largest umbrella business organization in the country, yesterday issued an appeal to the government in support of the airlines operators to ease international business travel restrictions and allow selected local air travel.

PH vulnerable to China's new swine flu

Agriculture Secretary William Dar said that while preventive measures are now being implemented against G4, an animal disease recently detected in China that can be passed from animals to humans, the continuous smuggling of pork and other meat products from China makes the Philippines very much vulnerable from catching the virus.

Philippine Stock Market Update



Previous Close: 6,364.08 **1 Yr Return:** -19.81%

Open: 6,383.37 **YTD Return:** -18.50%

52-Week Range: 4,039.15-8,419.59 **Source:** Bloomberg

Foreign Exchange

As of July 2, 2020

US Dollar	Philippine Peso
1	49.75

BVAL

As of July 2, 2020

Tenor	Rate
1Y	1.9660
3Y	2.2370
5Y	2.4460
7Y	2.652.
10Y	2.8310
20Y	3.5970

Daily Quote

"There is nothing in the world
so monstrously vast as our indifference."
—Machado de Assis

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MORE LOCAL NEWS

Ayala to draw \$60M more from climate bond offer

Ayala Corp. unit AC Energy Inc. has launched through private placement a \$60-million tap on its five-year senior green bonds due 2024.

SSI's Q1 profit down 36%

Specialty retailer SSI Group Inc. saw a 36 percent year-on-year drop in first quarter net profit amounting to P110 million due to disruptions arising from the lockdown of Metro Manila and other key regions starting mid-March.

Puregold boosts Cosco's core earnings

Retail tycoon Lucio Co-led conglomerate Cosco Capital bucked the local downtrend in first quarter earnings as its flagship grocery business made up for the slack in real estate, office supply and liquor businesses at the onset of the local coronavirus (COVID-19) pandemic.

Pampanga businessman next dollar billionaire

Pampanga-based businessman Dennis Anthony Uy could become the country's next dollar billionaire as his broadband company Converge ICT Solutions Inc. moves forward with a \$700 million initial public offering (IPO), said to be the largest in the Philippines.

LTG cautious on 2020 business prospects

Tycoon Lucio Tan-led conglomerate LT Group Inc. (LTG) is bracing for a tougher period for its tobacco, liquor, property and banking businesses for the remainder of 2020, during which the domestic economy is expected to fall into a recession for the first time in over two decades.

Lufthansa shelves \$40 million expansion

Lufthansa Technik Philippines has suspended the construction of its \$40-mn hangar expansion in Pasay City to preserve cash in order to maintain its existing workforce. Eunice Gan, LTP corporate communications manager, told The STAR that construction of the new hangar called Hangar 1A at the Villamor Airbase has been put on hold.

Stock market index declines 20% in H1

The Philippine Stock Exchange index (PSEi) has dropped 20.6 percent in the first half of the year, according to data from the Philippine Stock Exchange. PSE president and chief executive officer Ramon Monzon said the index has not yet recovered to its levels prior to the coronavirus disease 2019 or COVID-19.

Banks lending more for COVID-19

Banks have stepped up their lending to micro, small and medium enterprises (MSMEs) as well as some large enterprises to help jumpstart the economy that stalled with the implementation of the enhanced community quarantine, the Bangko Sentral ng Pilipinas (BSP) said.

Globe keen on spending P60 billion this year

Globe Telecom Inc. remains keen on spending over P60 billion this year to boost connectivity nationwide despite delays in the rollout of its network due to the pandemic. In a statement yesterday, Globe said the money would be spent on increasing capacity and network upgrades around the country.

DITO gets more time to launch

THE National Telecommunications Commission (NTC) has given Dennis A. Uy's DITO Telecommunity Corp. more time for its "technical launch," moving the July 2020 deadline to January 2021. DITO is given "within six months to deliver the commitments for the technical audit requirements."

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MORE ASIAN NEWS

Novo Holdings to set up Asia office in Singapore

Life science investor Novo Holdings will set up its Asia office in Singapore. The Denmark-based company, which has US\$62 billion (\$86 billion) in assets, is expected to focus on three fields in the region.

S'pore to be a reliable node in global supply chain

Singapore has to build its reliability as a node in the global supply chain, while also keeping an eye on the resilience of its own internal supply networks, said Senior Minister of State for Trade and Industry Chee Hong Tat yesterday.

PE and VC fund-raising hit a snag in Q1

The PE and VC industries faced headwinds in fund-raising during the first quarter of 2020, but the outlook for the medium to long term is positive, says a report by data-provider Prequin. After securing a total of US\$6 billion in commitments last year, no funds were closed by PE firms focused on South-east Asia in Q1 this year.

Vietnam to sell 36% stake in largest brewer Sabeco

Vietnam's government will sell its remaining 36% stake in the country's largest brewer Sabeco by the end of this year, according to a government document released this week. Vietnam has been seeking to speed up its privatisation of state-owned firms in recent years to improve their performance and to fill its coffers.

Indonesia mulls putting central bank regulation

Indonesian President Joko Widodo is considering issuing an emergency decree to return banking regulation to the central bank's remit, amid concern about how the COVID-19 pandemic is exposing strain in the financial sector, sources told Reuters.

TODAY'S TOP GLOBAL NEWS

Italy's Prada sales in Asia up double-digit

Sales at Italy's Prada (1913.HK) are growing at double-digit rates in Asia while any forecast for the American market is hard to make due to the health emergency, the Chief Executive of the luxury group Patrizio Bertelli said on Thursday.

China joins SG-NZ to keep supply chains open

China has pledged to uphold trade and supply chain connections during the coronavirus pandemic. The commitment to maintaining cross-border flows of necessities was launched by Singapore and New Zealand in March.

PG&E emerges from Chapter 11 bankruptcy

Utility PG&E Corp (PCG.N) said on Wednesday it had emerged from bankruptcy, marking an end to a long-drawn restructuring process which began after its equipment sparked some of the deadliest wildfires in California.

China-Sanctions bill passes U.S. congress

The U.S. Senate gave final approval to legislation that would impose sanctions on Chinese officials cracking down on dissent in Hong Kong. The bill heads to President Donald Trump for his signature or veto.

Caffeine raises \$113 mn to take live rap battles

A live-streaming website, Caffeine said Thursday it raised \$113 million to invest in new forms of entertainment that users can watch and engage with in real time. The aim is to differentiate its programming from industry leaders Twitch and YouTube.