

# The Daily Dispatch

August 03, 2020  
TODAY'S TOP NEWS

## Duterte places NCR under MECQ starting Aug 4

In an online public briefing on Sunday, President Rodrigo R. Duterte approved the recommendation of the Inter-Agency Task Force (IATF) heeding medical workers' plea to reimpose stricter quarantine measures in the National Capital Region (NCR) to arrest Covid cases in the region and surrounding provinces.

## National ID on track — Diokno

Bangko Sentral ng Pilipinas (BSP) Governor Benjamin E. Diokno said the production of the single identification card or the National ID which is both a digital and physical ID is on track and that there is no budget concerns that might be delaying its implementation.

## PAL launches covid testing facility at NAIA 2

Philippine Airlines has rolled out a One-Stop-Shop center at Terminal 2 of the Ninoy Aquino International Airport (NAIA) for mandatory RT PCR swab testing of returning overseas Filipinos and authorized foreign nationals. The gov't-accredited facility is capable of testing 1,200 passengers in a day and producing test results within 48 hrs.

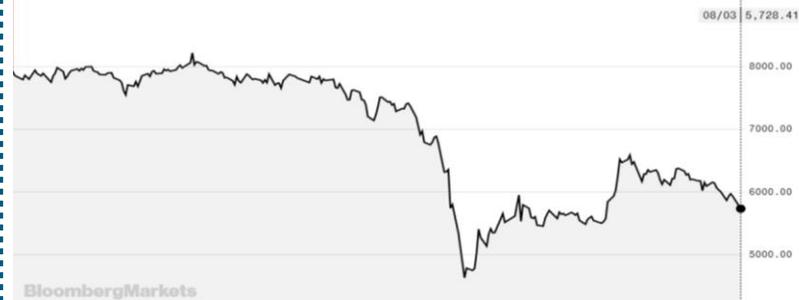
## Megaworld raises \$350 M from notes offer

Megaworld Corporation has successfully raised \$350 million from its Reg S Registered US dollar-denominated Senior Unsecured Fixed Rate Notes offering. The notes have a 7-year tenor and a coupon rate of 4.125 percent, the lowest coupon achieved for a Philippine corporate entity on a 7-year US dollar public bond transaction.

## Villar's Vista Land sets P25-B capex

Visa Land & Lifescapes, Inc. (VLL) is allocating P25 billion for capital expenditures (capex) this year to continue supporting construction and land banking plans. The Villar-led property developer said it was revisiting its pipeline of projects for 2020 in light of changing consumer behavior due to the coronavirus pandemic.

## Philippine Stock Market Update



**Previous Close:**  
5,928.45

**1 Yr Return:**  
-28.59%

**Open:**  
5,816.23

**YTD Return:**  
-27.05%

**52-Week Range:**  
4,039.15 - 8,216.92

**Source:**  
Bloomberg

## Foreign Exchange

As of Aug. 2, 2020

US Dollar	Philippine Peso
1	49.120

## PDST-R2 Rates

As of July 30, 2020

Tenor	Rate
1Y	1.8050
3Y	2.1900
5Y	2.4430
7Y	2.6420
10Y	2.7750
20Y	3.5320

## Daily Quote

“It is during our darkest moments that we must focus to see the light.”

-- Aristotle

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## MORE LOCAL NEWS

### Banks' soured loans likely to climb in 2nd half

Nonperforming loans (NPL) will likely climb in the next few months, with local banks' strong capitalization and regulatory relief measures seen helping the industry weather the crisis, Moody's Investors Service said. The BSP said despite the pandemic, bad loans will not be worse than the peak 17.6% NPL ratio seen in 2002.

### DoE studying small nuclear plants for remote areas

THE Department of Energy (DoE) is studying the use of small nuclear generators to power off-grid areas, Energy Secretary Alfonso G. Cusi said. Modular plants are formed from groups of small nuclear reactors and have capacities of 300 megawatts (MW) or less, according to the International Atomic Energy Agency.

### Golden age of infra still on track — Tugade

The golden age of infrastructure in the country is still on track despite the disruptions brought about by the COVID-19 pandemic, according to Sec. Arthur Tugade. The Duterte administration has sought to bring the Philippines into a so-called golden age of infrastructure through its massive infrastructure development program.

### First Gen building pumped-storage to boost capacity

Lopez-led First Gen Corp. is aggressively pursuing its decarbonization efforts with the construction of the country's first pumped-storage facility capable of providing an additional 100 megawatts (MW) in capacity and storing excess power.

### Government borrowings swell to P1.72T in H1

The country's borrowings swelled to P1.72T from Jan to June as the government increased its debt issuances and loan availments to raise funds for its coronavirus response efforts, according to the BTr. Based on the latest data from the BTr, the national government's gross financing from Jan to June surged by 104.86%.

### PSEi may weaken anew this week

The stock market may continue to weaken this week as the continued spike in COVID-19 cases is affecting prospects for a better economic recovery, according to Michael Ricafort, chief economist at Yuchengco-owned Rizal Commercial Banking Corp. (RCBC).

### Robust consumption boosted URC profit in Q2 by 76%

Robust consumption of snack foods, noodles, powered drinks and other food ingredients by locked-down households boosted the second quarter net profit of Gokongwei-led Universal Robina Corp. (URC) by 76 percent year-on-year to P3.8 billion.

### Fate of Naia rehab plan hangs in the balance

Years before the COVID-19 pandemic reshaped the aviation sector, the Philippine government was battling a different crisis: the worsening congestion in Metro Manila.

### Metrobank first-semester profit down 30%

Ty family-led Metropolitan Bank and Trust Co. booked P9.1 billion in first semester net profit, down by 30 percent year-on-year, as it set aside a larger buffer for loan losses that might arise from the COVID-19 pandemic-induced economic recession.

### DTI registers 60,000 small businesses in 4 months

The names of more than 60,000 businesses have been registered under the Department of Trade and Industry since the lockdown began in March as more online entrepreneurs take steps to join the formal economy.

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## MORE LOCAL NEWS

### M Lhuillier releases newly upgraded ML Wallet App

M Lhuillier Financial Services Inc. is one of the leading non-bank financial institutions in the PH with a network of over 2,500 branches. Known primarily for its trusted remittance and quick cash loan services, the company is set to attain new feats as it further develops its channels and services to fit in a tech-driven world.

## TODAY'S TOP ASIAN NEWS

### AIIB open to invest in infra linking Asia via tech

Beijing-based Asian Infrastructure Investment Bank (AIIB) is keen on helping its member countries bridge the digital divide through 5G technology. AIIB Vice President for Policy and Strategy Joachim von Amsberg said the multilateral development bank is interested in investing in digital infrastructure.

### HK mom-and-pop investors squeeze funds, IPOs sizzle

As Hong Kong's stock market prepares for billions of dollars in sales of new shares, global fund managers have a big challenge - competing with the city's army of mom-and-pop investors for a slice of the pie. Under IPO rules in Hong Kong a deluge of orders from retail investors reduces the portion that fund managers can buy.

### Temasek to decide on \$4.1b offer for Keppel

Temasek has not yet decided whether to invoke a material adverse change (MAC) clause in its \$4.1 billion conditional offer for Keppel Corp, adviser Morgan Stanley said. Keppel fell to a \$697.6 million second-quarter net loss last Thursday, breaching a threshold in state investor Temasek's offer to buy control of the company.

### Many SMEs in Singapore still struggling to survive

Survival has become the primary concern for many small and medium-sized enterprises (SMEs) here as they struggle to keep afloat amid the economic fallout from Covid-19. While some owners have begun frantically diversifying business offerings to find new sources of revenue, others have taken on odd jobs to make ends meet.

### Samsung crafts India comeback

Samsung Electronics Co Ltd (005930.KS) is forging a comeback in India's smartphone market with a new range of budget devices and a ramped-up online presence, aiming to recoup ground ceded to Chinese rivals such as Xiaomi Corp (1810.HK).

## TODAY'S TOP GLOBAL NEWS

### NASA astronauts make historic return home

U.S. astronauts Bob Behnken and Doug Hurley, who flew to the International Space Station in SpaceX's new Crew Dragon, splashed down in the capsule in the Gulf of Mexico on Sunday after a two-month voyage that was NASA's first crewed mission from home soil in nine years.

### TikTok's Chinese owner offers to forego stake

China's ByteDance has agreed to divest the US operations of TikTok completely in a bid to save a deal with the White House, after President Donald Trump said on Friday he had decided to ban the popular short-video app, two people familiar with the matter said on Saturday.

### Siemens Healthineers expands into cancer care

German health group Siemens Healthineers (SHLG.DE) said on Sunday it was buying Varian Medical Systems Inc (VAR.N) of the United States for \$16.4 billion in a deal that seeks to create the global leader in cancer care solutions.

### Marathon Petroleum sells Speedway to 7-Eleven owner

Marathon Petroleum (MPC.N) has agreed to sell its Speedway gas stations in the United States to Japanese retail group Seven & i Holdings (3382.T) for \$21 billion, the companies said, five months after the deal was put on hold amid the coronavirus outbreak.