

The Daily Dispatch

September 07, 2020
TODAY'S TOP NEWS

Home appliance distributor eyes 20 stores in 2020

A local distributor of home appliances is aiming to become a household staple by tapping the provincial market and offering products at bargain prices. XTREME Appliances is bullish to spend P100 million to open 20 personally branded stores this year in a move that defies the general spending slowdown in the business sector.

Fuel-marking program generates over P126 billion

The fuel-marking program has generated P126.51 billion so far from duties and taxes on fuel products since the program was launched in September 2019, according to the Department of Finance (DoF). The fuel marking program aims to deter oil smuggling by injecting the products with a special dye to signify tax compliance.

Energy department preparing to award first permit

A renewable energy contracting program of the Department of Energy will soon have its first eligible supplier. The department is set to award in the coming days the first operating permit under the green energy option program (GEOP), one among the government mechanisms to bring clean power access to more electricity end-users.

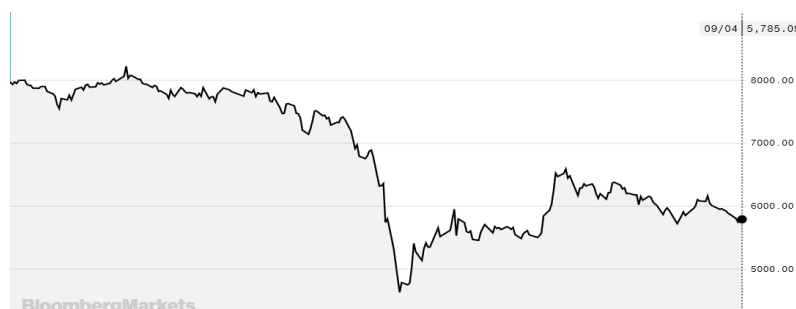
SMC airport tax perks may gain backing

The proposed measure that seeks to grant San Miguel Aerocity, Inc. various tax incentives for the P740-billion Bulacan airport project — including income tax exemption for the entire 50-year concession period — is likely to get strong support from senators.

Peso to remain strong due to weak \$, low imports

Michael Ricafort, chief economist at Rizal Commercial Banking Corp., said the peso may still continue its gradual appreciation trend for the rest of the year due to low imports as a result of a slowdown in economic activity, weak dollar, and record high gross international reserves (GIR).

Philippine Stock Market Update



Previous Close:

5,785.09

1 Yr Return:

-25.12%

Open:

5,787.70

YTD Return:

-25.38%

52-Week Range:

4,039.15 - 8,216.92

Source:

Bloomberg

Foreign Exchange

As of Sept. 4, 2020

US Dollar	Philippine Peso
1	48.620

PDST-R2 Rates

As of Sept. 4, 2020

Tenor	Rate
1Y	1.8070
3Y	2.3540
5Y	2.6370
7Y	2.7840
10Y	2.8760
20Y	3.6720

Daily Quote

“Live as if you were to die tomorrow. Learn as if you were to live forever.”

-- Mahatma Gandhi

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MORE LOCAL NEWS

PAL to cut jobs anew

In a newly unveiled survival program dubbed Project Gamma, recently presented to employees, PAL management said the company would have to reduce its manpower by 35 percent starting October. Just like other carriers, PAL has implemented manpower reductions.

Economic slump to persist next year

The economy may not return to pre-pandemic growth trajectory by next year because of still rising infection rates and weakness in the recent jobs market and industrial data, according to Capital Economics.

BSP to actively trade gold holdings as prices soar

The Bangko Sentral ng Pilipinas (BSP) will actively trade its gold holdings, which account for at least a 10th of the country's foreign exchange buffer, to take advantage of the record high price of gold in the world market.

Smart Tower sale to property firm OK'd

The Philippine Competition Commission (PCC) has approved the proposed acquisition by the Consunji group's DMC Urban Property Developers Inc. (DMCI-UPDI) of PLDT Inc.'s Smart Tower in Makati. The deal covers the Smart Tower, a 36-story office building along Ayala Ave., and the land it was built on.

Jollibee brings CBTL to New York

Homegrown fast-food giant Jollibee Foods Corp. has brought specialty chain The Coffee Bean and Tea Leaf (CBTL) back to New York, affirming its commitment to grow its restaurant business in the United States, one of its largest overseas markets.

Globe gets LGU permits for cell sites

Globe Telecom received clearance from various local government units (LGUs) to build cell sites across the country, part of its push to boost connectivity. This comes after government bodies recently joined forces to streamline and cut the permitting process, which used to take several months, to a few weeks.

Gov't jacks up borrowing in July

The national government has jacked up its borrowing in July to P134 billion to bridge the widening budget deficit amid weak revenue collections, data from the Bureau of the Treasury showed. Data revealed that the Duterte administration's gross borrowings amounted to P134.53 billion in July this year.

Big miners seek moratorium lifting

It's going to be a long shot, but some of the country's biggest mining companies had sought President Rodrigo Duterte's approval for certain policy changes in the mining sector, including the lifting of moratorium on new mining projects as well as the ban on open-pit mine stressing this should help the domestic economy recover faster.

DA vows to keep food prices stable

The Department of Agriculture (DA) has vowed to exhaust all efforts to keep the food prices affordable amid the COVID-19 pandemic. This, as the country's headline inflation decelerated to 2.4 percent in August 2020 from 2.7 percent in July amid stable food prices.

2 Mindanao export firms on permanent shutdown

Two export companies in Northern Mindanao have permanently shutdown operations pushed by the adverse impact of the pandemic while others are seeking government intervention amid continuing challenges in sustaining their operations. The two firms identified were South Bukidnon Fresh Trading Inc. and Valencia Rubbertex Inc.

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MORE LOCAL NEWS

Meralco set to hold auction for add'l power supply

THE Manila Electric Co. (Meralco) assured the Department of Energy (DOE) that it will start within the month the competitive selection process (CSP) for the auction of 1,800 megawatts (MW) of power capacity requirement.

TODAY'S TOP ASIAN NEWS

Kimberly-Clark to buy IDN diaper maker Softex

Kimberly-Clark Corp said on Thursday it would buy diaper maker Softex Indonesia for US\$1.2 billion in cash from a group of shareholders that includes CVC Capital Partners Asia Pacific, as it looks to boost its presence in South-east Asia.

Firms here branch into mask making

Digital printing company AVS Technologies faced difficulties sourcing surgical masks for its workers earlier this year, but meeting that challenge has generated a new revenue stream. It set up a production facility - 3 machines to produce masks, with the capacity to produce about 5mn masks a month.

Samsung wins \$6.6B Verizon network equipment order

SEOUL (Reuters) - Samsung Electronics (005930.KS) said on Monday it had won a \$6.64 billion order to provide wireless communication solutions to Verizon (VZ.N) in the United States, a major win for the South Korean firm in the next-generation 5G network market.

FAB wants to restart talks to buy Bank Audi's unit

First Abu Dhabi Bank (FAB) FAB.AD plans to restart talks to buy the Egyptian business of Lebanon's Bank Audi (AUDI.BY), two sources familiar with the matter said.

TODAY'S TOP GLOBAL NEWS

Goldman Sachs joins syndicate for Ant IPO

Goldman Sachs (GS.N) has joined the growing list of investment banks working on Chinese financial technology firm Ant Group's mammoth initial public offering of up to \$30 billion. Ant, backed by Chinese e-commerce giant Alibaba Group (BABA.N) (9988.HK), plans to list simultaneously in Hong Kong and Shanghai.

Ikea arm buys SF mall in first US real estate deal

Ikea's shopping centre business has made its first United States real estate acquisition, buying the 6X6 mall in San Francisco, after telling Reuters in May it was engaged in several negotiations for inner-city acquisitions in the country.

Virgin creditors back Bain buyout

Virgin Australia Holdings' creditors voted yesterday in favour of the purchase of Australia's second biggest airline by United States private equity group Bain Capital, administrator Deloitte said, paving the way for a strategic overhaul.

FedEx plans 70,000-job hiring spree for holiday surge

FedEx Corp plans to hire about 70,000 seasonal workers to handle the holiday surge of packages, up 27 per cent from last year's peak, in what is expected to be an unprecedented level of delivery demand.

SoftBank partners with Oyo Latam for more oversight

SAO PAULO/NEW DELHI/BENGALURU (Reuters) - SoftBank Group is taking a direct role in managing its virus-hit hospitality startup Oyo's operations in Latin America through a joint venture which will control all hotels in the region, the head of Oyo Brazil told Reuters in an interview on Friday.