

The Daily Dispatch

September 08, 2020
TODAY'S TOP NEWS

IMI unit applies to list at New York stock market

A subsidiary of Ayala-led Integrated Micro-Electronics, Inc. (IMI) is planning to list at the New York Stock Exchange through an initial public offering. The company wants to do an initial public offering of its American Depositary Shares representing ordinary shares in its capital.

Manufacturers seek tighter trade laws

Manufacturers are asking the government to review trade laws to protect local industries from the influx of “cheaper and substandard” imported goods into the Philippines. The Federation of Philippine Industries, Inc. asked for a review of safeguard measures, anti-dumping laws, and countervailing laws.

PHL partly lifts ban on Brazilian poultry imports

The Philippines has partially lifted a ban on poultry imports from Brazil in the form of mechanically-deboned meat (MDM). The DA said only foreign meat plants with zero cases of COVID-19 infection among workers will be allowed to export MDM to the Philippines.

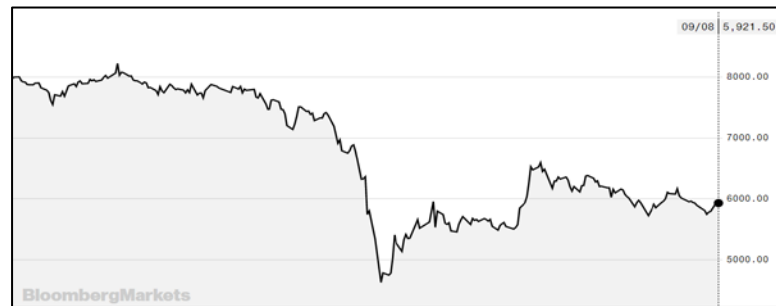
Sale of sugar assets to Gokongwei firm OKd

Gokongwei-led Universal Robina Corp. has obtained clearance from the antitrust agency Philippine Competition Commission (PCC) to take over the sugar mill, bioethanol plant and other sugar assets of Roxas Holdings Inc. (RHI) in La Carlota City, Negros Occidental.

Del Monte sees return to profitability

Consumer giant Del Monte Pacific Ltd. (DMPL) expects to swing back to profitability this fiscal year ending April 2021 following the completion of the streamlining and debt refinancing program of its American subsidiary.

Philippine Stock Market Update



Previous Close:

5,935.85

1 Yr Return:

-23.77%

Open:

5,917.54

YTD Return:

-24.13%

52-Week Range:

4,039.15 - 8,216.92

Source:

Bloomberg

Foreign Exchange

As of Sept. 7, 2020

US Dollar	Philippine Peso
1	48.67

BVAL Rates

As of Sept. 7, 2020

Tenor	Rate
1Y	1.806
3Y	2.360
5Y	2.655
7Y	2.804
10Y	2.906
20Y	3.681

Daily Quote

"All great ideas start as weird ideas. What now seems obvious, early on, is not obvious to anybody."

-- Steve Case

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MORE LOCAL NEWS

ABS-CBN to launch entertainment portal for kids

Media giant ABS-CBN Corp. is launching an online entertainment portal for children on Friday, part of a push to extend its presence on the internet.

Digital insurance firm partners with GCash

Mobile-first life insurer Singlife Philippines has teamed up with mobile wallet GCash to pitch to the mass market “fuss-free” life protection plans for just the same price as a “cheap haircut.”

Aussie firm spent \$32M more on Quezon project

Energy World Corp. laid out an additional \$32 million or about P1.5 billion on its ongoing liquefied natural gas terminal and power plant complex in Quezon province during the financial year that ended June 30, despite constraints on site works caused by the new coronavirus disease pandemic.

DOF sweetens rules for delinquent taxpayers

The Department of Finance has sweetened tax compliance by giving delinquent taxpayers a time to voluntarily settle their unpaid dues without questions from the taxmen. The DOF launched the Voluntary Assessment and Payment Program allowing taxpayers to voluntarily pay their unpaid internal revenue tax liabilities for the taxable year 2018.

Deep job cuts hit garment sector

The labor-intensive garment and apparel manufacturing industry is cutting jobs across all companies following a 50 percent decline in exports in the global market, particularly the US. At least 21,518 garment and apparel workers are going to lose jobs starting last June up to end this year.

LandBank to provide loans to coco, coffee farmers

State-run Land Bank of the Philippines (LandBank) said the bank is ready and capable to provide credit to coconut and coffee farmers. This is the assurance made by LandBank President and CEO Cecilia C. Borromeo during the webinar series “Coco-Kwentuhan sa Negosyo” organized by the Philippine Coconut Authority’s (PCA).

BSP FX swaps stand at \$1.24 billion in June

The Bangko Sentral ng Pilipinas’ (BSP) foreign exchange (FX) swaps was back at \$1 billion in June after zero transactions in past months. The central bank’s swaps totaled \$1.24 billion of up to one month maturity. The BSP opted for long positions for its forwards and futures in foreign currencies vis-à-vis the peso.

Oil firms announce price rollbacks for Sept. 8

OIL companies announced Monday a price rollback to take effect Tuesday morning. They said gasoline prices would be reduced by P0.30 per liter, kerosene by P0.55 per liter and diesel by P0.45 per liter.

Philippine economic recovery to take more time

The economy still cannot be expected to return to its pre-crisis level by next year as prevailing weaknesses in industries, labor market, and overseas employment prospects will weigh on near-term prospects, said US-based Global Source Partners.

Low rates, higher spending to boost manufacturing

Local manufacturing activity is expected to pick up in the coming months on the back of record low interest rates, as well as higher infrastructure spending, according to RCBC. Michael Ricafort, chief economist at RCBC, said the record low interest rates would support greater demand for loans and financing for new investments.

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MORE LOCAL NEWS

Index rallies on strong property sector

The stock market recovered substantially yesterday as investors decided to go back to the market amid record low interest rates that make fixed-income assets less lucrative for some high return hungry investors. The benchmark Philippine Stock Exchange Composite index (PSEi), the stock market gauge, rallied by 2.60 percent.

TODAY'S TOP ASIAN NEWS

JPN government exposed to 40% of Nissan loans

The Japanese government has guaranteed most of a loan to Nissan Motor Co (7201.T) from the Development Bank of Japan (DBJ), a source said, taking its guarantee to more than 40% of 713 billion yen (\$6.7 billion) in finance for Japan's No.2 automaker.

AirAsia aims to raise \$602m, to evaluate JPN ops

AirAsia Group is looking to raise as much as US\$602 million by year-end, and is also reviewing its business in Japan as the airline seeks to weather the Covid-19 crisis, its chief executive said on Monday.

Worst is over for earnings of Sg-listed companies

Despite deep cuts in the latest quarterly earnings of Singapore-listed companies and trusts, the worst is now behind them, said DBS Group Research. The Q2 results season had reflected the impact of Covid-19 lockdowns, with a sharp 14.9% cut in forecast earnings for the current financial year. This applies to stocks under DBS' coverage.

Founders of food app Oddle to be looking to exit

The founders of Singapore food ordering app Oddle, which offers choices from Michelin-starred restaurants to bubble tea concoctions, are working with an adviser to exit the company, according to sources with knowledge of the matter.

HK's property tycoons, firms claim millions in aid

Hong Kong's property tycoons and global firms, including Ernst & Young and Jones Lang LaSalle (JLL), have received tens of millions of dollars in government-funded wage subsidies meant to protect jobs that would have otherwise been lost during the coronavirus pandemic.

TODAY'S TOP GLOBAL NEWS

Australia turns to idled factories

In 2017, the last car Australia built rolled out of a General Motors' plant in the city of Adelaide, ending seven decades of local automotive history and the belief that the country's factories could ever compete globally. Three years later, policymakers are once again looking to manufacturing to generate some growth.

Saudi Telecom seeks to cut offer for Vodafone Egypt

Saudi Telecom is in discussions to reduce its non-binding US\$2.39 billion offer for a stake in Vodafone Egypt, two people with direct knowledge of the talks said. The discussions come as a deadline nears for STC to move ahead with the non-binding offer first made in January.

Worldline \$9.2b INGC deal may need EU concessions

French payments company Worldline's (WLN.PA) 7.8 billion euro (\$9.23 billion) bid for Ingenico (INGC.PA) may require concessions to gain European Union antitrust regulator approval, people familiar with the matter said on Monday.

Nestle on track to meet sustainable packaging goal

Nestle (NESN.S) has increased the share of recyclable or reusable packaging for its products to 87%, making progress toward its 100% goal by 2025, and gave examples of innovation to cut plastic waste in a media briefing on Monday.