

# The Daily Dispatch

September 10, 2020  
TODAY'S TOP NEWS

## Firms lose P1.5T in sales monthly as lockdown bites

Metro Manila and nearby provinces lost an estimated P1.5 trillion in sales for every month that these areas were on lockdown, according to the Department of Finance (DOF). DOF Sec. Dominguez said the government is “doing its utmost” to prevent the need for further lockdowns by keeping the virus at bay.

## Government sticks to 5.5% GDP drop this year

In a presentation before the Senate committee on finance yesterday, acting Socioeconomic Planning Secretary Karl Chua said the prolonged lockdown intended to control the spread of the coronavirus would weigh heavily on economic performance this year by way of subdued consumer and business confidence.

## Ayala sees digital shift to healthcare

Ayala Corp., the country's oldest conglomerate, has seen a digital shift toward healthcare as more consumers are opting to do telemedicine. During its pilot phase in May, the Ayala Group's HealthNow was able to match 11,000 consultation requests with an active pool of doctors.

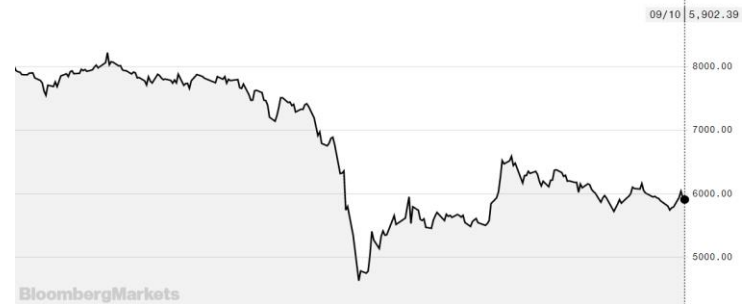
## RCBC backs perks for sustainable financing

RCBC supports a plan of the Bangko Sentral ng Pilipinas to extend regulatory incentives for banks which adopted sustainable and inclusive banking practices. RCBC CEO Eugene Acevedo said the plan of the BSP to extend incentives through a sustainable central banking program would help spur interest in sustainability among local banks.

## BSP to issue own securities next week

The central bank is set to begin selling its own securities on Sept. 18, saying this will become an additional tool in managing liquidity in the financial system. Bangko Sentral ng Pilipinas (BSP) Governor Diokno said it will initially offer P20 billion worth of 28-day BSP bills.

## Philippine Stock Market Update



**Previous Close:**

5,932.84

**1 Yr Return:**

-24.13%

**Open:**

5,955.55

**YTD Return:**

-24.24%

**52-Week Range:**

4,039.15 - 8,216.92

**Source:**

Bloomberg

## Foreign Exchange

As of Sept. 9, 2020

US Dollar	Philippine Peso
1	48.563

## PDST-R2 Rates

As of Sept. 9, 2020

Tenor	Rate
1Y	1.829
3Y	2.299
5Y	2.615
7Y	2.844
10Y	3.004
20Y	3.674

## Daily Quote

"Many of life's failures are people who did not realize how close they were to success when they gave up."

--Thomas Edison

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## MORE LOCAL NEWS

### Globe to build 900 more cell sites

Globe Telecom, Inc. expects 900 more cell sites to be built soon as its partnerships with tower builders are now in advanced stages. Its partnerships with tower companies Aboitiz InfraCapital Inc., ISOC-edotco, Transcend Towers Infrastructure, CREI Philippines, and Frontier Towers & Associates “have advanced to active acquisition and build

### AgriNurture extends due diligence for Pay8

Listed agricultural firm AgriNurture, Inc. (ANI) has decided to extend due diligence period for its acquisition of IT company Pay8, Inc. It had not completed its due diligence because of “supervening events” such as the anticipated listing of Pay8’s major shareholder Hatchasia, Inc. (HAI) in the Australia Stock Exchange.

### Energy dep’t releases LNG investment guide

The government has launched a guide for foreign investors interested in Liquefied Natural Gas (LNG) projects which was developed with US assistance. The DoE hopes to attract more public-private partnerships to develop natural gas in the Philippines, on the way to making the country a hub for LNG in Southeast Asia.

### SSS net income up 6.3% in H1

The Social Security System (SSS) posted a 6.3-percent growth in its net income in the first half of the year to P16.3 billion from P14.5 billion in the same period last year as revenues mainly from members’ contributions rose despite extended payment and remittance deadlines at the height of the COVID-19 lockdown

### Chinese firm to build Makati subway

Businessman Antonio Tiu-led Philippine Infradev Holdings Inc. has awarded a \$1.21-billion engineering, procurement and construction (EPC) contract for the first eight-kilometer phase of the Makati subway project to state-owned China Construction Second Engineering Bureau Co. Ltd.

### Agri trade continues decline

Agricultural trade further fell by 20 percent in the second quarter mainly due to lockdown measures implemented globally, according to the Philippine Statistics Authority (PSA).

### PNOC-EC targets coal expansion in Mindanao

The exploration unit of state-run Philippine National Oil Co. (PNOC) is seeking to expand its coal development works in Mindanao via the government’s contracting program. In July, PNOC-Exploration Corp. (PNOC-EC) announced its intention to accelerate investment in coal production to become the leading exploration firm in the

### Siam Cement revenues fall on economic decline

The local unit of Thailand-based Siam Cement Group (SCG) saw its second-quarter sales reduced by more than half after the slowdown in the global economy due to the coronavirus pandemic. SCG said it recorded revenues of P2 billion from sales in the Philippines during the three-month period, down by 53% from a year ago.

### PHL, Bangladesh most vulnerable to remittance slump

The Philippines and Bangladesh are the most exposed to a decline in remittances during the pandemic, in terms of number of households dependent on the inflows, a dependency which has increased due to the weak labor market, according to Fitch Ratings.

### URC can acquire Roxas Holdings’ assets

THE Philippine Competition Commission (PCC) has given its green light for Universal Robina Corp.’s (URC) acquisition of Roxas Holdings Inc.’s (RHI) sugar mill, ethanol plant and other investment properties in La Carlota City, Negros Occidental.

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## TODAY'S TOP ASIAN NEWS

### China's biggest airshow cancelled in 2020

China's International Aviation and Aerospace Exhibition, the country's biggest airshow, scheduled for November, has been cancelled due to the coronavirus pandemic, and the next one will take place in 2022, the organiser said on Wednesday (Sept 9).

### Softbank Ventures-backed Waresix raises \$100 mn

Indonesian logistics startup Waresix said it had closed a \$100 million fundraising round from investors including Softbank Ventures Asia and Indonesian conglomerate Emtek. The two-year-old firm offers trucking, warehousing and logistics technology services to companies trying to navigate Southeast Asia's largest economy.

### Baidu raising \$2B for biotech startup using AI

Chinese tech giant Baidu is in talks with investors to raise up to US\$2 billion over three years for a biotech start-up, which will use artificial intelligence (AI) technology to discover new drugs and diagnose diseases, a person with direct knowledge of the matter said.

### Ant Group IPO set for Star Market review in Shanghai

A listing application by Ant Group, China's largest digital payments provider and digital finance platform by volume, is set for review by regulators on September 18, Shanghai's stock exchange said late on Wednesday.

### China inflation slowed with lower pork prices

Chinese inflation moderated in August as a slowdown in the surging price of pork tempered food costs. The consumer price index (CPI) hit 2.4%, in line with forecasts and below the previous month's reading, as pork saw its slowest increase in a year, while analysts said the easing could also be attributed to a high base comparison.

## TODAY'S TOP GLOBAL NEWS

### Walmart to test drone delivery of household items

Walmart Inc (WMT.N) said on Wednesday it would run a pilot project for delivery of grocery and household products through automated drones, along with end-to-end delivery firm Flytrex, as the U.S. retailer looks to beef up its delivery business.

### Nestle likely to do more big acquisitions: CFO

Nestle will do more acquisitions, also big ones, the food giant's CFO said. "We have been very disciplined, but that has not prevented us from doing sizeable acquisitions - Starbucks, Atrium, now Aimmune - and there will be probably more in the future as well because we really want to go there," Francois-Xavier Roger said

### Tiffany to sue LVMH over walking away from deal

LVMH said it would walk away from its planned US\$16 billion takeover of US jeweler Tiffany, in the most high-profile example of a deal to face collapse following the pandemic. The stage is set for an acrimonious legal dispute as Tiffany said it was filing a lawsuit against LVMH to force it to complete the deal as agreed last year.

### David Beckham's Guild Esports to file for IPO

David Beckham's Guild Esports, which owns and develops esports teams, said on Wednesday (Sept 9) it intends to list on the London Stock Exchange this autumn, a move that would make it the first e-sports company in the UK to join the market.

### JC Penney reaches tentative rescue deal

JC Penney Co reached a tentative deal with landlords and lenders valued at US\$1.75 billion to rescue the beleaguered department store chain from bankruptcy proceedings, averting a liquidation that would have threatened roughly 70,000 jobs, a company lawyer said.