

The Daily Dispatch

September 15, 2020
TODAY'S TOP NEWS

Airlines await P700-M loan from Bayanihan II

The Air Carriers Association of the Philippines (ACAP) on Monday said about P700 million had been allocated for local airlines from the law that sets out the government's recovery plan in response to the pandemic, on top of the P10 billion they expect from state financial institutions to lend to or invest in the industry.

Fruitas funnels IPO funds to property acquisition

Fruitas Holdings, Inc. is buying new properties for a buko water commissary and a new head office by reallocating funds generated from its initial public offering last year. The company told the exchange on Monday its board of directors had approved the repurposing of some P165 million from the company's P820-million IPO proceeds.

Alsons issues P1B debt papers for renewable plants

Alsons Consolidated Resources, Inc. issued on Monday P1 billion worth of commercial papers, the proceeds of which will be used to fund its upcoming renewable power projects. Early in the month, the company disclosed that the proceeds of the company notes will be used to fund eight run-of-river renewable projects in the pipeline.

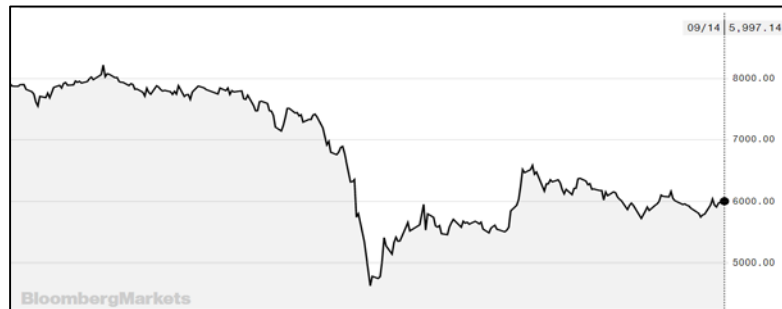
SMC redeems P6.7B worth of preferred shares

Conglomerate San Miguel Corp. (SMC) is redeeming about P6.7 billion worth of preferred shares as part of an ongoing plan to refinance older and costlier capital notes.

Grim economic scenario in 2021

In contrast to past years when the "ber" months were looked at with guarded anticipation, this year's remaining months have become a season for anxiety about the future. Acting Socioeconomic Planning Secretary Karl Kendrick Chua said in a recent Senate hearing that poverty in the country could worsen next year due to the COVID-19 pandemic.

Philippine Stock Market Update



Previous Close:

5,997.14

1 Yr Return:

-23.76%

Open:

5,989.44

YTD Return:

-23.51%

52-Week Range:

4,039.15 - 8,216.92

Source:

Bloomberg

Foreign Exchange

As of Sept. 14, 2020

US Dollar	Philippine Peso
1	48.42

BVAL Rates

As of Sept. 14, 2020

Tenor	Rate
1Y	1.840
3Y	2.407
5Y	2.740
7Y	2.894
10Y	2.949
20Y	3.715

Daily Quote

"Criticism is something we can avoid easily by saying nothing, doing nothing, and being nothing."

-- Aristotle

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MORE LOCAL NEWS

PLDT: nothing definite on rumored Sky Cable bid

MVP Group's PLDT said it is "evaluating options" in its rumored bid for Lopez-owned Sky Cable Corporation. In a disclosure to the Philippine Stock Exchange on Monday, September 14, PLDT said there is "nothing definite" at the moment.

Ramon Ang to build hospital in Southern Luzon

Billionaire Ramon Ang's RSA Foundation will be building a hospital in Southern Luzon, which would also serve as a research hub for infectious diseases. Ang's facility is envisioned to better prepare the country's healthcare system, as the coronavirus pandemic further exposed the Philippines' weak health infrastructure.

CEOs see Philippine economic recovery in 3 years

Over 80 percent of chief executive officers in the country expect the economy to recover from the coronavirus disease 2019 or COVID-19 pandemic within one to three years, according to a survey of PwC Philippines and the Management Association of the Philippines (MAP).

S&P cautions BSP against excessive bond buying

S&P Global Ratings has cautioned emerging market central banks, including the Bangko Sentral ng Pilipinas (BSP), against pushing too far their bond buying programs that could lead to price stability and other risks.

Car sales down 48% from January to August

Vehicle sales declined by 48 percent from January to August compared to last year's level as consumer demand remained weak amid the COVID-19 pandemic, according to the Chamber of Automotive Manufacturers of the Philippines Inc. (CAMPI) and Truck Manufacturers Association (TMA).

BSP digital banking regulation expected this month

The central bank's guidelines on the establishment of digital banks is expected to be approved this month. BSP Deputy Governor Chuchi G. Fonacier said the circular will be submitted to the Monetary Board in the next few weeks. The draft circular is on its final review and analysis.

Pilipinas Shell implements bigger price rollback

Major player Pilipinas Shell Petroleum Corporation has upped the ante in this week's pricing competition at domestic oil pumps as it implemented a heftier rollback of P1.55 per liter on diesel products, beating the P1.50 per liter price cut first enforced by competitor-players Unioil and Cleanfuel.

Below P50-B transactions exempted from PCC review

The Philippine Competition Commission (PCC) will no longer review mergers and acquisitions with transaction value of less than P50 billion following the suspension of the exercise of this function under the Bayanihan to Recover as One Act (Bayanihan 2).

Debt payments decline in July

The national government's debt payments declined in July this year due to lower amortization, data from the Bureau of the Treasury showed. The Duterte administration settled P60.91 billion worth of loans in the domestic and foreign markets last July, down by 11 percent compared with P92.46 billion in the same month last year.

DA eyeing exports of corn to halt price slide

THE Philippines is mulling over exporting corn to the world market to prevent a further slump in farm-gate prices, which have plunged to P9 per kilogram—a level at least 20 percent lower than production cost.

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TODAY'S TOP ASIAN NEWS

Alibaba in talks to invest \$4 billion in Grab

Alibaba Group Holding is in talks to invest US\$3 billion into South-east Asian ride-hailing giant Grab Holdings, according to people familiar with the matter. The Chinese e-commerce giant, a sole investor in the round, will spend a portion of the funds to acquire some of the Grab stock held by Uber Technologies, one of the people said.

Sg: More support for high-growth local companies

There will be more support for promising companies to help accelerate their growth despite the coronavirus pandemic, said Minister for Trade and Industry Chan Chun Sing during a press briefing on the precision engineering sector on Monday (Sept 14).

Ch investment in AUS plunges as tensions mount

Chinese investment in Australia almost halved in 2019, new data released Monday, September 14, showed, as relations between the two countries deteriorated. Researchers from the Australian National University (ANU) said Chinese investment Down Under plunged from Aus\$4.8 billion (US\$3.5 billion) to just Aus\$2.5 billion last year.

Tencent picks SG as Asia hub after India, US bans

Tencent Holdings has picked Singapore as its beachhead for Asia, joining rivals Alibaba Group Holding and ByteDance in the race to build up their presence closer to home after setbacks in the US and India. China's tech behemoths are increasingly turning to South-east Asia in the face of growing hostility from the US and other markets.

TODAY'S TOP GLOBAL NEWS

UBS chairman explores merger with Credit Suisse:

The chairmen of UBS Group AG and Credit Suisse Group AG are exploring a potential merger to create one of Europe's largest banks, Inside Paradeplatz reported, citing unidentified people inside the two lenders.

Amazon hiring 100,000 more workers in US, Canada

Amazon.com is hiring 100,000 full and part-time employees across the US and Canada, offering starting wages of at least US\$15 (S\$20) an hour, the latest announcement in the Seattle-based e-commerce giant's hiring spree.

Smaller watches show Ch's hold on luxury industry

Luxury watch maker Officine Panerai-Firenze is famed for its big and bulky World War II-era wrist pieces. But its best sellers are now becoming smaller and smaller, largely due to the might of Chinese buyers.

Tech leads M&A boom with \$350 bn deal rush

Global M&A volumes are approaching \$2 trillion for 2020, with technology making up almost a fifth of the total after mammoth deals such as SoftBank's \$40 billion sale of chipmaker Arm. Tech firms comprised 17.8% of the total at \$351.4 billion, the highest level since the dotcom boom of 2000.

Steve Cohen agrees to buy the New York Mets

Billionaire hedge fund manager Steve Cohen has signed an agreement with Sterling Partners to buy the New York Mets baseball team. Cohen will own 95% of the franchise, with the deal valuing the club at about \$2.475 billion, a record amount for a North American sports team.

Mastercard opens platform for digital currencies

Mastercard has launched a testing platform for digital currencies to allow central banks to evaluate the suitability of central bank digital currencies (CBDC) in a country or a region.