

The Daily Dispatch

September 16, 2020
TODAY'S TOP NEWS

ADB further downgrades economic outlook for PH

In its Asian Development Outlook (ADO) 2020 Update released yesterday, the Manila-based Asian Development Bank (ADB) downgraded the outlook for the Philippines further from a forecast of a 3.8 percent full-year contraction in June and a slowdown of two percent in April.

Remittances down 2.4% in 7 months

Remittances from overseas Filipino workers (OFWs) declined by 2.4 percent to \$16.08 billion from January to July compared to \$18.66 billion in the same period last year, according to the Bangko Sentral ng Pilipinas (BSP).

P12 billion loans released for high-value crops

Government-owned Land Bank of the Philippines has released P12 billion in loans to farmers as part of the government's efforts to boost the high value crops industry. Landbank said some P11.93 billion in loans under the Sulong Saka Program or High-Value Crops Financing had been released as of end-July.

DICT accelerates tower rollout

The DICT has issued provisional certificates to independent tower companies to accelerate the rollout of common towers in the country. Provisional independent tower company certificates of registration were issued to firms with prior memoranda of understanding/agreement with the DICT.

Cash remittances hit 7-month high in July

Cash remittances reached a seven-month high in July, as land-based overseas Filipino workers (OFW) continued to support their families during the coronavirus disease 2019 pandemic. Remittances from land-based OFWs rose to \$2.467 billion in July, while money sent by sea-based OFWs dropped to \$557 million.

Philippine Stock Market Update



Previous Close:

6,018.21

Open:

5,996.99

52-Week Range:

4,039.15 - 8,216.92

1 Yr Return:

-23.82%

YTD Return:

-23.39%

Source:

Bloomberg

Foreign Exchange

As of Sep. 15, 2020

US Dollar	Philippine Peso
1	48.43

BVAL Reference Rates

As of Sep. 15, 2020

Tenor	Rate
1Y	1.831
3Y	2.465
5Y	2.808
7Y	2.940
10Y	2.976
20Y	3.868

Daily Quote

"Nothing great was ever achieved without enthusiasm."

-- Ralph Waldo Emerson

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MORE LOCAL NEWS

Cirtek subsidiary bags telco contract for 5G in US

A subsidiary of Cirtek Holdings Philippines Corp. has been awarded a contract to provide antenna to a telecommunications operator in the United States for fifth generation network rollout. its wholly owned subsidiary Quintel USA, Inc. recently signed the contract for a master purchase agreement with an unnamed telco provider.

Roxas & Co. gets repayment extension for loans

ROXAS & CO., Inc. has been allowed by local banks to extend its payment period for some P2.6 billion debts. The banks are Bank of the Philippine Islands, which it owes P1.6 billion; Robinsons Bank, which it owes P759.4 million; and Asia United Bank, which it owes P188.5 million.

Landbank approves study now pay later program

Land Bank of the Philippines has granted P330 million in loans as of mid-August under its “study now, pay later” scheme. The DoF said the loans will be extended to four schools that tapped the state-run lender’s P3-billion credit facility after securing approval from the board.

Rise in June FDI inflows narrows 6-month decline

Long-term investment inflows into the country sustained their growth momentum in June, which authorities attributed to “the gradual reopening of advanced economies with investment interest in the Philippines.”

World Bank extending 2 loans worth \$770M to PH

The World Bank will extend two more loans worth a combined \$770.5 million to the Philippines during the next two years to support recovery in the tourism sector and enhance the economy’s competitiveness postpandemic.

Japan OKs new quick-disbursing loan to PH

MANILA, Philippines—Japan has extended another 50-billion-yen (some P23.3-billion) loan to the Philippines, which the Philippine government can spend as budgetary support not only during natural calamities but also disease outbreaks.

PCC cites SC ruling leveling field for contractors

The Philippine Competition Commission (PCC) cited the Supreme Court’s (SC) ruling declaring certain anti-competitive regulations implementing the Contractors’ License Law unconstitutional, paving a level playing field for local and foreign firms to undertake construction activities in the Philippines.

SMC insures 5,000 Cebu frontliners for P2 M each

San Miguel Corporation (SMC) has provided life insurance coverage for about 5,000 medical front liners from 18 hospitals across Cebu, insuring them for P2m each. “We started this initiative several months ago, at the height of COVID-19 cases in Cebu, when our medical front liners there were really having a hard time,” said Ramon S. Ang.

Udenna pegs oil exploration cost at \$30 million

Davao-based businessman Dennis A. Uy’s Udenna Corp. might set aside roughly \$30 million to pursue oil exploration activities in waters disputed by China. “It’s \$15 million per area,” Phoenix Petroleum Philippines Inc. Senior Vice President for External Affairs Business Development and Security Raymond Zorilla said

Peso appreciation seen pulling down water rates

The continuous appreciation of Ph peso versus other currencies may continue to pull down water rates in Metro Manila until the first quarter of 2021. This is because of the Foreign Currency Differential Adjustment tariff mechanism that Maynilad Water Services, Inc. and Manila Water Company, Inc. are supposed to implement every quarter.

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TODAY'S TOP ASIAN NEWS

Japan's exports extend double-digit declines

Japan's exports posted a double-digit slump for a sixth straight month in August as U.S.-bound shipments shrank due to a global demand slowdown from the coronavirus pandemic, casting a shadow over a trade-led recovery from the deep recession.

Carousell to surpass US\$900m valuation

A consortium led by South Korean Internet giant Naver has struck an investment deal with classifieds platform Carousell worth US\$80 million (S\$108.9 million), the Singapore-headquartered start-up announced on Tuesday (Sept 15).

Tencent setting up regional hub in Singapore

Chinese tech giant Tencent Holdings is setting up its regional hub in Singapore as it expands further into South-east Asia. The move comes as geopolitical tensions with the United States and India have prompted tech heavyweights from China such as ByteDance and Alibaba to refocus their growth efforts in Singapore and the region.

Australia eyes trade with India

Australia's escalating tensions with Beijing have shown up its reliance on China trade and propelled a push to increase links with Asia's other giant economy, India. New enrollments of international students from India expanded 32% in 2019 from a year earlier and it's the fastest growing major market for Australian services.

China retail sales return to growth

Chinese retail sales rose in August for the first time since the coronavirus pandemic struck, data showed Tuesday, as officials try to kickstart the crucial domestic consumer sector to fuel recovery in the world's number-two economy.

TODAY'S TOP GLOBAL NEWS

Citigroup to resume job cuts, ending pandemic pause

Citigroup will resume job cuts starting this week, joining rivals such as Wells Fargo in ending an earlier pledge to pause staff reductions during the coronavirus pandemic. The cuts will affect less than 1% of the global workforce, the bank said. It added that with recent hiring, overall headcount will probably not show any drops.

Oracle 'very close' to deal on TikTok: Trump

Silicon Valley tech giant Oracle is "very close" to sealing a deal to become the US partner to Chinese-owned video app TikTok to avert a ban in the United States, President Donald Trump said on Tuesday.

Virus cost global tourism \$460B in Jan-June 2020

The coronavirus crisis cost the global tourism sector \$460 billion in lost revenue during the first 6 months of 2020 as the number of people traveling plunged, the United Nations (UN) said on Tuesday, September 15.

America Movil to sell US unit to Verizon for \$6.2B

Mexican billionaire Carlos Slim's telecommunications giant America Movil has agreed to sell its United States subsidiary Tracfone to Verizon for \$6.25 billion, the companies announced on Monday, September 14.

UK firms hail victory in battle with insurers

London judges have ruled that some of the world's biggest insurers were wrong to reject tens of thousands of claims from small firms battered by the Covid-19 pandemic, Britain's Financial Conduct Authority (FCA) said on Tuesday (Sept 15).