

The Daily Dispatch

October 06, 2020
TODAY'S TOP NEWS

LGUs to absorb NG programs in 2022

FINANCE Secretary Carlos G. Dominguez III on Monday told local government units (LGUs) to prepare to absorb programs of the National Government (NG) in 2022, when the Supreme Court (SC) ruling that expanded their share of internal revenue allotments (IRA) will take effect.

Converge cuts maximum IPO share price to P19

Converge ICT Solutions, Inc. has trimmed the maximum share price for its planned initial public offering (IPO) this month to generate a maximum of P32.89 billion. The fiber internet provider reduced its indicative offer to a maximum of P19 per share after signing agreements with eight foreign investors.

Apollo Global unit gets P416-M DBP credit support

A majority owned subsidiary of listed Apollo Global Capital, Inc. has secured an up to P416-million credit line from the Development Bank of the Philippines (DBP) to start its iron ore production. Its subsidiary JDVC Resources Corp. was given an export packing credit line to serve as a pre-shipment financing facility for its capital requirements.

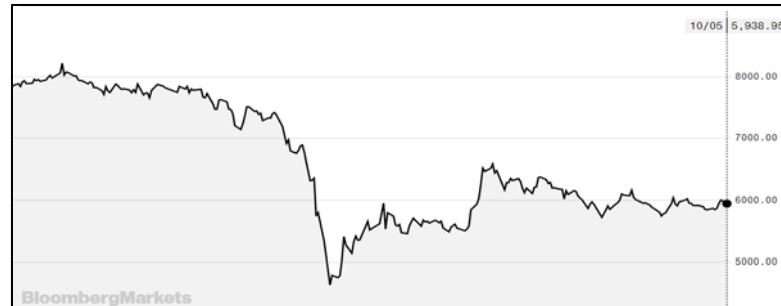
Germany, PHL signal interest in manufacturing

Trade and investment representatives from Germany and the Philippines identified manufacturing and construction as priority sectors for cooperation in a Joint Economic Mission held online.

BTr raises P22 billion from T-bill sale despite low rates

The Bureau of Treasury sold P22b in T-bills on Monday even as rates declined across the board. Demand was overwhelming with total tenders reaching P98.9b, 5x the initial offer of P20b. The national treasurer attributed the decline in rates to expectations that the inflation in September will be lower than previous months.

Philippine Stock Market Update



Previous Close:

5,938.95

1 Yr Return:

-22.35%

Open:

5,938.41

YTD Return:

-24.02%

52-Week Range:

4,039.15 - 8,216.92

Source:

Bloomberg

Foreign Exchange

As of Oct. 5, 2020

US Dollar	Philippine Peso
1	48.38

BVAL Rates

As of Oct. 5, 2020

Tenor	Rate
1Y	1.861
3Y	2.280
5Y	2.645
7Y	2.790
10Y	2.806
20Y	3.896

Daily Quote

"Keep your head up in failure and your head down in success."
-- Jerry Seinfeld

The Daily Dispatch

MORE LOCAL NEWS

Investors seek 5-year tax relief from CREATE bill

CREATE bill. While reducing the corporate tax rate to 25% from 30%, it also removes tax incentives like the 5% GIT offered to PEZA firms, like BPOs and exporters. This raises a concern that firms previously enjoying incentives may move operations elsewhere, resulting in massive job losses.

Group plan to import tilapia to fill supply gap

The Department of Agriculture expects a deficit of 42 days' worth of fish supply by year end. The Bureau of Fisheries and Aquatic resources intend to import 400,000 metric tons of fish products. Small fishers criticized this plan, suggesting instead that the government make fishing areas accessible to Filipino fishermen.

Pandemic woes force PAL to cut jobs by 35%

Philippine Airlines (PAL) is letting go over a third of its more than 7,000 employees this quarter as the economic reopening did little to salvage the airline from financial distress. In a statement Monday evening, the flag carrier said it is reducing workforce by "up to 35%" either voluntarily or by laying them off.

Index tumbles amid lackluster trading

The benchmark Philippine Stock Exchange index (PSEi) lost steam yesterday and closed below the 6,000 mark once more, marking a sour opening for the week. The PSEi hit 5,938.95, down 60.45 points or 1.008 while the broader All Shares slipped 27.45 points or 0.76 percent to finish at 3,558.82.

Peso to remain resilient, says Diokno

The peso is expected to remain resilient as it continues to emerge as the strongest performing currencies in the region amid the pandemic, according to the BSP. BSP Governor Benjamin Diokno said "things are looking good with respect to the peso" amid the country's favorable economic fundamentals.

SMC buys corn from farmers

Diversified conglomerate San Miguel Corp. has ramped up its purchase of local corn, buying over 400 million kilograms to date in a bid to help local farmers and ensure stable food supply. The company said it has purchased a total of 436,209 metric tons or 436 million kilos of corn as of end-September.

PSALM slates for auction of Pampanga property

The state-run Power Sector Assets and Liabilities Management Corporation (PSALM) is scheduling the auction block of a prime property in Mexico, Pampanga. The company said it is eyeing to fetch P803.151 M from that asset sale, which spans around 50,447 sqm. The bid submission is on October 20.

Inflation edges down to 2.3% in September 2020

The Philippines' inflation rate eased for the second straight month in September to 2.3% from the 2.4% recorded in August. It remains within the government's full-year forecast of 1.75% to 2.75%. Year-to-date, inflation stands at 2.5%.

Mergers below P 50B to escape PCC scrutiny

The competition watchdog began the week under a tight leash that would stay on for two years after lawmakers put a provision in the latest Bayanihan law ordering the antitrust body to look away from mergers and acquisitions (M&A) it would otherwise flag for review.

FLI launches Filinvent.io for digital trans

Filinvest Group's corporate innovation and ventures arm has introduced Filinvent.io, a program that aims to help its operating companies digitally transform themselves through startup engagements.

The Daily Dispatch

TODAY'S TOP ASIAN NEWS

AirAsia shuts Japan operations

Malaysia's flagship budget airline AirAsia Group is ceasing its Japanese operations immediately, the carrier said in a bourse filing on Monday. The airline said it has been notified that the board of directors of its majority-owned subsidiary AirAsia Japan (AAJ) has taken a decision to cease operations with immediate effect.

Start-ups & giants race for CH's alt. meat market

China's plant-based meat market is getting more crowded as domestic start-ups join international giants in a race to tap the growing middle class' appetite for healthier food options.

DBS, StanChart lead to pilot trade finance registry

DBS and Standard Chartered have jointly led a workgroup of 12 other banks to create and conduct a proof-of-concept (POC) for a digital Trade Finance Registry (TFR). This is to enhance lending practices and improve transparency in commodity trade, DBS said on Tuesday (Oct 6).

Sunseap to supply Facebook in Sg with solar power

Home-grown Sunseap Group will supply Facebook with solar energy for the social media giant's operations in Singapore, including its first custom-built data centre in Asia. The deal will help Facebook reach its goal of supporting its operations in the region with 100% renewable energy and reducing greenhouse gas emissions by 75%

Frasers Property wins project in Queensland

Frasers Property's Australian division has won a bid to join the Queensland government's build-to-rent (BTR) pilot scheme. The scheme aims to create BTR as a viable asset class in Brisbane and deliver affordable key-worker housing options in the inner city, said mainboard-listed Frasers Property on Saturday.

TODAY'S TOP GLOBAL NEWS

Dollar Tree plans to hire over 25,000 workers

Dollar Tree Inc DLTR.O said on Monday it planned to hire more than 25,000 workers at its stores and distribution centers this holiday season, as it prepares for what is typically a period of higher sales.

Faraday Future in talks for SPAC merger

Electric vehicle startup Faraday Future aims to close a deal soon to go public through a reverse merger with a special-purchase acquisition company (SPAC), its chief executive said on Monday. A SPAC is a shell company that raises money through an initial public offering to buy an operating entity, typically within two years.

UN Fund for Agri devt rated AA+ by Fitch

The International Fund for Agricultural Development (IFAD) has received an AA+ from Fitch, the first for any UN fund. The IFAD said this rating is ideal for increased investment in food security, employment, and economic growth. This rating comes at a critical time when Covid-19 threatens to push millions more into poverty.

Mexico's \$14B investment plan to boost economy

Mexico announced on Monday, October 5, a \$14-billion investment plan in cooperation with the private sector to boost the pandemic-stricken economy through infrastructure projects.

German car sales rebound in September 2020

Sales of new cars in Germany climbed more than 8% year-on-year in September as the economy recovered from the coronavirus shock, official data showed Monday, October 5, but concerns are rising about an uptick in infections.