

The Daily Dispatch

October 13, 2020
TODAY'S TOP NEWS

Remittances slump may continue through 2021

Cash remittances may continue to decline through 2021, as more overseas Filipino workers (OFWs) are expected to lose their jobs. IHS Markit Chief Economist for Asia-Pacific Biswas said remittances will remain lower than pre-pandemic levels as 178,000 OFWs have already returned home amid the pandemic with more expected to follow.

FDI climbs to 7-month high in July

Foreign direct investment (FDI) net inflows reached a seven-month high in July, as investor sentiment improved slightly with the economy's gradual reopening. July also saw the third straight month of growth in FDI net inflows, but this was not enough to reverse the 11% year-to-date slump for the first seven months due to the coronavirus pandemic.

DoTr signs deals with LANDBANK for road transport

The Department of Transportation (DoTr) said it signed six agreements Monday with the Land Bank of the Philippines (LANDBANK) to support various projects, including the distribution of cash subsidies to transport workers, financing to acquire modern jeepneys and buses, and testing the automatic fare collection system.

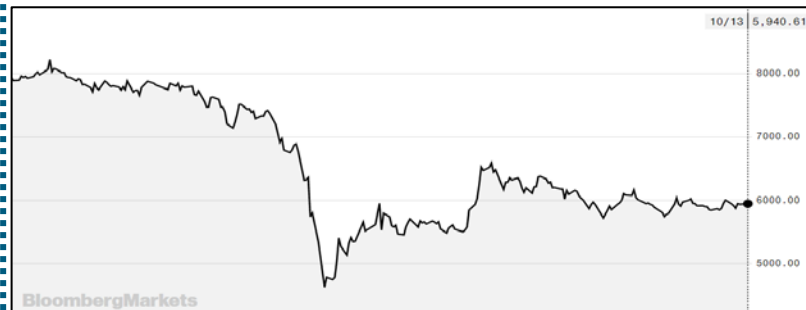
PHilMech sets bidding for P3-B farm equipment

The Philippine Center for Postharvest Development and Mechanization (PHilMech) is ready to initiate the purchase of P3-billion worth of farm equipment under the Rice Competitiveness Enhancement Fund (RCEF). PhilMech, the agency tasked to mechanize the rice farm sector, said it hopes to award the bid contracts by December.

GDP down 8.3% in 2020, up 6.6% in 2021

BDO Unibank's Trust Group is expecting the country's GDP to contract by of 9.6% in Q3 and by 6% percent in Q4 to bring its full year 2020 GDP projection to negative 8.3 percent. BDO Chief Investment Officer Frederico Ocampo said the country is poised for a recovery of 6.6% in 2021, as more government spending enters the economy.

Philippine Stock Market Update



Previous Close:

5,937.05

Open:

5,938.61

52-Week Range:

4,039.15 - 8,216.92

1 Yr Return:

-23.09%

YTD Return:

-24.12%

Source:

Bloomberg

Foreign Exchange

As of Oct. 12, 2020

US Dollar	Philippine Peso
1	48.55

BVAL Rates

As of Oct. 12, 2020

Tenor	Rate
1Y	1.836
3Y	2.266
5Y	2.640
7Y	2.829
10Y	2.927
20Y	3.940

Daily Quote

"If intimidation is your game plan, I hope you have a better one."
-- Colin Kaepernick

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MORE LOCAL NEWS

Senate okays San Miguel Aerocity project in Bulacan

The senate on Monday approved on final reading legislation granting a 50-year franchise to San Miguel Aerocity Incorporated, a subsidiary of San Miguel Corporation, to put up a domestic and international airport in Bulacan.

PHL shelves Samurai, Panda bonds for 2020

THE Philippine government has already shelved its plans to issue renminbi-denominated Panda bonds and yen-denominated Samurai bonds this year as the Bangko Sentral ng Pilipinas (BSP) recently approved a P540-billion advance credit to help the government cover a budget deficit that swelled on the impact of the Covid-19 pandemic.

Auto industry sales up 37% in September

Motor vehicle sales in September went up 37 percent to 24,523 units from the 17,906 units sold in the previous month making the industry upbeat for a recovery until the end of this year. Demand for new cars posted double-digits growth on all vehicle categories except trucks and buses.

Airlines seek more gov't financial assistance

The Air Carriers Association of the Philippines (Acap) is urging the government to pass added stimulus packages as the airlines shed workers during the COVID-19 pandemic.

Cleanfuel continues to expand reach

Cleanfuel, the fastest-growing independent fuel company, has formally opened its latest retail service station in Ortigas Extension to complete its growing network in Metropolis.

Economic team urges no more lockdowns

The Philippines cannot revert to stringent COVID-19 lockdown if it wants to save jobs and lift more people out of poverty post-pandemic, economic managers said, adding that the two weeks of stricter quarantine in Metro Manila and four neighboring provinces last month weighed on infrastructure spending and foreign trade.

San Miguel granted franchise for Bulacan airport

Voting 22-0, the Senate granted Ramon Ang-led San Miguel Aerocity Incorporated a franchise to construct and operate the planned P736-billion New Manila International Airport in Bulacan.

Index recovers on last-minute buying

The Philippine stock market recovered on a last-minute buying after trading in the negative for most of the session. The benchmark Philippine Stock Exchange Composite index (PSEi) gained by 5.44 points or 0.09 points to settle at 5,937.05, apparently ignoring the chaos at the House of Representatives.

PCC OKs GT Capital, Toyota Santa Rosa partnership

GT Capital Holdings Inc. (GT Capital), the listed conglomerate founded by the late tycoon George Ty, has received the green light from the Philippine Competition Commission for its joint venture partnership with Toyota Santa Rosa Laguna Inc.

Philippines secures \$213 million grant from US

The Philippine government has secured a \$213 million (approximately P10.8 billion) grant from the United States to finance its poverty reduction and good governance programs, the Department of Finance (DOF) said yesterday.

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TODAY'S TOP ASIAN NEWS

SoftBank preparing blank cheque acquisition co

SoftBank Group Corp's Vision Fund is preparing to launch a blank cheque acquisition company and will outline plans in the next two weeks, a source familiar with the matter said, confirming comments by the fund's head Rajeev Misra.

CH investment bank CICC launches Shanghai offering

Hong Kong-listed China International Capital Corp (CICC) said on Monday it will conduct price consultation with investors this week ahead of a Shanghai listing, as the Chinese investment bank seeks fresh capital for expansion. CICC plans to sell up to 458.59 million A-shares, or 9.5 per cent of its enlarged capital base.

Hyflux receives \$205m investment proposal

Hyflux has received a formal expression of interest from an American fund manager to invest at least \$204.78 million, the water treatment company said in a regulatory filing two days before an application to put it under judicial management will be heard.

StanChart seeks brokerage licence in mainland Ch

The Hong Kong unit of Standard Chartered has applied for a brokerage licence in mainland China, the state-backed Xinhua News Agency reported. The China Securities Regulatory Commission (CSRC), the country's top securities watchdog, had accepted the application from StanChart HK on Oct 10 to set up a securities firm in the mainland

Investment bank CICC launches Shanghai offering

China International Capital Corp Ltd (CICC), the country's oldest investment bank, will kick off its Shanghai public share sale on Wednesday (Oct 14), seeking to raise an estimated US\$1 billion (\$1.35 billion) for expansion.

TODAY'S TOP GLOBAL NEWS

Walt Disney restructures entertainment businesses

Walt Disney Co has restructured its media and entertainment businesses to accelerate growth of Disney+ and other streaming services as consumers increasingly gravitate to digital viewing. Disney will separate the development and production of programming from distribution to be more responsive to consumer demands.

Global watchdogs agree rules for stablecoins

Central banks set out to regulate cross-border stablecoins like Facebook's planned Libra with a common approach, saying more rules may later be needed to ensure stability. The prospect of a currency-backed stablecoin being used by billions of people on Facebook has galvanised central banks into putting together rules.

British Airways announces shock CEO departure

British Airways (BA), which is slashing thousands of jobs as the coronavirus decimates demand for air travel, announced on Monday, October 12, that chief executive officer Alex Cruz is stepping down "with immediate effect" but gave no reason for his unexpected departure.

\$5tn investor group sets tougher carbon targets

Thirty of the world's largest investors managing a combined \$5 trillion (3.8 trillion pounds) said on Tuesday they plan to set targets to lower their portfolio carbon emissions by as much as 29% over the next five years.

Fintech Revolut plans to apply for US license

Digital banking app Revolut is planning to apply for a bank charter with the Federal Reserve Bank of San Francisco and California's Division of Financial Institutions within weeks, CNBC reported on Monday, citing people with knowledge of the matter.