

The Daily Dispatch

October 14, 2020
TODAY'S TOP NEWS

PH contraction seen deepest in SouthEast Asia

Multilateral lender International Monetary Fund (IMF) said the Philippines is expected to suffer the biggest blow from the coronavirus disease 2019 or COVID-19 pandemic in the region with a deeper economic recession this year despite the projected less severe global contraction.

Credit raters flag risks on Philippine banks

S&P Global Ratings and Fitch Ratings have raised the red flag over the potential impact of the COVID-19 pandemic on Philippine banks as a deeper economic recession could impair the industry's asset quality and profitability. S&P said the economic risk trend for banks operating in the Philippines has turned to "negative" from "stable".

Landbank approves P4.3B loans for palay purchase

Small rice farmers will now have an alternative market for their produce as state-run Land Bank of the Philippines approved P4.3 billion in loans which will be used by local government units to directly purchase palay (unhusked rice). Under the Palay ng Lalawigan lending program, Landbank has so far approved loans to six LGUs.

AgriNurture to issue P4.2 billion green bonds

AgriNurture Inc. (ANI), the listed agro-commercial company of businessman Antonio Tiu, is looking to issue green bonds of up to 75 million euros (P4.2 billion) with maturity of up to seven years. Proceeds would be used to fund the expansion of the company's agricultural projects.

MSME loans reach P80B

Thrift lenders have disbursed P80 billion in loans MSMEs that qualify as alternate reserve requirement compliance. The central bank in April allowed lenders to use credit to MSMEs as part of reserve requirement compliance as part of its regulatory relief for banks and to provide support to small businesses amid the pandemic.

Philippine Stock Market Update



Previous Close:

5,923.23

1 Yr Return:

-23.54%

Open:

5,923.92

YTD Return:

-24.20%

52-Week Range:

4,039.15 - 8,216.92

Source:

Bloomberg

Foreign Exchange

As of Oct. 13, 2020

US Dollar	Philippine Peso
1	48.67

BVAL Reference Rates

As of Oct. 13, 2020

Tenor	Rate
1Y	1.827
3Y	2.286
5Y	2.661
7Y	2.828
10Y	2.898
20Y	3.911

Daily Quote

"How do we change the world? One random act of kindness at a time."

-- Morgan Freeman

The Daily Dispatch

MORE LOCAL NEWS

LNG still best option for PH energy security

Liquefied natural gas (LNG) imports remain the best way to address the Philippines' power needs in the next few years, The Malampaya field off northern Palawan is the country's only source of natural gas and is expected to be completely depleted by 2027.

Kepwealth moves acquisition of office spaces to 2021

Property developer Kepwealth Property Phils. Inc. has moved its continuing acquisition of leasable office spaces to the first or second quarter of 2021 due to the business challenges posed by the coronavirus disease 2019 (COVID-19) pandemic.

PH-based investors launch offer of Steniel shares

A group of three local firms and two businessmen is doing a P64.99-million tender offer of 279.15 million common shares in listed Steniel Manufacturing Corp. The company said that its shares are being tendered by Greenkraft Corp., Golden Bales Corp., Corbox Corp., and a certain Rex Chua and Clement O. Chua.

5 fintech startups to get funding from ING-Unicef

Dutch financial giant ING and the United Nations Children's Fund (Unicef) have selected five promising local fintech startups that will receive fresh funding and mentorship under their joint program that scouts for groundbreaking and scalable solutions that will benefit the financially excluded and hardest-to-reach communities.

Gov't debt burden swells to P 6.44T

As the government borrows more locally, the amount of outstanding IOUs it issued as of September rose to a new high of P6.44 trillion. The latest Bureau of the Treasury data on Tuesday showed that outstanding bonds further increased to P5.56 trillion last month from P5.54 trillion in August.

Construction of new Clark airport terminal completed

The construction of the new passenger terminal building at the Clark International Airport has been completed. In a statement on Tuesday, October 13, the Department of Transportation (DOTr) said construction was finished end-September, ahead of the October deadline.

P14-B ZIA upgrade fast-tracked

The government is fast-tracking the upgrade of the P14 Billion Zamboanga International Airport (ZIA) and has rehabilitated 93.25 percent of its Passenger Terminal Building (PTB). Mindanao's third busiest airport covers 270 hectare, handling approximately 6 million passengers.

Congress row, vaccine setback drive PSEi down

A host of negative factors contributed to the drop in local share prices anew yesterday. The benchmark Philippine Stock Exchange index slipped 13.82 points or 0.23 percent while the broader All Shares index declined 2.68 points or 0.07 percent.

DOF urges passage of 2 fiscal reform bills

Congress should immediately pass two pending fiscal reforms to address the urgent needs of pandemic-hit businesses as identified by a recent World Bank survey, according to the Department of Finance (DOF).

SMC completes construction of Skyway 3 project—Ang

San Miguel Corp. (SMC) on Tuesday said the construction of the entire 17.93-kilometer stretch of the much-awaited Skyway 3 project, which links Southern and Northern Luzon seamlessly, has been completed.

The Daily Dispatch

TODAY'S TOP ASIAN NEWS

IDN's state bank merger will form \$15b entity

Indonesia is pushing ahead with a years-long plan to merge the Islamic units of its state-owned lenders, which could form an entity with US\$15 billion of assets. Bank Mandiri, Bank Negara Indonesia and Bank Rakyat Indonesia signed a conditional deal on Monday to combine their Shariah-compliant units.

Audi boosts e-vehicle presence in China

German luxury carmaker Audi said on Tuesday, October 13, that it would expand its electric vehicle presence in China, as it seeks to tap into a growing appetite for environmentally friendly cars in the world's largest auto market.

Tech, iron ore drive surprise Chinese import jump

China's imports surged in September, defying expectations, official data showed on Tuesday, October 13, while exports rose for a 4th straight month as shops further opened up after virus lockdowns.

Car sales charge ahead in China

Demand for cars in China continues to go from strength to strength, making the automobile market in Asia's biggest economy a lone bright spot as the coronavirus pandemic puts a damper on sales in Europe and the US.

India announces economic stimulus to lift demand

India yesterday announced steps to stimulate consumer demand, including advance payment of a part of the wages of federal government employees during the festival season and more capital spending as it tries to bolster its pandemic-hit economy.

TODAY'S TOP GLOBAL NEWS

Struggling countries to get G20 debt freeze extension

The G20 group of major economies is ready to extend a multi-billion dollar debt freeze for the world's poorest countries to help them survive the coronavirus pandemic, and will adopt a common approach to dealing with longer-term debt restructurings.

Group acquires Dutch firm's majority stake in Steniel

A group has launched their tender offer to buy the remaining shares of Steniel Manufacturing Corp, a maker of paper box products, after it bought the shares of its Dutch majority owner. Greenkraft Corp., Golden Bales Corp., Corbox Corp., Rex Chua, and Clement Chua purchased the 64.99% shares of Steniel Holdings B.V. for P64.99M.

SGX, NZX to explore dairy derivatives partnership

The Singapore and New Zealand stock exchanges are joining forces to expand the Kiwi bourse's dairy derivatives market. The deal signed yesterday involves exploring listing the New Zealand exchange's suite of dairy derivatives contracts on the Singapore Exchange's (SGX) trading and clearing platforms.

JPMorgan sticks with plan to build giant NY HQ

JPMorgan Chase & Co is forging ahead with plans to build a mammoth new headquarters in New York, Chief Executive Jamie Dimon said on Tuesday, despite the coronavirus pandemic casting serious doubt on the future of office buildings.

Fender releases new guitars as sales boom

Fender Musical Instruments Corp on Tuesday released a new range of electric guitars aimed at professional players, hoping that a sales boom in entry level guitars will carry over into \$1,000-plus instruments, even as many live music venues remain shuttered.