

The Daily Dispatch

November 10, 2020
TODAY'S TOP NEWS

Virus more destructive than initially thought in Q2

Coronavirus proved to be more damaging to Philippine economy in the second quarter than initially thought. Gross domestic product (GDP) shrank an annualized rate of 16.9% from April to June, worse than the preliminary 16.5% year-on-year slump reported in August, state statisticians reported on Monday.

Agriculture gives fresh growth boost in Q3

Agriculture notched a quicker expansion in third quarter, cementing the sector as a reliable growth source for the shrinking economy despite future risks that typhoons and a contagious hog disease would disrupt gains. Farm production grew 0.7% year-on-year in 3 months ending September.

Peso soars to 4Y high as dollar demand slumps

The peso opened the week rallying to its highest level in over 4 years on Monday, a milestone largely emanating from tepid demand for dollars coming in tandem with a weak economy. The local currency firmed up at P48.145 against the US dollar on Monday, stronger than its previous finish of P48.22.

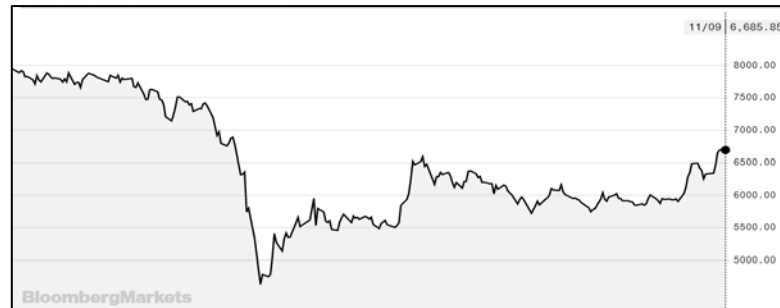
LBC Express posts strong Q3 profit growth

LBC Express Holdings, Inc. reported a 38% jump in net income to P442.38-m in Q3 of 2020 from the P321.07-m earned in the same quarter last year. LBC Express has continued to operate throughout the year despite varied levels of government-mandated quarantine scenarios and lockdowns.

Jollibee suffers P13.54-B net loss in first 9 months

Jollibee Foods Corporation reported an attributable net loss of P13.54 billion in the first nine months of 2020, a 424.4 percent drop from the attributable net income of P4.18 billion in the same period last year due to the impact of the pandemic.

Philippine Stock Market Update



Previous Close:

6,685.85

1 Yr Return:

-12.68%

Open:

6,792.58

YTD Return:

-11.60%

52-Week Range:

4,039.15 - 8,216.92

Source:

Bloomberg

Foreign Exchange

As of Nov. 9, 2020

US Dollar	Philippine Peso
1	48.27

BVAL Rates

As of Nov. 9, 2020

Tenor	Rate
1Y	1.774
3Y	2.297
5Y	2.704
7Y	2.896
10Y	2.974
20Y	3.925

Daily Quote

"You don't have to be a genius or a visionary or even a college graduate to be successful. You just need a framework and a dream."

-- Michael Dell

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MORE LOCAL NEWS

DNL sales, earnings improve in Q3

Chemical manufacturer D and L Industries Inc. (DNL) on Monday said its income in January to September fell 32 percent to P1.37 billion from last year's P2.03 billion, but the company saw a marked improvement in sales and earnings in the third quarter.

Gas prices cut P0.20/liter; diesel up P0.20/liter

Motorists will be greeted by varied adjustments in pump prices this week – with the cost of gasoline getting trimmed by P0.20/liter; while diesel will go up by P0.20/liter. Kerosene products will also increase in price by P0.40 liter.

8990 posts 31% profit climb on record revenues

Earnings of mass housing developer 8990 Holdings, Inc. jumped 31% to P1.82 billion in the third quarter on the back of record-high quarterly revenues amid the coronavirus pandemic. Real estate sales added P4.83 billion to the company's revenues, while rental income contributed P2.85 million.

Telcos' capex to rise by up to 25% in 2021

The capital expenditure (capex) of the “incumbent” telecommunications companies is expected to increase by up to 25% next year, driven by regulatory pressure and the planned commercial launch of telco startup DITO Telecommunity Corp. in March, Fitch Ratings said.

AUB income steady at end-Sept

Asia United Bank Corp. (AUB) booked a steady net income in the first nine months of the year as it increased its loan loss reserves amid the coronavirus pandemic. AUB's operating income from its core businesses came in at P11.5 billion in the nine-month period, 25% higher year on year.

Agriculture sector posts 0.7% growth in 3rd quarter

The country's agricultural sector was able to maintain its growth in the third quarter at a relatively faster pace of 0.7 percent from 0.5 percent the previous quarter, again driven by the robust performances of the crops and fisheries subsectors.

T-bill rates decline across the board

Amid lingering global economic uncertainties and declining domestic rates, short-dated treasury bills continued to appeal to investors, allowing the Bureau of the Treasury to sell P24 billion on Monday.

Resumption of businesses at full capacity pushed

The country's chief economist on Monday said resuming businesses up to full capacity would fast-track economic recovery before year's end as availability of more jobs would also perk up consumer confidence.

DTI to ensure stable consumer prices this Christmas

The Department of Trade and Industry (DTI) said it would monitor prices of basic goods to ensure there would be no additional burden on consumers this holiday season, but stopped short of saying what it would do in case prices do increase.

SSI Group shares jump on e-commerce site launch

Listed luxury brand retailer SSI Group Inc. saw its shares surge week-on-week, following the recent launch of its e-commerce website. The shares of SSI Group were up 6 centavos or 3.92 percent to finish at P1.59 each on Friday.

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TODAY'S TOP ASIAN NEWS

Nikkei index hits 29-year high after Biden win

Tokyo stocks surged over 2% to end at a 29-year high on Monday after Joe Biden was elected the next US president in a close contest that eventually delivered the outcome investors expected. The benchmark Nikkei 225 index gained 2.12%, or 514.61 points, to end at 24,839.84.

Ant's stalled IPO seen slashing value by \$140b

China's move to halt Ant Group's massive stock debut could reduce the fintech giant's value by as much as US\$140 billion, according to analysts' revised estimates. New regulations that could force Ant to raise more capital to back lending and seek national licences to operate across the country may reduce the firm's valuation.

Ascendas Reit to raise \$1.2b

Ascendas Real Estate Investment Trust (Ascendas Reit) has launched a private placement and preferential offering to raise gross proceeds of about \$1.2 billion.

Temasek unit signs LNG deal with Qatar Petroleum

Singapore continued its push towards cleaner and more sustainable energy sources as Temasek-owned Pavilion Energy announced yesterday that it had signed a 10-year sale and purchase agreement with the world's largest liquefied natural gas (LNG) producer Qatar Petroleum.

SoftBank's Vision Fund back in black on valuations

Japan's SoftBank Group yesterday reported a 1.4 trillion yen net gain on investments in its two Vision funds, as a broad upswing in tech valuations brought the value of its mammoth first fund back above water.

TODAY'S TOP GLOBAL NEWS

Poll jitters, Covid cases push investors to T-bills

The Bureau of the Treasury ended up raising a total of P24-b as risk-averse investors swamped the T-bill auction amid lingering uncertainties from the pandemic and the results of the US elections. Strong demand for government securities was evident as total tenders reached P112.1 billion, 5.6x the P20-b initial offering.

Pfizer, BioNTech initial vaccine results impress

Scientists on Monday said initial trial results for Pfizer Inc and BioNTech's coronavirus vaccine far outpaced their expectations for protection against a completely new disease, but that many questions remain unanswered. The drugmakers said their vaccine was more than 90 percent effective at preventing COVID-19.

McDonald's launches new growth strategy

McDonald's Corp MCD.N said on Monday it would test a loyalty program for customers and launch a new crispy chicken sandwich next year as it refocuses its long-term strategy to look beyond the COVID-19 pandemic. It will also debut a "McPlant" line of plant-based menu items.

Central bank sees French GDP down 9-10% in 2020

France's central bank said Monday, November 9, it expects economic activity to decline between 9% and 10% this year, a bigger drop than previously forecast due to a new lockdown.

VF Corp to buy streetwear brand Supreme for ~\$2.1b

VF Corp VFC.N said on Monday it would pay \$2.1 billion to buy streetwear apparel company Supreme, adding another popular brand to the Vans shoe maker's roster.