

The Daily Dispatch

November 12, 2020
TODAY'S TOP NEWS

Megaworld Q3 earnings recover as economy reopens

Tycoon Andrew Tan-led property developer Megaworld Corp. saw its third-quarter earnings improve from the second quarter as the gradual reopening of the domestic economy boosted rental income from shopping malls while the office portfolio exhibited resilience during the coronavirus pandemic.

Cebu Air losses hit P14.7B

Heavy losses continued for the operator of budget airline Cebu Pacific amid the pandemic. Cebu Air Inc. disclosed a net loss of P14.7B by the end of September this year—a reversal of the P6.8-billion profit in the 9-month period last year—as the air travel sector collapsed due to flight restrictions and lockdowns in the PH and overseas.

Steeper GDP decline seen this year

After a deeper-than-expected economic contraction in the third quarter, economists downgraded their full-year 2020 outlook on the Philippines to price in a more severe downturn arising from the coronavirus pandemic and the consequent job losses and business disruptions amid lockdowns.

Senate approves FIST bill

The Senate approved a measure allowing financial institutions to offload bad loans to asset management companies in order to cushion the impact of the coronavirus pandemic on their finances. The chamber passed Senate Bill (SB) No. 1849, the Financial Institutions Strategic Transfer (FIST) Act," in anticipation of an

FDI inflows up for 4th straight month

Foreign investments to the Philippines grew for a fourth straight month in August due to renewed investor confidence despite the coronavirus disease 2019 (COVID-19) pandemic, the central bank said.

Philippine Stock Market Update



Previous Close:

7,035.48

1 Yr Return:

-10.60%

Open:

6,968.93

YTD Return:

-10.12%

52-Week Range:

4,039.15 - 8,012.34

Source:

Bloomberg

Foreign Exchange

As of Nov. 11, 2020

US Dollar	Philippine Peso
1	48.475

PDST-R2 Rates

As of Nov. 11, 2020

Tenor	Rate
1Y	1.780
3Y	2.313
5Y	2.733
7Y	2.943
10Y	3.027
20Y	3.985

Daily Quote

"Success is not final, failure is not fatal: it is the courage to continue that counts."

--Winston Churchill

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MORE LOCAL NEWS

Japan firm to build P15-B cement plant

Japanese company Taiheiyo Cement Group will build a new P15-billion production line in Cebu to expand its local output capacity. Its local subsidiary Taiheiyo Cement Philippines, Inc. will build the new production line and expand shipping bases to Luzon, Iloilo, and Davao.

Fitch unit sees deeper 9.6% contraction for PH

Fitch Solutions Country & Risk Industry Research expects a deeper economic contraction for the Philippines for this year, but expects a stronger rebound next year on the back of supportive fiscal and monetary policy stances. The research arm of the Fitch Group expects the Philippine economy to contract by a deeper 9.6 percent this year.

Banks, swamped with unpaid loans, are not lending

Banks continued to hold back from lending as loans in their books start to sour with the unwinding of regulatory relief extended to customers battered by the pandemic. Outstanding loans by big banks, net of their lending to each other, inched up 2.8% year-on-year as of September, sustaining a weakening trend that started last March.

Foreign mining firms eye Philippines

Foreign groups are closely looking at the Philippine mining industry as the government considers the sector as a major contributor to economic recovery. In a virtual forum Wednesday, the Philippine Mining and Exploration Association (PMEA) said international and local firms are now revisiting their prospects.

Typhoon Ulysses leaving land, rain to persist

Typhoon Ulysses (Vamco) was leaving Luzon landmass through the province of Zambales early Thursday morning, November 12, but the state weather bureau warned that rain would still continue throughout the day.

GMR of India to infuse 40% equity in NAIA project

Megawide Construction Corp. said Indian infrastructure partner GMR Infrastructure Ltd. of India agreed to infuse a 40-percent equity in the rehabilitation and development of the Ninoy Aquino International Airport after the National Economic and Development Authority raised concerns over the consortium's capability to finance the project.

SM Prime set to open 75th mall in Butuan City

Property developer SM Prime Holdings Inc. said Wednesday it will open on Friday its 75th shopping mall in Butuan City, Agusan del Norte. SM Prime said the opening of SM City Butuan would proceed even as shopping malls across the country continued to experience reduced foot traffic and lower revenues because of the pandemic.

GFNI signs supply deal with Chinese steel miller

Nickel miner Global Ferronickel Holdings Inc. said it secured a new one-year supply contract with a Chinese steel miller for the export of 1.3 million wet metric tons of nickel in 2021. GFNI said that Surigao del Norte Platinum Group Metals Corp. recently signed an annual purchase agreement with Baosteel Resources International Co. Ltd.

Semirara, Meralco end joint venture

Semirara Mining and Power Corp. and Meralco PowerGen Corp. (MGen) mutually agreed to end their accord covering a coal-fired power plant in Calaca, Batangas. The Consunji Group's power company, in a disclosure on Tuesday, announced that the parties agreed to terminate the joint venture agreement (JVA) effective November 9, 2020.

Uy eyes P77-B backdoor listing for third telco

Dennis Uy is pursuing potential backdoor listing of third telco player Dito Telecommunity through a share-swap deal amounting up to P77.28 billion. Dito CME said it approved the terms of the purchase of Udenna Communications Media and Entertainment (CME) Holding through a share-swap transaction with Udenna Corp.

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TODAY'S TOP ASIAN NEWS

China manufacturers eye sales as shutdowns return

As they churn out goods being consumed around the world, manufacturers in China are licking their chops at the prospect of an end-of-year windfall amid fresh coronavirus outbreaks and economic upheaval in Europe and America.

Saft opens energy storage plant in Zhuhai

French battery maker Saft has opened a manufacturing facility for energy storage systems in Zhuhai in southern China, its second plant in the Greater Bay Area city, as it bets on the city's role in the future economic hub.

China bans more Australian timber after pests found

China has stopped the import of all timber from the Australian state of Victoria after customs officials said they had discovered pests, Australia said. Diplomatic relations with China, Australia's biggest trading partner, have worsened after Canberra called for an international inquiry into the source of the coronavirus.

SoftBank's Northstar unit reports \$3.7b in losses

Japan's SoftBank Group Corp 9984.T said on Wednesday SB Northstar, its new trading unit, had amassed about \$3.7 billion in trading losses so far. SoftBank had until now not disclosed much information about the unit, which is reportedly the so-called "Nasdaq whale", an investor with large derivatives positions in tech stocks.

HK legislature sits without democrats after exodus

Hong Kong's legislature sat empty of pro-democracy lawmakers Thursday, November 12, after the bloc said they would resign en masse, turning the semi-autonomous city's once-feisty legislature into a muted gathering of Beijing loyalists.

TODAY'S TOP GLOBAL NEWS

Alibaba says post-COVID Singles' Day sales hit \$74B

China's Alibaba said on Wednesday orders on its e-commerce platforms during the Singles' Day shopping extravaganza hit a record 498.2 billion yuan (\$75.1 billion). The world's biggest sales event - eclipsing Black Friday and Cyber Monday in the United States - spanned four main days this year.

ByteDance to rake in \$27B ad revenue by year-end

TikTok-owner ByteDance is on track to generate at least 180 billion yuan (\$27.2 billion) in advertising revenue in China this year, which will cement its no. 2 spot in China's digital ad market, two people with knowledge of the matter said.

Apollo to buy Great Canadian Gaming in C\$3.3b deal

Great Canadian Gaming Corp agreed to be acquired by Apollo Global Management Inc in a deal valued at more than C\$3.3 billion (\$3.41 billion), the latest shift for the casino industry that's been hit by the Covid-19 pandemic. Apollo will pay C\$39 a share for the Toronto-listed casino operator.

AUS biggest IPO in two years to price from Friday

Macquarie Group plans to price the IPO of its majority-owned data analytics software business this week, earlier than planned, with the Australian investment firm on track to triple its investment. A cornerstone bookbuild for software company Nuix is expected to be held on Friday to set a price for institutional buyers.

Biden taps Ron Klain as White House chief of staff

US President-elect Joe Biden on Wednesday, November 11, announced he has chosen Ron Klain, a seasoned Democratic operative, as his chief of staff, his first public personnel choice for the White House.