

# The Daily Dispatch

November 17, 2020  
TODAY'S TOP NEWS

## RCEP seen advantageous, but PH exporters hampered

The benefits of improved market access brought about by the newly-signed RCEP will outweigh any disruption that less-competitive economies might experience. However, Fitch Solutions highlighted that red tape restrictions are only part of the barriers businesses face exporting from the Philippines.

## Vista Land plans REIT offering

Vista Land & Lifescapes, Inc. is keen on doing a real estate investment trust (REIT) offering for some of its leasing assets to improve its financial position during the coronavirus pandemic. The developer said it is “seriously looking at the possibility of doing a REIT with our 1.5 mn sqm GFA leasing portfolio.”

## PNC to buy the US banking arm of BBVA for \$11.6B

PNC Financial Services Group, Inc. said it would buy the US business of Spanish lender BBVA for \$11.6 billion in cash, further consolidating the US banking sector. It is the second-largest US banking deal since the 2008 financial crisis and creates a US bank with nearly \$560 billion of assets and a presence in two dozen states.

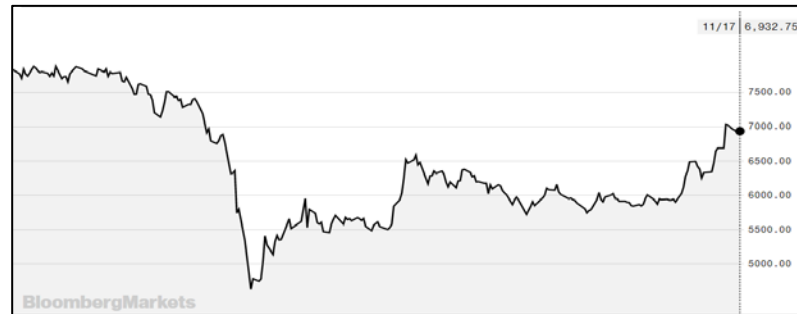
## Remittances bounce back in Sept.

Cash remittances from overseas Filipinos rebounded in September, growing at the fastest pace in more than two years after a decline in August. Cash remittances coursed through banks jumped by 9.3% to \$2.601 billion in September from \$2.379 billion a year ago.

## GT Capital extends profit dive as pandemic bites

GT Capital Holdings, Inc. reported a net income of P489 million in the third quarter, slumping by about 94% from the P7.99 billion it reported a year earlier. Nearly all of GT Capital's business segments recorded lower income contributions for the nine-month period.

## Philippine Stock Market Update



### Previous Close:

6,918.05

### 1 Yr Return:

-10.85%

### Open:

6,950.52

### YTD Return:

-11.23%

### 52-Week Range:

4,039.15 - 8,216.92

### Source:

Bloomberg

## Foreign Exchange

As of Nov. 16, 2020

US Dollar	Philippine Peso
1	48.23

## BVAL Rates

As of Nov. 16, 2020

Tenor	Rate
1Y	1.782
3Y	2.310
5Y	2.736
7Y	2.944
10Y	3.012
20Y	4.010

## Daily Quote

"Instead of wondering when your next vacation is, maybe you should set up a life you don't need to escape from."  
-- Seth Godin

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## MORE LOCAL NEWS

### Megawide to address NAIA rehab financial needs

Engineering and infrastructure company Megawide Construction Corp. will address this week the remaining hurdle on its P109 billion unsolicited proposal to upgrade the Ninoy Aquino International Airport (NAIA), as it hopes to get full award of the project by the first quarter of next year.

### Toyota urges government support for car sector

Toyota Motor Philippines (TMP) has underscored the big role of the automotive industry in the recovery of the Philippine economy from the onslaught of COVID-19. But TMP chairman Alfred Ty said the whole local automotive industry needs government support to be able to survive in the long term and not just the impact of the pandemic.

### PH, SG central banks address cybersecurity risks

The central banks of the Philippines and Singapore agreed to address cybersecurity and other risks with the increasing use of technology to supply financial services amid the global health pandemic.

### Clark Airport gets global health accreditation

The Airports Council International (ACI) has accredited the Clark International Airport (CRK) as a safe and secure place for the traveling public. The CRK was the first airport in the Philippines to receive the global accreditation.

### Power Rates down in November 2020

The Manila Electric Company (MERALCO) announced today a downward adjustment of power rates, as the overall rate for a typical household decreased by P0.0395 per kWh, from last month's P8.5500 per kWh to P8.5105 per kWh this November. This is equivalent to a decrease of around P8 in the total bill of residential customers consuming 200 kWh.

### PLDT-Smart virtual/in-store visits launched

PLDT Inc. and Smart Communications, Inc. launched an online booking service allowing virtual or in-store transactions at customers' convenience to ensure safe transactions in this pandemic times. Through this booking page, customers will be able to schedule a virtual meeting with a PLDT or Smart store customer service representative.

### Cebu Landmasters profit drops to P1.5B in 9 months

VisMin developer Cebu Landmasters Inc. reported a 9% decline in consolidated net income to P1.5b in the first nine months of the year from P1.65b in the same period of 2019. In a disclosure to the Philippine Stock Exchange, the firm said consolidated revenues dipped 4% to P5.7b from almost P6b in the first three quarters last year.

### CNPF, Shakey's launch veggie-meat product

Century Pacific Food, Inc. (CNPF) and sister company Shakey's Pizza Asia Ventures, Inc., both controlled by the Po family, have moved into the meat-free market with the launch of their vegan meat alternative products in the Philippines.

## TODAY'S TOP ASIAN NEWS

### Cortina plans to acquire Sincere Watch for \$84.5m

Mainboard-listed luxury watch retailer Cortina Holdings has proposed to acquire Sincere Watch for \$84.5 million in cash, it said in an exchange filing early Tuesday morning (Nov 17).

### HK can reap the rewards of pact even as an outsider

The world's biggest free-trade pact, signed on the weekend by China and 14 other Asia-Pacific nations, could help Hong Kong minimise the damage wrought on its economy by the souring of Washington-Beijing relations and the coronavirus pandemic, according to city analysts.

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## MORE ASIAN NEWS

### China: Factory output beats forecasts

China's factory output rose faster than expected last month and retail sales continued to recover albeit at a slower-than-forecast pace, as the world's second-largest economy emerged from its Covid-19 slump.

### S. Korea's 2 biggest airlines to merge

South Korea's two biggest airlines plan to merge, with Korean Air acquiring Asiana Airlines for 1.8 trillion won (\$2.2 billion) following an injection via its parent, Hanjin Kal.

### China's consumer spending picks up in October

China's retail sales continued a general recovery in October, official data showed Monday, on the back of a national holiday and policies aimed at boosting spending. Although China has largely brought the coronavirus under control, spending has been slower to recover as the world still grapples with the impact of the pandemic.

### Japan exits recession as GDP grows 5.0% in Q3

Japan's economy exited recession in the 3rd quarter, growing a better-than-expected 5%, government data showed Monday, following a record contraction. A rise in domestic demand as well as exports helped drive the q-o-q growth, after the coronavirus pandemic and a consumption tax hike slammed the economy into reverse earlier in the year.

## TODAY'S TOP GLOBAL NEWS

### Home Depot to buy back HD Supply in \$8 billion deal

Home Depot Inc HD.N said on Monday it would buy HD Supply Holdings Inc HDS.O in a deal valued at about \$8 billion, setting itself up to regain control over the industrial materials wholesaler after spinning it off over a decade ago.

### Airbnb IPO filing shows Q3 profit of \$294.6m

Airbnb's initial public offering paperwork showed on Monday (Nov 16) the home rental start-up turned a profit in the third quarter due to aggressive cost cuts, as it prepares for one of the most anticipated stock market debuts in recent years.

### Tesla to join S&P 500 as largest-ever new member

Tesla, Elon Musk's 17-year-old upstart carmaker, took a giant step toward blue-chip respectability on Monday (Nov 16), getting named to one of the world's most famous stock indexes in an action that will greatly broaden its investor base.

### Nexi buys Nets in deal to create payment giant

Italian payments processor Nexi agreed to buy private equity-owned rival Nets, creating the Europe's biggest payments firm by volume in a quickly consolidating industry. The all-share deal values Copenhagen-based Nets at 7.8 billion euros, including 1.8 billion euros of debt.

### Buffett's Berkshire invests in four big drugmakers

Warren Buffett's Berkshire Hathaway said on Monday it has begun investing in the stocks of four large drugmakers. Berkshire disclosed new stakes in Abbvie Inc, Bristol-Myers Squibb and Merck & Co of more than US\$1.8 billion each, and a new US\$136 million stake in Pfizer Inc.

### Moderna COVID-19 vaccine is 94.5% effective

Moderna said on Monday its experimental vaccine was 94.5 per cent effective in preventing Covid-19 based on interim data from a late-stage clinical trial, becoming the second US company in a week to report results that far exceed expectations.