



BAIPHIL MARKET WATCH

23 Apr
2020

~ PROMOTING COLLABORATIVE GOVERNANCE FOR
DIGITAL TRANSFORMATION AND SUSTAINABILITY ~

Legend

- Improvement / Up
- Deterioration / Down
- No Movement

FINANCIAL MARKETS AT A GLANCE



| Currency Exchange ¹ | Current | Previous |
|--------------------------------|----------|----------|
| USD/PHP | 50.8000 | 50.7900 |
| USD/JPY | 107.8300 | 107.7800 |
| USD/CNY | 7.0842 | 7.0920 |
| EUR/USD | 1.0812 | 1.0856 |
| GBP/USD | 1.2320 | 1.2291 |

| PHP BVAL Reference Rates ² | Current | Previous |
|---------------------------------------|---------|----------|
| 30-Day | 3.0840 | 3.0930 |
| 91-Day | 3.1470 | 3.1710 |
| 180-Day | 3.2390 | 3.3270 |
| 1-Year | 3.3160 | 3.3920 |
| 3-Year | 3.5510 | 3.5350 |
| 5-Year | 3.6740 | 3.6650 |
| 10-Year | 3.8950 | 3.8720 |

| Domestic Stock Index ³ | Current | Previous |
|-----------------------------------|----------|----------|
| PSEi | 5,573.75 | 5,592.25 |
| Trade Value (Php B) | 5.074 | 5.662 |

| Stock Index ⁴ | Current | Previous |
|--------------------------|-----------|-----------|
| NIKKEI 225 | 19,137.95 | 19,280.78 |
| FTSE 100 | 5,770.63 | 5,641.03 |
| DOW JONES | 23,475.82 | 23,018.88 |
| S&P 500 | 2,799.31 | 2,736.56 |
| NASDAQ | 8,495.38 | 8,263.230 |

| Various ^{5/6} | Current | Previous |
|------------------------|---------|----------|
| Brent Crude (USD/bbl) | 20.53 | 19.61 |
| 3-M US Treasury Yield | 0.09% | 0.10% |
| 5-Y US Treasury Yield | 0.36% | 0.33% |
| 10-Y US Treasury Yield | 0.62% | 0.57% |



PHILIPPINES



- ✓ **PSEi continues downtrend amid COVID-19 worries.** Philippines shares remained in the red on Wednesday as concerns over the economic impact of the coronavirus disease 2019 (COVID-19) pandemic continued to drag investor sentiment. The bellwether PSEi shed 18.50 points or 0.33% to 5,573.75 at the closing bell. The broader All Shares lost 1.57 points or 0.05% to 3,388.17. "Crude oil prices continue to plunge, evidencing global economic weakness. Meanwhile, the BSP (Bangko Sentral ng Pilipinas) projects a 0 to -1 contraction in the 2020 Philippine economy," Philstocks Financial said.
<https://www.gmanetwork.com/news/money/economy/735121/psei-continues-downtrend-amid-covid-19-worries/story/>
- ✓ **Peso retreats on COVID-19 concerns.** The Philippine peso retreated against the US dollar on Wednesday, dragged by concerns on the economic impact of the global health crisis caused by the coronavirus disease 2019 (COVID-19). The local currency lost a centavo to close at P50.8:\$1 from Tuesday's finish of P50.79:\$1.
<https://www.gmanetwork.com/news/money/economy/735147/peso-retreats-on-covid-19-concerns/story/>
- ✓ **Yields on seven-day term deposits drop as banks get liquidity boost.** Yields on the central bank's term deposit facility (TDF) continued to drop amid rising demand, with banks parking some of their funds in the instruments after additional liquidity was infused into the system due to the reduction in the reserve requirement ratio (RRR) of big banks. Total tenders for the Bangko Sentral ng Pilipinas' (BSP) seven-day term deposits amounted to P119.288 billion on Wednesday, going beyond the P30 billion on offer as well as the P78.496 billion worth of bids seen last week. Banks asked for yields ranging from 2.295% to 2.5%, lower than the 2.775% to 3% band logged on April 15. This caused the average rate for the one-week papers to settle at 2.4369%, shedding 52.09 basis points (bps) from the 2.9578% fetched a week ago.
<https://www.bworldonline.com/yields-on-seven-day-term-deposits-drop-as-banks-get-liquidity-boost/>
- ✓ **BSP says flat growth is best case scenario.** The Bangko Sentral ng Pilipinas (BSP) expects the economy to contract by as much as one percent this year as monetary and fiscal authorities ramp up efforts to prepare for a soft landing amid the coronavirus disease 2019 or COVID-19 pandemic. BSP Governor Benjamin Diokno told members of the Committee for COVID-19 of the House of Representatives, during a virtual meeting, that the economy is likely to shrink by one percent to a zero or flat growth this year. Diokno said he has instructed BSP Deputy Governor Francisco Dakila Jr. to compute the quarterly growth under the current scenario. "We are still finalizing," the BSP chief said.
<https://www.philstar.com/business/2020/04/22/2008843/economy-shrink-1>

- ✓ **BSP urges more Filipinos to shift to e-payments to slow coronavirus spread.** The country's top financial regulator wants more Filipinos to use electronic payments as a means of settling transactions especially during the Luzon-wide lockdown imposed by the government to combat the coronavirus pandemic. In a statement, Bangko Sentral ng Pilipinas Governor Benjamin Diokno said the use of e-payments during the enhanced community quarantine reduces face-to-face transactions and will prevent the spread of COVID-19. <https://business.inquirer.net/295371/bsp-urges-more-filipinos-to-shift-to-e-payments-to-slow-coronavirus-spread>
- ✓ **Penalty lowered for bank reserve deficiencies — BSP.** The Bangko Sentral ng Pilipinas (BSP) has further lowered the maximum penalty slapped on banks that fail to meet the required reserves due to the impact of the coronavirus disease 2019 or COVID-19 outbreak. BSP Deputy Governor Chuchi Fonacier said the Monetary Board has issued a resolution relaxing the maximum penalty that may be imposed for reserve deficiencies. The move to ease the BSP's penalty requirements aims to help banks that decide to utilize their reserve assets to support liquidity requirements of their clients or their business operations during the Luzon-wide enhanced community quarantine. Fonacier told The STAR the BSP through a memorandum reduced the maximum penalty for reserve deficiencies to the overnight lending facility rate plus 10 basis points from the overnight lending facility rate plus 50 basis points under Memorandum 2020-011 issued last March 19. <https://www.philstar.com/business/2020/04/22/2008813/penalty-lowered-bank-reserve-deficiencies-bsp>
- ✓ **Outstanding IOUs' value inched up to P5.5 trillion in March.** Even as investors' appetite for government securities weakened in mid-March as they held on to cash at the start of the enhanced community quarantine, the amount of debt papers sold by the Bureau of the Treasury further climbed to P5.5 trillion that month. The latest Treasury data showed that the value of outstanding treasury bills and bonds issued by the national government increased from P5.4 trillion last February. <https://business.inquirer.net/295380/outstanding-iou-value-inched-up-to-p5-5-trillion-in-march>
- ✓ **COVID-19 economic impact to be known by end-April, NEDA says.** The government expects to have a clear picture of the impact of COVID-19 on the Philippine economy by the end of the month, a requisite assessment for the administration's recovery plan. According to Acting Socioeconomic Planning Secretary Karl Kendrick Chua, the National Economic and Development Authority (NEDA) has already fielded surveys to estimate the economic impact of the pandemic. Chua earlier said crafting the Philippine recovery plan was among his priorities as the NEDA chief after he assumed office on Tuesday, April 21. <https://www.gmanetwork.com/news/money/economy/735097/covid-19-economic-impact-to-be-known-by-end-april-neda-says/story/>
- ✓ **Philippines' P1.4T war chest against COVID-19 to be available by end-April —DOF.** The Philippines' P1.49-trillion war chest against the coronavirus disease 2019 (COVID-19) is estimated to be fully available by the end of the month, the Department of Finance (DOF) said Wednesday. According to Finance Assistant Secretary Antonio "Tony" Lambino II, the government funding requirement is expected to be available by Thursday next week, April 30. <https://www.gmanetwork.com/news/money/economy/735128/philippines-p1-4t-war-chest-against-covid-19-to-be-available-by-end-april-dof/story/>
- ✓ **NEDA chief Chua: Tax reform should continue post-COVID-19.** Acting Socioeconomic Planning Secretary Karl Kendrick Chua on Wednesday reiterated the need for more tax reform bills once the coronavirus disease 2019 (COVID-19) is resolved. According to Chua, the National Economic and Development Authority (NEDA) will take into account proposals to defer the passage of new tax bills, but he said he personally wants the comprehensive tax reform program to push through. He was responding to remarks of the Philippine Chamber of Commerce and Industry (PCCI) to defer the passage of proposed tax reform measures post-COVID to attract more foreign investors to the country. <https://www.gmanetwork.com/news/money/economy/735095/neda-chief-chua-tax-reform-should-continue-post-covid/story/>
- ✓ **National ID preparations hastened during lockdown: NEDA.** The government will fast-track the processing of the national ID system notwithstanding the COVID-19 lockdown, since it can be used to expedite aid in times of crisis, the new socioeconomic planning chief said Wednesday. Procurement of equipment and other systems can be done even with restrictions in place to contain the spread of COVID-19, acting Socioeconomic Planning Secretary Karl Kendrick Chua told ANC. Strict health measures will also be observed during registration once the lockdown is lifted, he said. <https://news.abs-cbn.com/business/04/22/20/national-id-preparations-hastened-during-lockdown-neda>
- ✓ **COVID-19 supply chain disruptions could spoil gains from free fall of oil prices—economists.** Severely depressed oil prices in the world market were likely to benefit the Philippines in the long run but its near-term impact on domestic consumer prices may be offset by supply chain disruptions caused by the ongoing COVID-19 lockdown, according to economists. "Our country is not an exporter, so definitely we don't suffer—we are an importer (of oil)," said acting Socioeconomic Planning Secretary Karl Kendrick T. Chua at a press conference via the teleconferencing app Zoom on Tuesday (April 21). <https://business.inquirer.net/295367/covid-19-supply-chain-disruptions-could-spoil-gains-from-free-fall-of-oil-prices-economists>
- ✓ **SEC warns public vs. unauthorized investment schemes.** The Securities and Exchange Commission on Wednesday warned the public against unauthorized investment schemes. In a statement, the SEC warned the public against dealing with Viceem Help Worldwide/Viceem Help by Millionaire Maker Team, Nexus P Capital by GK Marketing Limited and My Profit Robot (MPR). The SEC also flagged the unauthorized investment-taking activities of Norway International OPC. Also, the SEC warned that those who act as salesmen, brokers, dealers or agents of fraudulent investment schemes may be held criminally liable and penalized with a maximum fine of P5 million or imprisonment of 21 years or both under the Securities Regulation Code. <https://www.gmanetwork.com/news/money/personalfinance/735088/sec-warns-public-vs-unauthorized-investment-schemes/story/>
- ✓ **DOF backs 2 state-run banks as lending conduits in post-coronavirus stimulus package.** The Department of Finance (DOF) is supporting the pitch of state-run lenders Land Bank of the Philippines (Landbank) and Development Bank of the Philippines (DBP) to serve as the government's lending conduits in the middle of the fight against COVID-19. Landbank president and chief executive Cecilia C. Borromeo told the House Defeat COVID-19 Committee last Tuesday (April 21) that the Philippine Economic Recovery Act (Pera) pending in Congress proposed to create seven lending programs to be implemented by also seven separate government agencies. <https://business.inquirer.net/295378/dof-backs-2-state-run-banks-as-lending-conduits-in-post-coronavirus-stimulus-package>
- ✓ **Cayetano urges banks to offer loans to MSMEs, farmers affected by COVID-19 pandemic.** "The purpose is to help people but at the same time keep the financial institutions healthy," Speaker Alan Peter Cayetano said during the virtual meeting of the House Defeat COVID-19 Committee on Tuesday. According to Cayetano, the problem of the financial system is how to encourage potential small borrowers to apply for loans from banks. Cayetano urged the resource persons in the virtual meeting coming from the economic sector to simplify and

shorten the loan process and minimize the needed requirements, but without affecting their respective financial institutions. <https://www.gmanetwork.com/news/money/economy/735075/speaker-cayetano-urges-banks-to-offer-loans-to-msmes-farmers-affected-by-covid-19-pandemic/story/>

- ✓ **Kadiwa mobile stores go beyond fresh produce, start selling manufactured goods too.** In an interview with GMA News, Agriculture Secretary William Dar said the DA is partnering with the Department of Trade and Industry in order to sell discounted manufactured products usually sold at DTI's Diskuwentong Caravan. The outlets will be called "Kadiwa at Diskuwentong Caravan ng DA at DTI." They will soon be selling manufactured products such as canned meat, sardines, instant noodles, powdered and liquid milk, coffee, soaps, and detergents. Prices at the Kadiwa at Diskuwentong Caravan ng DA at DTI will be lower than the prevailing suggested retail prices. He added that this will also help curb the spread of coronavirus disease 2019 (COVID-19). The DA is also looking for private business entities that will partner with farmers to bring more agricultural products to Metro Manila. (See related story below). <https://www.gmanetwork.com/news/money/economy/735028/kadiwa-mobile-stores-go-beyond-fresh-produce-start-selling-manufactured-goods-too/story/>
- ✓ **Billionaire Razon says Philippines should allow some businesses to reopen.** Billionaire Enrique Razon said Wednesday businesses that can test their employees for COVID-19 and bring them to work should be allowed to reopen, as the government weighs the "tough choice" between saving lives and keeping the economy from dying. A second lockdown will be "disastrous" and will need an additional P1 trillion in government spending "just to keep things intact," Razon said in an exclusive interview with ANC. "We are really, proverbially, between a rock and a hard place. It's a tough choice. We let the economy die or we let the people die. It's really a terrible choice to make," he said. <https://news.abs-cbn.com/business/04/22/20/philippines-coronavirus-lockdown-business-reopen-billionaire-enrique-razon>
- ✓ **Globalization as we know it is 'over' due to COVID-19, says billionaire Razon.** Globalization as we know it is "over" because of the coronavirus pandemic, billionaire port magnate Enrique Razon said Wednesday, as lockdowns and travel restrictions put businesses on pause. Business forecasting for 2020 is a "waste of time" and markets will be "soft" until at least the first half of 2021, Razon said in an exclusive interview with ANC. After the health crisis is over he said he could look at investing in "strong growth areas." "We have no serious targets yet or any set plans," he said. Savings rates could increase as people hold off on spending except on food, Razon said. Should the economy reopen, it is uncertain how people would behave in public places, he said. <https://news.abs-cbn.com/business/04/22/20/globalization-as-we-know-it-is-over-due-to-covid-19-says-billionaire-razon>
- ✓ **Philippines seen to spend more on health infra due to COVID-19: Fitch Solutions.** The Philippines can reallocate funds to building healthcare infrastructure after the coronavirus pandemic exposed its "vulnerabilities," a Fitch Solutions analyst said Wednesday. President Rodrigo Duterte's P8 trillion "Build, Build, Build" program could see more health infrastructure projects. Roads and rails will still have bigger impacts on economic recovery, Fitch Solutions Infrastructure analyst James Su told ANC. "This [healthcare] is one area that we will probably see more spending over the short term and even middle term as the Philippines prepares itself for better pandemic response in the future and also to improve the overall healthcare situation," Su said. <https://news.abs-cbn.com/business/04/22/20/philippines-seen-to-spend-more-on-health-infra-due-to-covid-19-fitch-solutions>
- ✓ **Pandemic to strain credit climate.** "Governments across the region have been swift in putting in place policies to support businesses and workers amid the coronavirus outbreak. These efforts will help mitigate credit-negative pressures on companies, banks and the broader economy, but they will not fully offset the economic and credit damage," Moody's said. As for banking systems across the region, Moody's said they would face a much more difficult credit landscape. As of April 9, Moody's overall banking sector outlook for the Philippines was negative, just like everyone else in the Asia-Pacific region, except for Mongolia's stable outlook. Based on Moody's latest assessment, the Philippine banking sector's asset risk, operating environment as well as profitability and efficiency were deteriorating amid the COVID-19 crisis. <https://business.inquirer.net/295306/pandemic-to-strain-credit-climate>
- ✓ **PBB nets P1.26B.** Zest-O group-led Philippine Business Bank grew its 2019 net profit by 46.4 percent to P1.26 billion on higher interest earnings from lending activities alongside some treasury windfall. In a disclosure to the Philippine Stock Exchange on Tuesday, PBB president Roland Avante said: "2019 has been a great year for the bank with record-setting earnings. Our profitability is generated from diversified revenue streams. The strong core business was supplemented by trading profits." <https://business.inquirer.net/295316/pbb-nets-p1-26b>
- ✓ **Ayala Land cuts capital outlays by P40B, waives P2.6B mall rent.** Property giant Ayala Land Inc. has slashed its capital spending budget this year to P70 billion from P110 billion, shelving new projects, investments and landbanking deals to ensure ample liquidity during the COVID-19 pandemic. ALI also agreed to waive about P2.6 billion worth of rent from shopping mall tenants during the 1.5-month enhanced community quarantine (ECQ) of Luzon and other key cities. Its malls have been shut down since mid-March to comply with the ECQ, except for supermarkets, pharmacies and clinics. During the company's stockholders meeting on Wednesday, however, ALI president Bernard Vicente Dy expressed confidence that the company would weather the COVID-19 pandemic. He added that the group was now preparing to restart businesses post-ECQ. <https://business.inquirer.net/295333/ayala-land-cuts-capital-outlays-by-p30b-waives-p2-6b-mall-rent>
- ✓ **3rd telco DITO scales down Luzon rollout due to COVID-19 lockdown.** Telco startup DITO Telecommunity Corp. was forced to slow the rollout of network infrastructure in Metro Manila and Luzon after a lockdown was ordered to halt the spread of the new coronavirus disease (COVID-19). DITO, backed by China Telecom and Davao-based businessman Dennis A. Uy, said it continues to build its network and construction has ramped up outside Luzon, which has been placed under an enhanced community quarantine since last March 17. On Tuesday, Information and Communications Technology Undersecretary Eliseo Rio Jr. said DITO may not invoke force majeure, or protection due to unforeseen events like the COVID-19 pandemic, should it miss its rollout targets. The bidding terms of reference, however, allow a grace period in case of a delay in rollout. Section 14 of the terms of reference allows DITO two grace periods of six months each within the five-year commitment period. DITO's failure to meet its commitments will allow the national government to seize its P25.7 billion performance bond and recall assigned radio frequencies. <https://business.inquirer.net/295347/3rd-telco-dito-scales-down-luzon-rollout-due-to-covid-19-lockdown>
- ✓ **San Miguel to buy 4M kilos of surplus corn from DA.** Diversified conglomerate San Miguel Corporation (SMC) said Wednesday it will purchase four million kilos of surplus corn from the Department of Agriculture. The move is aimed at providing a "lifeline to farmers and help secure the country's food supply in the midst of COVID-19," SMC said in a statement. SMC said it is also in talks with the DA to utilize

strategic Petron stations nationwide as outlets for government's "Kadiwa ni Ani at Kita" rolling store program, to make farm produce such as fruits and vegetables accessible to consumers. The program is the market system project of the DA that links local farmers to consumers to ensure the sale of agricultural produce at reasonable prices. Petron stations that will be initially tapped as venues for Kadiwa stores are Filinvest, Dasmariñas/Edsa and Katipunan/La Vista. The company said that more gas stations will be added in the coming days.
https://www.gmanetwork.com/news/money/companies/735110/san-miguel-to-buy-4m-kilos-of-surplus-corn-from-da/story/?just_in

- ✓ **Fruitas enters milk, yogurt retailing.** Leading food and beverage kiosk operator, Fruitas Holdings Inc., has teamed up with Mindanao's biggest and only pasture-fed dairy farm operator, Bukidnon Milk Co., on fresh milk and yogurt retailing. Fruitas has initially carried Bukidnon Milk's fresh milk and yogurt on its CocoDelivery platform. Under the partnership, Fruitas will also become the exclusive carrier of Bukidnon Milk products via its carts, kiosks and stalls. Fruitas previously disclosed its plan to launch a fresh store concept under the Babot's Farm brand. This will prominently feature Bukidnon Milk products alongside Fruitas' leading buko beverage line, and Soy & Bean's soy-based products. Amid constraints brought about by the COVID-19 pandemic, Fruitas committed to mitigate the impact by adding new revenue and profit streams.
<https://business.inquirer.net/295318/fruitas-enters-milk-yogurt-retailing>



REST OF THE WORLD



- ✓ **Most markets fall as risk-off from oil rout persists.** Most Southeast Asian stock markets fell for a second session on Wednesday as the collapse of oil prices earlier this week underscored supply glut worries and exposed the severity of the damage to demand from the coronavirus pandemic. The week so far has seen some of the most volatile days in the history of oil trading, with prices for U.S. crude turning negative, as inventories swelled and finding storage spaces became difficult, prompting investors to digest that demand worries could last for several months. "The tone from yesterday's sell-off will likely be carried over to today, with expectations for a deep and lasting economic downturn likely to dominate trading," analysts at ING said in a note.
<https://www.reuters.com/article/southeast-asia-stocks/se-asia-stocks-most-markets-fall-as-risk-off-from-oil-rout-persists-idUSL3N2CA12J>
- ✓ **US Stocks Rally on Oil Rebound, Earnings.** Wall Street closed deeply in the green after two sessions of steep declines, as oil prices surged and coronavirus curves continued to moderate. On Wednesday, Brent prices jumped 7% to trade above \$20 a barrel, while WTI prices rose nearly 20% to settle close to \$14 a barrel and recouped some of the recent losses. Meanwhile, coronavirus cases in the US reached 837 thousand and the death toll increased to 46,771. On the corporate side, Chipotle and Snapchat led gains on Wednesday with better than expected earnings. The Dow Jones added 457 points or 2% to 23,476. The S&P 500 climbed 63 points or 2.3% to 2799. The Nasdaq jumped 232 points or 2.8% to 8495.
<https://tradingeconomics.com/united-states/stock-market>
- ✓ **Oil prices tumble on demand collapse, Brent at 1999 lows.** Oil prices slumped again on Wednesday, with Brent falling to the lowest since 1999, as the market struggled with a massive crude glut amid a collapse in demand for everything from gasoline to jet fuel caused by the coronavirus outbreak. Brent crude LCOc1, which fell 24% in the previous session, touched \$15.98 a barrel, its lowest since June 1999. It was trading down \$2.70, or 14%, at \$16.63 at 0432 GMT. West Texas Intermediate CLc1 was down 68 cents, or 6%, at \$10.89 a barrel. Oil prices have slumped by around 80% this year as the pandemic has spread across the world, killing nearly 180,000 people, routing financial markets and leading to potentially the worst economic meltdown since the depression of the 1930s. The viral outbreak has caused fuel demand to drop by roughly 30% worldwide and energy companies in the United States, the world's biggest producer, are scrambling to find storage for excess oil.
<https://www.reuters.com/article/us-global-oil/oil-prices-tumble-on-demand-collapse-brent-at-1999-lows-idUSKCN224055?il=0>
- ✓ **IMF, RFA heads stress urgent need for combined multilateral efforts against COVID-19.** The International Monetary Fund (IMF) and the heads of Regional Financing Arrangements (RFAs) across the globe on Wednesday stressed the urgent need for combined multilateral efforts to face the economic crisis caused by the coronavirus disease 2019 (COVID-19). In a statement, IMF managing director Kristalina Georgieva and RFA heads said they are now closely monitoring the COVID-19 crisis and looking at possible ways to soften the economic blow of the disease. "The IMF and the world's Regional Financing Arrangements stand united in addressing the global challenges related to the coronavirus pandemic and wish to extend our deepest sympathies to those affected," the statement read. For its part, IMF members have so far pledged commitments to \$11.7 billion in response to the fund's call to triple its concessional lending capacity.
<https://www.gmanetwork.com/news/money/economy/735091/imf-rfa-heads-stress-urgent-need-for-combined-multilateral-efforts-against-covid-19/story/>
- ✓ **\$500 billion coronavirus aid package passes U.S. Senate, headed to House.** The U.S. Senate on Tuesday unanimously approved \$484 billion in fresh relief for the U.S. economy and hospitals hammered by the coronavirus pandemic, sending the measure to the House of Representatives for final passage later this week. The bill, approved on a voice vote by the handful of senators present in the near-empty chamber, was hurried along shortly after congressional leaders and the White House brokered an agreement. The House is expected to vote on Thursday on what would be the fourth coronavirus-response law. Taken together, the four measures amount to about \$3 trillion in aid since last month to confront a crisis that has killed more than 43,000 Americans.
<https://www.reuters.com/article/us-health-coronavirus-usa-congress/500-billion-coronavirus-aid-package-passes-u-s-senate-headed-to-house-idUSKCN2231RK>
- ✓ **U.S. energy companies' quarterly reports show depths of slump.** Forecasts for U.S. energy sector earnings this year have dropped along with oil prices, weighing on shares along with worries over debt, layoffs and possible bankruptcies. Analysts see a 58.9% year-over-year decline in energy earnings for the first quarter, steeper even than the 37.7% decline they projected at the start of the month, according to IBES data from Refinitiv. For the year, energy earnings are estimated to drop more than 95%. Down a whopping 46% since Dec. 31, energy is by far the S&P 500's worst-performing sector this year. For many Wall Street strategists, it has become a sector that is hard to recommend. Next week, energy majors Exxon Mobil and Chevron are due to report, while results from exploration and production companies Devon Energy Corp, Hess and Noble Energy are scheduled to follow.

<https://www.reuters.com/article/us-health-coronavirus-energy-earnings/u-s-energy-companies-quarterly-reports-to-show-depths-of-slump-idUSKCN224036>

- ✓ **ECB relaxes rules.** The European Central Bank relaxed rules on acceptable collateral to ease credit conditions amid the coronavirus pandemic. The ECB has followed The Fed's way by accepting junk debt as collateral for its lending facilities, a move to shield sovereigns such as Italy from a downgrade.
<https://tradingeconomics.com/italy/government-bond-yield>
- ✓ **Asia CEOs paint bleak outlook amid pandemic.** More business leaders in Asia think their companies may not survive the coronavirus pandemic compared to other global chief executives, a new survey showed on Wednesday. Nearly 180,000 have been killed in the pandemic, which has led to unprecedented lockdowns of major cities around the world and is expected to plunge the global economy into its worst crisis since the Great Depression in the 1930s. The latest Chief Executive Global Survey by YPO, an international group of more than 29,000 business leaders, said 15% of chief executive officers (CEO) from North and Southeast Asia reported that their businesses are under severe threat and are at risk of not surviving, compared to 11% of global CEOs.
<https://www.bworldonline.com/asia-ceos-paint-bleak-outlook-amid-pandemic/>
- ✓ **South Korea plans third extra budget, bond issuance to safeguard jobs.** South Korea is preparing for a third supplementary budget and a 40 trillion won (\$32.4 billion) fund to sharply increase subsidies to keep more Koreans in jobs and help businesses stay afloat through the course of the coronavirus outbreak. In a policy meeting with economic chiefs, President Moon Jae-in said the fund will be created to help businesses keep jobs, while those who recently lost employment from temporary positions or freelance work will be eligible for subsidies up to three months. Wednesday's measures add to the 100-plus trillion won rescue package previously announced to inject liquidity into bond markets and companies struggling to secure a lifeline. The size of the stimulus has now increased to 135 trillion won, which will also be used to buy debt at companies with a low credit rating.
<https://www.reuters.com/article/us-health-coronavirus-southkorea-economy/south-korea-plans-third-extra-budget-bond-issuance-to-safeguard-jobs-idUSKCN22409W?il=0>



- **IT Security in Banking Operations – 13-20 May 2020 ONLINE**
- **Legal Liabilities of Directors and Senior Management – 02 June 2020**
- **Application Security Testing – 16 & 17 June 2020**
- **Accounting for Non-Accountants – 19 & 20 June 2020**
- **Anti-Money Laundering Council Procedural Issuance (API) A, B, and C, No. 1 Series of 2019 – Rules of Procedure in Administrative Cases (RPAC)**
- **Basic Corporate Governance for Board of Directors and Senior Management**
- **Accounting for Non-Accountants**
- **Signature Verification & Detection of Fake IDs and Documents**
- **Counterfeit Detection**
- **Treasury 101**
- **Privacy Impact Assessment**
- **Ethical Dilemmas in Digital Transformation**
- **Problem Solving and Decision-Making Skills**
- **Basic Real Estate Valuation**
- **Fundamentals of Organizational Environmental, Social and Governance (ESG)**
- **Enterprise Risk Management**
- **Amendments to AML/CFT (BSP Cir. No. 1022) and the AML Risk Rating System**
- **BSP Expectations from Banks on BSP Mem. No. M-2018-002 & M-2016-004 on Sound Risk Management Practices**
- **Regulatory Expectations on Cybersecurity Audit**
- **Overview of Key Regulations on Digital Financial Inclusion**
- **Related Party Transactions**
- **Regulatory Guidelines on the Management of Interest Rate Risk in the Banking Book and Amendment of the Guidelines on Market Risk Management (BSP Circular No. 1044)**
- **Advanced Excel Training for Bankers**
- **Auditing the Consumer Lending Business**

For details, please contact BAIPHIL via telephone (853-4457/519-2433) or email (training@baiphil.org).



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As you grow older,
you will discover that you
have two hands, one for
helping yourself, the other
for helping others.

MAYA ANGELOU

REFERENCES

- 1 Reuters: <https://www.reuters.com/finance/currencies>
- 2 Philippine Dealing System: <http://www.pds.com.ph/>
- 3 Philippine Stock Exchange: <http://www.pse.com.ph/stockMarket/home.html>
- 4 Reuters: <https://www.reuters.com/markets/stocks>
- 5 Bloomberg: <https://www.bloomberg.com/markets/commodities>
- 6 CNN Money: <https://money.cnn.com/data/bonds/>

OTHER REFERENCES / EXTERNAL LINKS

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| <ul style="list-style-type: none"> > Philippine Stock Exchange: http://www.pse.com.ph/stockMarket/home.html > Philippine Dealing System: http://www.pds.com.ph/ > GMA News Online: http://www.gmanetwork.com/news/ > BPI Asset Management: https://www.bpiassetmanagement.com/ > Business World: http://bworldonline.com/ > Philippine Daily Inquirer: http://business.inquirer.net/ > Philippine Star: https://www.philstar.com/business/ > ABS-CBN News: http://news.abs-cbn.com/business/ > Manila Bulletin: https://mb.com.ph/ > Manila Standard: http://manilastandard.net/ > Philippine News Agency: www.pna.gov.ph > AutoIndustriya: https://www.autoindustriya.com/ > The Wall Street Journal: https://www.wsj.com/asia/ > Reuters: https://www.reuters.com/ > Bloomberg: https://www.bloomberg.com/markets/ > Business Mirror: https://businessmirror.com.ph/ | <ul style="list-style-type: none"> > CNN Money: http://money.cnn.com/ > Bangko Sentral ng Pilipinas: http://www.bsp.gov.ph/ > Bankers Association of the Philippines: http://bap.org.ph/ > Bureau of Treasury: http://www.treasury.gov.ph/ > Philippine Statistics Authority: https://psa.gov.ph/ > Trading Economics: https://tradingeconomics.com/ > South China Morning Post: http://www.scmp.com/ > Japan Times: https://www.japantimes.co.jp > The Japan News: http://www.the-japan-news.com > Market Watch: https://www.marketwatch.com/ > Asia Nikkei: https://asia.nikkei.com/ > Straits Times: https://www.straitstimes.com/global > Channel News Asia: https://www.channelnewsasia.com/ > CNBC: https://www.cnbc.com/ > The New York Times: https://www.nytimes.com/ > Gulf News: https://gulfnews.com/ |
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