



BAIPHIL MARKET WATCH

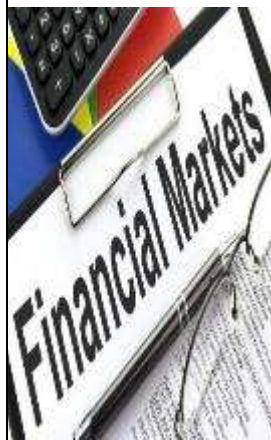
24 Apr
2020

*~ 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	50.6700	50.8000
USD/JPY	107.5000	107.8300
USD/CNY	7.0813	7.0842
EUR/USD	1.0767	1.0812
GBP/USD	1.2356	1.2320

PHP BVAL Reference Rates ²	Current	Previous
30-Day	3.0470	3.0840
91-Day	3.0820	3.1470
180-Day	3.1720	3.2390
1-Year	3.3080	3.3160
3-Year	3.4580	3.5510
5-Year	3.5900	3.6740
10-Year	3.8640	3.8950

Domestic Stock Index ³	Current	Previous
PSEi	5,599.55	5,573.75
Trade Value (Php B)	4.369	5.074

Stock Index ⁴	Current	Previous
NIKKEI 225	19,429.44	19,137.95
FTSE 100	5,826.61	5,770.63
DOW JONES	23,515.26	23,475.82
S&P 500	2,797.80	2,799.31
NASDAQ	8,494.753	8,495.38

Various ^{5/6}	Current	Previous
Brent Crude (USD/bbl)	21.86	20.53
3-M US Treasury Yield	0.09%	0.09%
5-Y US Treasury Yield	0.37%	0.36%
10-Y US Treasury Yield	0.61%	0.62%



PHILIPPINES



- ✓ **Shares snap losing streak as global marts rebound.** LOCAL SHARES snapped their three-day losing streak yesterday on the back of improved investor sentiment evidenced by a rebound in global markets. The bellwether Philippine Stock Exchange index (PSEi) climbed 25.80 points or 0.46% to close at 5,599.55 on Thursday. The broader all shares index likewise added 20.64 points or 0.6% to 3,408.81.
<https://www.bworldonline.com/shares-snap-losing-streak-as-global-marts-rebound/>
- ✓ **Peso gains vs dollar as US mulls fresh stimulus.** THE PESO strengthened against the greenback on Thursday on the back of positive market sentiment following a fresh stimulus package in the US amid the coronavirus disease 2019 (COVID-19) pandemic as well as gains in global stocks. The local unit ended trading at P50.67 per dollar yesterday, rising 13 centavos from its P50.80 close on Wednesday, according to data from the Bankers Association of the Philippines.
<https://www.bworldonline.com/peso-gains-vs-dollar-as-us-mulls-fresh-stimulus/>
- ✓ **BSP waives PhilPaSS fees for April.** The Bangko Sentral ng Pilipinas (BSP) will not charge banks the use of its Philippine Payment and Settlement System (PhilPaSS) for the whole of April as part of its relief measures during the COVID-19 lockdown. In a memo (BSP Memorandum No. M-2020-027), signed by BSP Deputy Governor Ma. Almasara Cyd N. Tuano-Amador on Tuesday, the BSP will suspend PhilPaSS fees on six types of transactions such as interbank, the peso-leg of US dollar trades and government securities trades, Philippine Clearing House Corp. (PCHC) transactions, automated tellering machines transactions and the manual processing of interbank transactions.
<https://business.mb.com.ph/2020/04/23/bsp-waives-philpass-fees-for-april/>
- ✓ **PH banks free to assume more dollar risk under new BSP rules.** The central bank has eased a rule that had required financial institutions to keep a 100-percent buffer of assets for their foreign currency liabilities on a daily basis, saying that deficiencies for so-called asset covers on certain days may be offset by surpluses on other days. In a statement, the Bangko Sentral ng Pilipinas (BSP) said the Monetary Board relaxed this asset cover requirement for banks with expanded or foreign currency deposit units to provide these institutions “with greater flexibility to manage their foreign currency exposures.”
<https://business.inquirer.net/295504/ph-banks-free-to-assume-more-dollar-risk-under-new-bsp-rules>
- ✓ **Banks to see more bad loans amid pandemic.** Lenders in the Philippines may see billions in soured loans due to the impact of the coronavirus disease 2019 (COVID-19) pandemic, according to S&P Ratings. Still, despite headwinds, the debt watcher said adequate capital buffers will be banks’ safeguard versus the crisis.
<https://www.bworldonline.com/banks-to-see-more-bad-loans-amid-pandemic/>

- ✓ **Value of domestic trade falls in 2019.** THE Philippine economy saw a decline in domestic trade value in 2019 despite a marginal growth in trade volume, data by the Philippine Statistics Authority (PSA) showed. According to the final results of PSA's Domestic Trade Statistics in the Philippines released yesterday, the total value of domestic trade declined by 2.9% to P834.72 billion last year from P859.57 billion a year earlier.
<https://www.bworldonline.com/value-of-domestic-trade-falls-in-2019/>
- ✓ **Target of WB's \$100M COVID-19 loan to PH: Save 16,700 lives.** The World Bank (WB) has given the green light to a \$100 million loan for the Philippine Department of Health's (DOH) COVID-19 Emergency Response Project which seeks to acquire more medical supplies and labs to save at least 16,700 Filipinos from the killer disease. In a statement, WB said the money should be used on personal protective equipment (PPE), medicines, medical supplies and lab equipment.
<https://business.inquirer.net/295512/target-of-wbs-100m-covid-19-loan-to-ph-save-16700-lives>
- ✓ **DBM orders belt-tightening to preserve funds for COVID-19 fight.** To ensure that the government won't run short of funds to fight COVID-19, the Department of Budget and Management (DBM) has ordered agencies to tighten their belts and defer non-essential spending. Budget Secretary Wendel E. Avisado issued National Budget Circular (NBC) No. 580 on April 22, calling for "economy measures" in the public sector as the coronavirus menace continued to loom over the country.
<https://business.inquirer.net/295518/dbm-orders-belt-tightening-to-preserve-funds-for-covid-19-fight>
- ✓ **P1.3-T post pandemic stimulus package eyed.** The House of Representatives is preparing a measure that seeks to allot some P1.3 trillion as economic stimulus to help the economy recover from the impact of the coronavirus pandemic. The proposed Philippine Economic Stimulus Act of 2020 (Pesa) being drafted by the House Defeat COVID-19 committee seeks to protect Filipino workers from impending job losses and help turn the tide for businesses adversely affected by the health crisis.
<https://business.inquirer.net/295555/p1-3-t-post-pandemic-stimulus-package-eyed>
- ✓ **UK think tank: PH infra growth 'slow' as DPWH, DOTr can't fully spend budget.** The Philippines stood to gain much from its ambitious infrastructure spending spree but rollout of projects so far had been "slow" as implementing agencies struggled to spend bigger budgets, UK-based Oxford Economics said. "Boosting growth via increased infrastructure spending is a priority for the Philippine and Indonesian governments, but progress has been slow in both," it said.
<https://business.inquirer.net/295513/uk-think-tank-ph-infra-growth-slow-as-dpwh-dotr-cant-fully-spend-budgets>
- ✓ **Enhanced community quarantine extended in Metro Manila, other provinces.** Presidential spokesperson Harry Roque, in a taped briefing aired on Friday, said the enhanced community quarantine will also be implemented in the following areas: Benguet, Pangasinan, Bataan, Bulacan, Nueva Ecija, Tarlac, Pampanga, Zambales, Batangas, Cavite, Oriental Mindoro, Occidental Mindoro, Albay, Batanes, Antique, Iloilo, Cebu, Cebu City, and Davao City.
<https://cnnphilippines.com/news/2020/4/24/Enhanced-community-quarantine-extended-Philippines-Duterte-COVID-19.html>
- ✓ **ANI eyes ancestral lands for rice-corn blend project.** With food supply in peri I because of COVID-19, listed agriculture business firm AgriNurture, Inc. (ANI) is now eyeing 20,000 hectares of ancestral lands for its ricecorn blend project, which recently received the greenlight and support from the Department of Agriculture (DA). With its approval of ANI's proposal, DA is now proceeding with its plan to tap ancestral lands and turn them into food production areas.
<https://business.mb.com.ph/2020/04/23/ani-eyes-ancestral-lands-for-rice-corn-blend-project/>
- ✓ **PSALM remits P46M to LGUs as revenue share.** As part of its response to the COVID-19 pandemic, the Power Sector Assets and Liabilities Management Corp. (PSALM) remitted to several local governments units (LGUs) a total of P46 million, representing their share in first-quarter revenues as hosts of renewable energy-based power plants. The LGUs of Benguet, Bukidnon, Laguna, Lanao del Norte, Lanao del Sur and Pangasinan were given their revenue share through bank transfers. —Rommel W. Domingo
<https://business.inquirer.net/295558/psalm-remits-p46m-to-lgus-as-revenue-share>
- ✓ **NEDA dangling tax-free perks for 6 development projects.** The state planning agency National Economic and Development Authority (Neda) is dangling tax incentives to private individuals and firms that will donate money to six programs under this year's National Priority Plan (NPP). The government enjoined private sector donations for these priority programs, projects and activities so it can allocate public resources for other developmental activities.
<https://business.inquirer.net/295502/neda-dangling-tax-free-perks-for-6-development-projects>
- ✓ **More big business groups support Project ARK.** Project ARK, the private sector-led initiative that aims to make massive testing possible through the use of Antibody Rapid test Kits, continues to draw support from big business groups around the country. Presidential Adviser for Entrepreneurship and Go Negosyo founder Joey Concepcion bared this on Thursday, the same day he led a video conference for the public introduction of Project ARK (Antibody Rapid test Kits).
<https://business.mb.com.ph/2020/04/24/more-big-business-groups-support-project-ark/>
- ✓ **Biz groups urge gov't to lower costs of logistics.** FOURTEEN of the country's biggest business groups on Thursday urged the government to implement a moratorium on fees and charges slapped on shipments currently stuck at the country's ports, as the Luzon-lockdown continues. The statement, signed by groups led by the Philippine Chamber of Commerce and Industry, Management Association of the Philippines, PhilExport, and the Supply Chain Management Association of the Philippines, urged the government to improve logistics efficiency and lower costs, especially at ports.
<https://www.bworldonline.com/biz-groups-urge-govt-to-lower-costs-of-logistics/>
- ✓ **Resumption of POGO operations opposed.** Government must first resolve the issues hounding the Philippine offshore gaming operators (POGO) industry before allowing it to resume operations in the midst of the coronavirus pandemic, House Minority Leader and Manila Rep. Bienvenido Abante Jr. said on Wednesday. The lawmaker was responding to an appeal made on Tuesday by ACT-CIS party list Rep. Eric Yap for Pogos to be allowed to continue operations, saying this would mean extra income and resources that could be used to battle COVID-19.
<https://business.inquirer.net/295460/resumption-of-pogo-operations-opposed>

- ✓ **BPI's Q1 net profit down 5% on higher loan loss buffer.** Higher provisioning for probable credit losses amid the COVID-19 pandemic trimmed Bank of the Philippine Islands (BPI)'s first quarter net profit by 5 percent year-on-year to P6.39 billion. In a disclosure to the Philippine Stock Exchange on Thursday, BPI said it had booked P4.23 billion in provisions for loan losses in the first quarter as the COVID-19 pandemic ushered in a difficult period for consumers and businesses that could lead to potentially higher loan defaults.
<https://business.inquirer.net/295492/bpis-q1-net-profit-down-5-on-higher-loan-loss-buffer>
- ✓ **UBX's i2i steps up amid pandemic, enables nationwide cash transfers for rural banks.** As the coronavirus pandemic continues to overwhelm the world, companies across the globe are scrambling to take swift, often game-changing actions to protect not just their businesses but also their nation's economies. UBX, the fintech company of Union Bank of the Philippines (UnionBank), through its i2i platform for rural banks, has stepped up to the plate during this crisis. It has started linking i2i rural bankmembers to its new network that includes LBC, PeraHub, and Cebuana Lhuillier outlets nationwide.
<https://business.mb.com.ph/2020/04/23/ubxs-i2i-steps-up-amid-pandemic-enables-nationwide-cash-transfers-for-rural-banks/>
- ✓ **SEC orders closure of 4 illegal online lending apps.** The Securities and Exchange Commission (SEC) has directed four online lending platforms to stop offering loans to the public, citing lack of license, failure to disclose pertinent information and abusive practices. The SEC issued the cease and desist on April 14 to CashAB, CashOcean, KwikPeso and Little Cash, together with their owners, CashAB Lending Co., Mimoso Credit Ltd. and Zamoya Credit Ltd.
<https://business.inquirer.net/295477/sec-orders-closure-of-4-illegal-online-lending-apps>
- ✓ **San Miguel Corp. donations reach P1.15B.** In ramping up its response to the crisis, the conglomerate continues to leverage its portfolio, capabilities and resources to bring immediate tangible assistance to the most affected communities, businesses and those on the frontline of the fight.
<https://business.mb.com.ph/2020/04/23/smc-donations-reach-%e2%82%b11-15-b/>
- ✓ **2Go to waive P35-M fee for use of ships as quarantine facilities.** 2Go Group chairman Dennis Uy said Wednesday that the company will be waiving the P35-million fee for the use of its two ships as quarantine facilities. The Davao-based businessman said while the Transportation Department has offered to pay the company P35-million for the use of the two vessels, 2Go intended to offer the utilization of the ships as a donation to the government.
<https://cnnphilippines.com/news/2020/4/23/2Go-waive-%E2%82%B135-M-fee-ships-quarantine-facilities.html>




REST OF THE WORLD



- ✓ **Asian shares rise moderately as oil prices recover.** Asian shares rose moderately Thursday following a rally on Wall Street and even oil prices recovering from their recent plunge to zero. Japan's benchmark Nikkei 225 added 1.2% to 19,370.42 in morning trading, while South Korea's Kospi rose 0.6% to 1,907.92. Australia's S&P/ASX 200 also added 0.6% to 5,252.20. Hong Kong's Hang Seng edged up 0.7% to 24,066.68, while the Shanghai Composite inched up 0.2% to 2,850.80.
<https://business.inquirer.net/295480/asian-shares-rise-moderately-as-oil-prices-recover>
- ✓ **Hope dashed: Early rally vanishes, leaving Wall Street mixed.** An early rally on Wall Street suddenly vanished on Thursday, the latest example of how fragile the hopes underpinning the stock market's monthlong recovery are. The S&P 500 initially shot higher in the morning, completely brushing aside another stunning report showing millions of workers are losing their jobs by the week.
<https://business.inquirer.net/295564/hope-dashed-early-rally-vanishes-leaving-wall-street-mixed>
- ✓ **WHO warns 'long way to go' in coronavirus crisis.** The global coronavirus crisis will not end any time soon, with many countries still in the early stages of the fight, health experts have warned as researchers revealed the first US deaths from the disease came weeks before the alarm was raised there. The COVID-19 pandemic has killed more than 180,000 people and infected 2.6 million, and nations are struggling to check its spread with social distancing measures and lockdowns, while trying to repair their virus-ravaged economies.
<https://www.afp.com/en/news/3954/who-warns-long-way-go-coronavirus-crisis-doc-1qr1aj8>
- ✓ **S. Korean economy shrinks 1.4% in Q1 amid virus fallout, sharpest contraction since 2008.** South Korea's economy shrank 1.4 percent on-quarter in the first quarter of this year, as the coronavirus pandemic crippled industrial output, consumer spending and job markets, the Bank of Korea (BOK) said Thursday. It marked the sharpest quarterly contraction since the fourth quarter of 2008, when the nation's economy sank 3.3 percent on-quarter.
<https://business.inquirer.net/295495/s-korean-economy-shrinks-1-4-in-q1-amid-virus-fallout-sharpest-contraction-since-2008>
- ✓ **Hong Kong political crisis deepens despite protest lull during virus.** A roundup of Hong Kong pro-democracy activists and a row over the powers of Beijing's office in the city have deepened the political crisis engulfing the financial hub even as a coronavirus lockdown prevents large-scale protests. The mass demonstrations that convulsed the semi-autonomous Chinese city for seven straight months last year have dissipated during the COVID-19 crisis as cautious residents stick to social distancing.
<https://www.afp.com/en/news/3954/hong-kong-political-crisis-deepens-despite-protest-lull-during-virus-doc-1qq8hu2>
- ✓ **France testing whether nicotine could prevent coronavirus.** Nicotine could protect people from contracting the coronavirus, according to new research in France, where further trials are planned to test whether the substance could be used to prevent or treat the deadly illness. The findings come after researchers at a top Paris hospital examined 343 coronavirus patients along with 139 people infected with the illness with milder symptoms.
<https://www.afp.com/en/news/3954/france-testing-whether-nicotine-could-prevent-coronavirus-doc-1qs0vo1>

- ✓ **EU, US grapple with how to save virus-hit economies.** European and US leaders grappled Thursday with how to move forward on rescue plans for economies ravaged by the coronavirus pandemic as US jobless claims soared to a staggering 26 million. The European Union is deeply split between the indebted -- and virus-hit -- south and the wealthier north, imperiling plans for a rescue package that could top one trillion euros.
<https://www.afp.com/en/news/3954/eu-us-grapple-how-save-virus-hit-economies-doc-1qr9so4>
- ✓ **Congress approves \$484 billion coronavirus-relief bill.** The U.S. House of Representatives on Thursday passed a \$484 billion bill to expand federal loans to small businesses impacted by the coronavirus outbreak and hospitals overwhelmed by patients suffering from COVID-19.
<https://www.reuters.com/article/us-health-coronavirus-usa-vote/congress-approves-484-billion-coronavirus-relief-bill-idUSKCN2253PA>
- ✓ **Fed says working to broaden access to 'PPP' facility beyond banks.** The Federal Reserve said on Thursday it will "shortly" announce new rules to expand access to a small business lending program beyond banks, so that a broader set of institutions can participate..The Small Business Administration's Paycheck Protection Program loans are being made by an array of institutions, including many deposit-taking banks but also Community Development Financial Institutions, financial technology firms and others.
<https://www.reuters.com/article/us-usa-fed-ppp/fed-says-working-to-broaden-access-to-ppp-facility-beyond-banks-idUSKCN2253OW>
- ✓ **Pompeo says China may have known of virus in November.** US Secretary of State Mike Pompeo charged Thursday that China may have known of the new coronavirus as early as November, renewing accusations that Beijing has not been transparent. "You'll recall that the first cases of this were known by the Chinese government maybe as early as November, but certainly by mid-December," Pompeo said in an interview.
<https://www.afp.com/en/news/3954/pompeo-says-china-may-have-known-virus-november-doc-1qs55j2>
- ✓ **Trump says reports on Kim's health 'incorrect'.** US President Donald Trump on Thursday rejected reports that North Korean leader Kim Jong Un was ailing, criticizing his frequent nemesis CNN for running the story. "I think the report was incorrect, let me just put it that way," Trump told reporters. "I'm hearing they used old documents."
<https://www.afp.com/en/news/3954/trump-says-reports-kims-health-incorrect-doc-1qs5b67>
- ✓ **Crisis-hit oil market in frantic hunt for storage.** The oil market, rocked by crisis this week as prices plunged below zero on rampant oversupply and demand-destroying coronavirus, faces the critical problem of where to store surplus crude. "To put it simply, there is too much oil with too little space to store it," said TS Lombard economist Konstantinos Venetis.
<https://www.afp.com/en/news/3954/crisis-hit-oil-market-frantic-hunt-storage-doc-1qr3zh1>
- ✓ **S. Korean testing kit maker Solgent gears up for IPO.** South Korean genetic technology firm Solgent has picked local brokerage Mirae Asset Daewoo as an underwriter for its initial public offering, buoyed by sales of its diagnostic kits for the novel coronavirus, the company said Thursday. The Daejeon-based company and the underwriter are in the nascent stages of the IPO process, which precedes its listing on the development bourse Kosdaq. Details as to when the company will be listed and which option it will go for have yet to be determined.
<https://business.inquirer.net/295498/s-korean-testing-kit-maker-solgent-gears-up-for-ipo>



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- 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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