



BAIPHIL

BAIPHIL

MARKET WATCH

BAIPHIL@80:

Building Resilience Through Strong Governance

21 Sept
2021


Legend

■ Improvement / Up

■ Deterioration / Down

■ No Movement

FINANCIAL MARKETS AT A GLANCE

	Currency Exchange¹	Current	Previous	
	USD/PHP	50.2400	49.9500	
	USD/JPY	109.5800	109.9300	
	USD/CNY	HOLIDAY	6.4661	
	EUR/USD	1.1727	1.1725	
	GBP/USD	1.3658	1.3741	
	PHP BVAL Reference Rates²	Current	Previous	
	30-Day	1.0297	1.0164	
	91-Day	1.1142	1.1128	
	180-Day	1.3812	1.3832	
1-Year	1.6249	1.6328		
3-Year	2.2792	2.2758		
5-Year	2.9728	2.9633		
10-Year	4.2112	4.1976		
	Domestic Stock Index³	Current	Previous	
	PSEi	6,857.90	6,912.85	
	Trade Value (Php B)	7.227	15.219	
	Stock Index⁴	Current	Previous	
	NIKKEI 225	HOLIDAY	30,500.05	
	FTSE 100	6,903.91	6,963.64	
	DOW JONES	33,970.47	34,584.88	
	S&P 500	4,357.73	4,432.99	
	NASDAQ	14,713.90	15,043.97	
	Various^{5/6}	Current	Previous	
	Brent Crude (USD/bbl)	74.42	75.34	
	3-M US Treasury Yield	0.04%	0.04%	
	5-Y US Treasury Yield	0.83%	0.88%	
	10-Y US Treasury Yield	1.31%	1.37%	



NEWS

PHILIPPINES



- ✓ **Philippines ranks 8th in global COVID-19 cases.** The Philippines ranked eighth among countries with the most COVID-19 cases in the past 28 days, according to the global tracker of the Johns Hopkins University and Medicine (JHU) based in Maryland. Based on the JHU Dashboard yesterday, the Philippines was in eighth place with 527,114 COVID-19 cases in the last 29 days and 2,366,749 total cases as of Sept. 19.
<https://www.philstar.com/headlines/2021/09/21/2128513/philippines-ranks-8th-global-covid-19-cases>
- ✓ **Inflation seen climbing to 4.4%.** New York-based Global Source Partners raised its 2021 inflation forecast to 4.4 percent from the original target of 4.1 percent as food prices are expected to remain elevated until the end of the year. Former finance undersecretary Romeo Bernardo, economist at Global Source, said this year's projection was revised after the headline inflation rate unexpectedly shot up to 4.9 percent in August from four percent in July.
<https://www.philstar.com/business/2021/09/21/2128469/inflation-seen-climbing-44>
- ✓ **Stocks slip ahead of US Fed meet.** Share prices slipped anew yesterday, taking the cue from regional markets which tumbled on recent US Federal Reserve statements on possible monetary policy easing. The main Philippine Stock Exchange index or PSEi lost 54.95 points or 0.80 percent to close at 6,857.90, sliding further below the 7,000 wall again. The broader All Shares index went down 29.51 points or 0.69 percent to finish at 4,266.33. Many markets in Asia were closed for holidays and analysts said the thin trading accentuated volatility.
<https://www.philstar.com/business/2021/09/21/2128465/stocks-slip-ahead-us-fed-meet>
- ✓ **Stocks drop on lack of leads.** The main index dropped 54.95 points or 0.79 percent to close at 6,857.90 as the Mining and Oil counter led the retreat while the Services sector was the only gainer. "Philippine shares were off to a slow start on Monday as no economic data releases are on the schedule here and in the US," said Regina Capital Development Corporation Managing Director Luis Limlingan.
<https://mb.com.ph/2021/09/20/stocks-drop-on-lack-of-leads/>
- ✓ **BSP net income improves to P45.44 B.** The Bangko Sentral ng Pilipinas (BSP) reported a net income of P45.44 billion in the first six months of 2021, up by 231 percent from same period last year of P13.71 billion, based on BSP's latest unaudited, preliminary statement of income and expense. The BSP's net income expanded mainly due to an increase in revenues of 104.50 percent.
<https://mb.com.ph/2021/09/20/bsp-net-income-improves-to-p45-44-b/>

- ✓ **Banks release P189 B new loans to MSMEs.** Banks have released P188.7 billion new loans to micro, small and medium enterprises (MSMEs) as of the third week of August as alternative compliance to the reserve requirement (RR) rule. This amount is 12.7 percent of total required reserves during the reserve week ending August 19, according to the Bangko Sentral ng Pilipinas (BSP).
<https://mb.com.ph/2021/09/20/banks-release-p189-b-new-loans-to-msmes/>
- ✓ **Dominguez: 'Wealth tax will drive capital out of the Philippines.** Taxing the wealthiest more, as proposed by militant legislators, could stop the creation of wealth which the proposed measure intended to gain from, President Rodrigo Duterte's chief economic manager said Monday. Finance Secretary Carlos Dominguez III said the Department of Finance (DOF) will study the Makabayan bloc's House Bill (HB) No. 10253, which aims to collect wealth taxes of 1-3 percent from billionaires in the country who have taxable assets of over P1 billion.
<https://business.inquirer.net/331006/dominguez-wealth-tax-will-drive-capital-out-of-the-philippines>
- ✓ **Makabayan bloc files 'Tax the Rich' bill.** A bill seeking to impose additional taxes on the "super rich" has been filed in the House of Representatives Monday, with an aim of raising cash to fund government programs for healthcare and the poor. Lawmakers in the leftist Makabayan bloc filed House Bill 10253 that, if enacted into law, would impose 1%-3% "wealth tax" on individuals with net value assets exceeding P1 billion.
<https://www.philstar.com/business/2021/09/20/2128449/makabayan-bloc-files-tax-rich-bill>
- ✓ **Excise tax collections from tobacco up 31%.** Excise tax collections from tobacco products went up more than 31 percent to P83 billion in the seven months to July from P63 billion a year ago, the Department of Finance (DOF) said. Philip Morris Fortune Tobacco Co. Inc. (PMFTC) remained the top tax payer among tobacco firms with over 50 percent of the amount, followed by Japan Tobacco International (JTI) Philippines.
<https://www.philstar.com/business/2021/09/21/2128466/excise-tax-collections-tobacco-31>
- ✓ **Foreign groups oppose equity cap on telco, transport sectors.** Foreign business groups have warned against moves to keep the foreign equity restrictions in the transport and telco sectors, saying these run counter to efforts to boost foreign investments.
<https://www.philstar.com/business/2021/09/21/2128462/foreign-groups-oppose-equity-cap-telco-transport-sectors>
- ✓ **Converge to be traded OTC in US markets.** Converge [CNVRG 34.45 0.14%] announced that a depository bank in the US had filed paperwork with the US SEC to begin over-the-counter trading of unsponsored Converge ADRs. That might sound really impressive, but when I break it down you'll see why this is not really about CNVRG so much as it is about giving American investors a way to invest in CNVRG. So, first off, "ADRs" are American Depositary Receipts, and each ADR is a certificate that represents ownership of some number of stock in the target company.
<https://www.philstar.com/business/stock-commentary/2021/09/21/2128639/converge-be-traded-otc-us-markets>
- ✓ **EEl Corp submits SEC application for P6 billion preferred shares sale.** Infrastructure construction company, EEI Corp [EEI 7.50 1.32%], obtained board approval for the sale back in July, and then shareholder approval in August, and has now formally submitted the application with the SEC to sell and then list P4 billion in preferred shares with a P2 billion over-subscription option.
<https://www.philstar.com/business/stock-commentary/2021/09/21/2128638/eei-corp-submits-sec-application-p6-billion-preferred-shares-sale>
- ✓ **DoubleDragon added to FTSE global equity index.** DoubleDragon Properties Corp., the listed property company chaired by tycoon Edgar "Injap" Sia II, made its debut at the FTSE Global Equity Index Series (FTSE GEIS).
<https://www.philstar.com/business/2021/09/21/2128453/doubledragon-added-ftse-global-equity-index>
- ✓ **AboitizPower to issue P12 billion bonds.** Aboitiz Power Corp. is planning to issue fixed-rate retail bonds amounting up to P12 billion in the fourth quarter of the year. In a disclosure to the Philippine Stock Exchange yesterday, the company said it secured board approval to issue the second tranche of the P30 billion bonds registered in March under the shelf registration program of the Securities and Exchange Commission.
<https://www.philstar.com/business/2021/09/21/2128461/aboitizpower-issue-p12-billion-bonds>
- ✓ **Megaworld to spend P40 B to develop Palawan township.** In a disclosure to the Philippine Stock Exchange, the firm said this shows that it remains optimistic on the fast recovery of the country's tourism industry after the pandemic. To be named Paragua Coasttown, this 27th Megaworld township will feature some of the most beautiful beaches along the coastline of San Vicente, including Port Barton, one of the most famous tourist attractions of the town known for its 22 small islands.
<https://mb.com.ph/2021/09/20/megaworld-to-spend-p40-b-to-develop-palawan-township/>
- ✓ **PayMaya to accelerate Pinoys' digital adoption.** Voyager Innovations Inc., through its financial technology arm PayMaya Philippines, is poised to further accelerate digital adoption among Filipinos through its recently-approved digital bank venture. PayMaya was able to obtain the approval of the Bangko Sentral ng Pilipinas (BSP) to establish a digital bank named Maya Bank.
<https://www.philstar.com/business/2021/09/21/2128467/paymaya-accelerate-pinoys-digital-adoption>
- ✓ **Sangley bid submission deadline extended anew.** Deadline of joint venture proposals for the Sangley Point International Airport (SPIA) project, which has attracted four interested parties, has been extended and moved to next month. The bid submission deadline, which was originally set yesterday, has been moved to Oct. 20.
<https://www.philstar.com/business/2021/09/21/2128460/sangley-bid-submission-deadline-extended-anew>
- ✓ **Palace won't let ICC probers in the Philippines.** The government won't allow International Criminal Court (ICC) investigators to come to the Philippines to look into the killings tied to President Duterte's drug war because only local authorities can probe crimes that happened in the country, Malacañang said yesterday.
<https://www.philstar.com/headlines/2021/09/21/2128512/palace-wont-let-icc-probers-philippines>



REST OF THE WORLD



- ✓ **Global risk index elevated due to new variants.** Global risks have declined modestly as COVID-19 vaccinations are ramped up, but new variants leading to a surge in cases are threatening improvement in overall business sentiment. GlobalData, a leading data and analytics company in the UK, said the latest global risk index marginally decreased to 42.74 out of 100 in the April to June period from 43.53 the previous quarter. Risks generally went down as more countries implemented their COVID vaccination programs.
<https://www.philstar.com/business/2021/09/21/2128464/global-risk-index-elevated-due-new-variants>
- ✓ **US to end travel bans for vaccinated passengers.** The United States announced Monday it will lift Covid travel bans on all air passengers in November if they are fully vaccinated and undergo testing and contact tracing. The unprecedented restrictions had kept relatives, friends and business travelers around the world separated for many months as the pandemic grinds on.
<https://www.philstar.com/world/2021/09/21/2128641/us-end-travel-bans-vaccinated-passengers>
- ✓ **Covid-19 is a 'wake-up call' to act on Southeast Asia's food waste crisis, experts say.** Covid-19 is a wake-up call that's highlighted the urgency to fight the world's food waste crisis, experts and industry players told CNBC. Amid global lockdowns and halted travel, the pandemic exposed the vulnerabilities of supply networks, as disruptions created bottlenecks in farm labor, transport and logistics and sparked global food shortages and price hikes.
<https://www.cnbc.com/2021/09/20/covid-is-call-to-act-on-southeast-asias-food-waste-crisis-experts.html>
- ✓ **Insurers revise coverage for COVID-19 travel cancellations, quarantine allowance.** Travel insurers have revised their coverage for COVID-19-related incidents, as measures ease and borders open up in Singapore and overseas. Insurers here told CNA they have observed that customers' travel needs are changing amid the pandemic, and there are many considerations when planning for an overseas trip.
<https://www.channelnewsasia.com/singapore/covid-19-travel-insurance-cancellation-postpone-quarantine-2180776>
- ✓ **A 'perfect storm' is brewing in India's investment scene, says VC investor.** Investors are betting on Indian start-ups and taking more risks, thanks in part to improvement in India's infrastructure, according to a venture capitalist. Dealmaking in South Asia's largest economy rose in the first seven months of 2021 as many foreign investors with deep pockets flushed Indian start-ups with fresh funds.
<https://www.cnbc.com/2021/09/20/lightspeed-venture-on-india-start-up-ecosystem-and-investment-outlook.html>
- ✓ **China Evergrande shares plummet to 11-year low on default risks.** Shares of Evergrande on Monday plunged as much as 19% to their lowest in over 11 years, extending losses as investors take a dim view of its business prospects with a fast approaching deadline for payment obligations this week.
<https://business.inquirer.net/331002/china-evergrande-shares-plummet-to-11-year-low-on-default-risks>
- ✓ **Fears about China's Evergrande spread to global markets.** Global investors have been paying more and more attention to Evergrande, the sprawling Chinese real estate business on the brink. They're increasingly worried about what they see. What's happening: Stocks in Europe tumbled Monday morning after Hong Kong's Hang Seng dropped 3.3%, suffering its worst decline in nearly two months. Chinese banks, insurers and other real estate companies were slammed. US futures are also sharply lower. Shares of Evergrande Group (EGRNF) plummeted 10% in Hong Kong, hitting just 2.28 Hong Kong dollars (\$0.29) per share. The stock has shed 84% so far this year.
<https://edition.cnn.com/2021/09/20/investing/premarket-stocks-trading/index.html>
- ✓ **Stocks tumble as Wall Street's fears turn to China.** The Dow and the broader US stock market fell to close sharply lower Monday as Chinese real estate conglomerate Evergrande's debt crisis made American investors uneasy. It was the worst performance since May for the S&P and the Nasdaq, while the Dow logged its worst day since July. Stocks spent the whole day deep in the red and the Dow fell more than 970 points at its low point.
<https://edition.cnn.com/2021/09/20/investing/dow-stock-market-evergrande-today/index.html>
- ✓ **UK set for most widespread pay rises in over a decade.** More British employers are planning pay rises than at any time since the global financial crisis as they struggle to recruit staff following the coronavirus pandemic and Brexit, data from the Confederation of British Industry showed on Monday. The CBI said 44% of businesses intended to raise pay in line with inflation and 24% planned above-inflation pay rises, the highest combined percentage since it started surveying businesses about this in 2009.
<https://business.inquirer.net/330996/uk-set-for-most-widespread-pay-rises-in-over-a-decade>
- ✓ **U.S. and UK attempt to smooth tensions as France calls submarine snub a 'crisis'.** U.S. President Joe Biden on Sunday requested a call with French President Emmanuel Macron. A spokesperson for the French presidency said Monday that the call will happen in the coming days and that Macron wishes to get some "clarifications." Meanwhile, U.K. Prime Minister Boris Johnson on Monday said he is "very proud" of his country's relationship with France and that "our love for France is ineradicable."
<https://www.cnbc.com/2021/09/20/us-and-uk-try-to-ease-tensions-with-france-over-submarine-deal-crisis.html>
- ✓ **UN chief, UK PM increase pressure on leaders for climate change funds.** UK Prime Minister Boris Johnson urged leaders of the world's major economies including the United States to deliver on their commitments toward a US\$100 billion per year climate fund with less than six weeks to go before a UN climate summit.



- **AML for Senior Management – 23 September 2021**
- **Accounting for Non-Accountants with Financial Statement Analysis – 23-24 September 2021**
- **BBA-1: Branch Banking Audit. The BBG Core Processes, Risk Management, Internal Controls and the Audit Strategy – 24 & 27 September 2021**
- **Confronting Uncertainty|2021 Hot Topics For IT Audit in Financial Services and a view of Embracing Analytics and Digital Enablement – 30 September 2021**
- **Digital Transformation in Banking – 07-08 October 2021**
- **Intermediate Excel Training for Bankers – 11-12 October 2021**
- **Sound Credit Risk Management – 15-16 October 2021**
- **Compliance Framework – 25 October 2021**
- **Basics of Derivatives – 27-28 October 2021**

For details, please contact BAIPHIL via email (training@baiphil.org).






80th Anniversary

BANKERS INSTITUTE OF THE PHILIPPINES, INC. in partnership with EASTERN COMMUNICATIONS

cordially invites you to the

General Membership Meeting & Executive Learning Series
(ONLINE via ZOOM)

featuring:

HOW CAN THE BANKING INDUSTRY HELP IN CHOOSING THE RIGHT LEADERS FOR THE COUNTRY?

QUEST SPEAKER



MR. ERIC CHENG
Regional Sales Director
Cebu Networks

ATTY. FE B. BARIN
Executive Vice President
Merita Bulletin Publishing Co.

MAIN SPEAKER



LATEST SOLUTIONS TO MOVE ENTERPRISE OPERATIONS VIRTUALLY

24 September 2021, Friday, 1:00 PM - 3:00 PM

REGISTER ONLINE

E-Certificate will be given to those who have attended 3 monthly GMM/ELS



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

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

COMPILED AND PREPARED BY: MARIA AZALEA ECHAVEZ, Corporate Communications and Information Exchange Committee

DISCLOSURE: The BAIPHIL Market Watch (BMW) is for informational purposes only. The content of the BMW is sourced from third party websites and may be subject to change without notice. Although the information was compiled from sources believed to be reliable, no liability for any error or omission is accepted by BAIPHIL or any of its directors, officers or employees, and BAIPHIL is not under any obligation to update or keep current this information.

[Go To Homepage](#)