

COVID-19 Status: Government approves vaccines for emergency use as country eyes first rollout in February

Local FDA begins approving COVID-19 vaccines for emergency use

- ▶ In January, the Pfizer-BioNTech and AstraZeneca COVID-19 vaccines became the first two to be granted emergency use authority (EUA) in the Philippines.
- ▶ Vaccines from Russia's Gamaleya Research Institute, China's Sinovac Biotech, and India's Bharat Biotech are awaiting EUA approval from the Philippine Food and Drug Administration (FDA).

PH to receive COVID-19 vaccines from COVAX

- ▶ The Department of Health announced that the country will receive subsidized coronavirus vaccines from the COVAX facility, a global pooled vaccine procurement mechanism co-led by the WHO, Gavi, and CEPI.
- ▶ Through COVAX, the country will receive vaccines for up to 20% of the population. The first batch of vaccines – enough for approximately 3% of the population – is expected to arrive by February 2021.

Macroeconomic Updates: Policy support and infrastructure spending

PH economy contracts by 9.5% in 2020

- ▶ Preliminary data show that Philippine GDP shrank by 8.3% in the fourth quarter of 2020, a slower pace compared to the 16.9% and 11.4% declines seen during the second and third quarter of the year, respectively.
- ▶ The country's economy is forecasted to grow 6.6% for 2021 based on the IMF's latest estimates in its January 2021 World Economic Outlook.

Overseas Filipino cash remittances post growth in November 2020, defying bleak forecasts

- ▶ Cash remittances hit USD 2.4 bn in November 2020, putting the year-to-date total at USD 27.0 bn, narrowing the decrease to 0.8% from the same period in 2019. The Philippine Central Bank previously forecasted a 5% year-on-year contraction before revising its projection to a 2% decline.
- ▶ Remittances are among the economy's growth drivers, accounting for nearly a tenth of GDP.

Deal Spotlight: Leading e-wallet operator nears unicorn status

Globe Fintech Innovations (Mynt) raises fresh funding from New York-based Bow Wave Capital Management

- ▶ Mynt, the operator of Philippine e-wallet GCash, raised USD 175 mn to capitalize on the surge in digital payments brought about by the pandemic. The latest funding round puts Mynt's valuation close to USD 1 bn.
- ▶ Mynt is a fintech partnership between Globe Telecom, Ayala Corporation, and Ant Financial, the parent company of Alipay. The company was Ant Financial's first-ever investment in the Philippines back in 2017.

Industry Insight: REIT market and Cold chain industry

Filinvest Land the latest developer to announce REIT plans for 2021

- ▶ The Gotianun-led property developer announced plans to list its subsidiary, Cyberzone Properties, Inc., as a real estate investment trust (REIT) on the Philippine Stock Exchange later this year. Filinvest is the fourth developer to join the REIT wave this year, after DoubleDragon, Robinsons Land, and Vista Land.
- ▶ The REIT portfolio will include the office buildings Northgate Cyberzone in Filinvest City and Filinvest Cyberzone Cebu in Cebu City. The portfolio's office revenues were said to have increased 16% year-on-year during the first nine months of 2020, owing to continued operations of business process outsourcing tenants during the pandemic.

BOI formally launches PH Cold Chain Industry Roadmap

- ▶ The Board of Investments (BOI) and industry stakeholders laid out investment, policy, and regulatory action plans to grow the country's cold chain industry by 10-15% annually over the next two to five years.
- ▶ Growth prospects are expected to come from the growing demand in food delivery services, e-commerce and online grocery shopping, local food production requiring cold chain logistics services, vaccines, and other temperature-sensitive drugs.