

COVID-19 Status: Quarantine extended, vaccine roll-out continues

Modified Enhanced Community Quarantine (MECQ) extended in Greater Metro Manila area until mid-May

- ▶ In place since mid-April, the MECQ is a more relaxed version of the ECQ and allows for business establishments in select industries to fully open, though some businesses (such as restaurants, salons) can only operate at limited capacity.
- ▶ Since imposing the ECQ at the end of March, the region has seen a downward trend in COVID-19 cases, with the reproduction rate down to 0.83 and the daily average decreasing by 18% as of the last week of April.

PH continues vaccinations as new orders arrive in May

- ▶ Over 1.8 million doses of the AstraZeneca and Sinovac vaccines, covering 1.4% of the population, have already been administered in the country as of end-April with additional orders of the Sputnik V and Pfizer vaccines expected to arrive in May.

Macroeconomic Update: R&I affirms PH's BBB+ rating with 'stable' outlook, though unemployment slow to recover

Rating and Investment Information Inc. (R&I) expects the country's fiscal and monetary policies to boost growth

- ▶ The Japan-based credit ratings agency cited aggressive public spending, the government's fiscal discipline, and accomplishment of key reforms – including the recently passed CREATE tax reform law – as key factors for the country's expected post-pandemic recovery.

Unemployment rate at 8.8% as of February 2021, down from April 2020 peak of 17.6%

- ▶ There were 4.2 million unemployed Filipinos in February based on a survey conducted by the Philippine Statistics Authority. While this is a marked improvement from the 7.2 million (17.6% unemployment rate) recorded in April 2020, the figure still indicates a high unemployment rate. Prior to the pandemic, the unemployment rate hovered around 5%.

Deal Spotlight: Local companies gear up for stock market listing while Partners Group continues PH activity

Top food and beverage players file for stock market listings

- ▶ Monde Nissin, known for its 'Lucky Me!' brand of instant noodles in the Philippines and meat alternative 'Quorn' in the UK, is set to raise up to USD 1.3 bn of fresh capital, the country's largest-ever public listing. Proceeds will be used to expand different segments, including the company's business units in the UK and other markets.
- ▶ Meanwhile, tomato sauce and canned foods manufacturer Del Monte Philippines has filed for a USD 900 mn public listing. The IPO will sell shares owned by Central American Resources Inc. (a wholly-owned subsidiary of the parent Del Monte Pacific Ltd.) and Singapore-based SEA Diner Holdings (S) Pte. Ltd. (a holding company managed by private equity firm Crescent Fund Management Pte. Ltd), which had acquired a 12% stake in the company for USD 120 mn in May 2020.

Partners Group partners with top conglomerate for telco platform, as it mulls exit for local outsourcing firm

- ▶ The leading global private markets player has partnered with the Aboitiz Group to jointly invest in Unity Digital Infrastructure, which will build and operate telecommunications towers in the Philippines.
- ▶ The joint venture is intended to capture the strong local demand for telecommunications towers, as data traffic in the country is expected to grow at a 45% CAGR until 2025.
- ▶ Partners Group's investment comes as it reportedly considers a sale for up to USD 1 bn of Philippines-based outsourcing provider, SPi Global, which Partners Group acquired for USD 330 mn in 2017.

Industry Spotlight: PH ranked the 2nd best investment destination for renewables in SE Asia

- ▶ HSBC Global Research named the Philippines as the region's second-best renewable energy destination, owing to a 'highly-liberalized' active spot market and resources to generate up to 3,000 gigawatts in renewable power.
- ▶ In its report, HSBC Global highlighted supportive renewables policies, including the country's Renewable Portfolio Standards (RPS) program, which requires distribution utilities to source an agreed-upon portion of their supply from renewables.
- ▶ Aside from the RPS, the government is also pushing its Green Energy Option and Green Energy Auction programs to increase renewable energy use in the country.