



The funds must flow: Capital raising in the time of crisis

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The uncertainty caused by the coronavirus disease 2019 (COVID-19) pandemic has pushed some big firms and investors into the defense by cutting back on capital-raising activities and retreating towards safe-haven investments. Despite the pandemic, raising funds through capital markets is still possible, analysts said.

Net losses reported so far this year has led some of the country's corporate giants to announce cuts in their capital spending.

These cuts vary among firms and industries, ranging from as low as 30% to as high as 60% relative to levels in the previous year.

“Cutting costs is a normal reaction for companies in the midst of an economic crisis. However, companies, particularly those in the industrial and consumer services, should look at the current economic slowdown as an opportunity to challenge themselves to adopt innovative practices to keep up with new normal instead of waiting out the pandemic.”