

The Daily Dispatch

January 02, 2018
TODAY'S TOP NEWS

PH sees manageable inflation until 2020

At its last meeting this 2017, the Bangko Sentral ng Pilipinas (BSP) decided to keep its inflation projection until 2020 in the belief that sustained government investment spending will help temper pressures caused by potential increase in global commodity prices.

PH peso strongest in 6 mos., stocks break 8,500

The country's financial markets posted new gains just before the end of 2017. The Philippine peso registered its strongest close against the greenback in 6 months, while stocks hit a fresh milestone by closing above the 8,500 mark. The Philippine peso on Thursday, December 28, closed at P49.980 against the US dollar.

Petron expects Malaysia expansion in 2020

Listed Petron Corporation expects its refinery expansion in Malaysia to be finished in two years, adding 90,000 barrels a day to its capacity. Petron Malaysia Refining & Marketing Berhad operates Petron Port Dickson refinery, which has a capacity of approximately 88,000 barrels per day.

Ayala Land expanding Seda hotel brand

Ayala Land Incorporated plans to expand its Seda hotel brand to 3,500 rooms by 2019 to address the increasing demand brought about by tourism and corporate expansion. The move to expand the Seda brand aggressively is in line with its objective to be the leading Philippine hospitality brand in terms of size.

8990 Holdings appoints new CEO, COO

The board of directors of 8990 Holdings Inc has approved on Wednesday (December 27) the appointments of Willibaldo Uy, and Alexander Sotto as president and CEO, and chief operating officer (COO) of the company, respectively. Both executives will take on their new roles on January 1, 2018.

Philippine Stock Market Update



Previous Close:

8,535.09

Open:

8,562.86

52-Week Range:

6,746.80 - 8,640.04

1 Yr Return:

27.15%

YTD Return:

0.00%

Source:

Bloomberg

Foreign Exchange

As of Jan. 2, 2018

US Dollar	Philippine Peso
1	49.951

PDST-R2 Rates

As of Jan. 2, 2018

Tenor	Rate
1Y	3.4647
3Y	4.3881
5Y	4.7456
7Y	5.4111
10Y	5.5832
20Y	5.6491

Daily Quote

"There is nothing permanent except change" --
Heraclitus

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MORE LOCAL NEWS

Central bank urges caution against cryptocurrencies

With virtual currency (VC) transactions in the Philippines now averaging over \$8.8 million per month, the Bangko Sentral ng Pilipinas (BSP), the country's central bank, has urged the public to exercise caution when buying or investing in cryptocurrencies.

Cirtek okays acquisition of tech promoter Multiplay

Cirtek Holdings Philippines Corp is set to acquire a 49 per cent stake in Multipay Corp, a local marketing company of technology products. Cirtek disclosed on Friday (December 29) that its board of directors approved the acquisition of 44,100 or 49 per cent of Multiplay's total issued and outstanding capital stock.

Fuel price hike not yet due to TRAIN

Oil firms should not charge consumers the higher fuel excise tax yet as the Department of Energy (DOE) issued a clarification after motorists drove in hordes to gas stations amid confusion over the implementation of the new tax law.

Philippines being groomed as MICE destination

The Philippines has the potential to attract foreign travellers as a destination for meetings, incentives, conventions and exhibition (MICE). Santos Knight Frank chairman and chief executive officer Rick Santos told The STAR the Philippines has been seeing increased demand for conferences in recent years.

More perks eyed for tourism ecozones

The Tourism Infrastructure and Enterprise Zone Authority (TIEZA) is eyeing to extend or remove the sunset provision on the incentives for tourism enterprise zones (TEZs). TIEZA officer-in-charge for the TEZ management sector Nino Ruperto Aquino said they are recommending the extension of the sunset provision for TEZs found in the

Effective joint ventures with government

Joint ventures (JVs) are increasingly becoming popular as a faster and easier approach toward implementing infrastructure, development and social service-related projects at the national and local government levels.

BSP issues new warning on virtual currencies

With increased interests in virtual currencies (VC) such as Bitcoin, the Bangko Sentral ng Pilipinas (BSP) reissued its earlier warning against the risks including money laundering and its pyramid-like marketing as an investment vehicle.

BSP seeks public help - banknotes' credibility

The Bangko Sentral ng Pilipinas (BSP) has called on Filipinos to watch out for misdeeds or illegal activities that compromise the credibility of the country's currency. "(The BSP) strongly urges the public to refrain from acts that could cast doubt on the credibility of our legal tender," the central bank said in a statement.

Govt finalizing deal with Japan for MRT 3 upgrade

The DOTr said it is finalizing a deal with the government of Japan for the rehabilitation and maintenance of MRT Line 3. Transportation assistant secretary for railways TJ Batan said the agency was now in the final stages of exchanging note verbales between the DFA and the Japan Embassy in Manila.

Villar group spending P175b

The Villar group of companies led by Manuel Villar plans to spend P175b in three years from 2018 to 2020 to aggressively expand its businesses. Villar, who now focuses on expanding his business empire after becoming a senator, said about 60% of the programmed three-year capital expenditures would go to real estate development.

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MORE LOCAL NEWS

MPCALA completes unsolicited toll road bid

Port tycoon Enrique Razon is venturing into power generation and water development and distribution. The Philippine Competition Commission has given its nod to the planned joint venture of San Lorenzo Ruiz Piat Energy and Razon-led Prime Metro Power Holdings Inc. to construct several hydropower facilities.

ICTSI appropriates \$25m for port expansion in 2018

International Container Terminal Services Inc. said it allotted \$25 million for the expansion of its domestic and foreign port container terminals next year. The port terminal owned by tycoon Enrique Razon Jr. said it would use unappropriated retained earnings of \$25 million to expand ports in Manila, Mexico, Honduras and Iraq.

TODAY'S TOP ASIAN NEWS

Hyundai plunges on \$1.2b sale plan

Hyundai Heavy Industries Co., the world's second-biggest shipbuilder, fell by a record following its plan to raise about 1.29 trillion won (\$1.2 billion) selling new shares for working capital. Hyundai Heavy intends to sell 12.5 million new shares before the end of March at a price of 103,000 won each, a discount of about 24%.

India: PE sector sees record \$24.4b inflow in 2017

The private equity sector has seen robust growth in 2017 with average deal size doubling in the year although deal volume declined. Overall deal volume fell by 22% to 570 deals in 2017 from 726 in the previous year, even as the average deal size surged to \$42.8 million from \$21.2 million.

First Growth Funds to raise \$2.7m

Australia-listed investment firm First Growth Funds (FGF) Limited seeks to raise up to A\$3.5 million (\$2.7 million) to be used as additional working capital or to acquire or invest in blockchain technology, assets, or businesses.

The \$80B train project caught in scandal

A scandal threatens to put the brakes on Japan's plan to build the world's fastest train. To surpass the nation's famous bullet train, the project incorporates magnetic-levitation technology that promises to cut journey times from Tokyo to Osaka by more than half, to just over an hour.

China's \$100B smartphone maker

It's just not Xiaomi Corp. New data from Counterpoint Research point to three other Chinese companies making far more money from phones than Xiaomi. The most visible is Huawei Technologies Co., which has solid R&D chops and a lucrative telecoms-equipment business -- not to mention supposedly cozy government relations.

TODAY'S TOP GLOBAL NEWS

SoftBank seals deal for large Uber stake

Uber and SoftBank announced a deal on Thursday, December 28, allowing the Japanese tech titan to take a large stake in the US ridesharing giant, making a hefty cut in the valuation of the biggest venture-backed startup. SoftBank will acquire 15% of Uber's equity at a discount of 30% from its most recent value.

Bitcoin starts a new year by tumbling

Bitcoin is already having a bad year. For the first time since 2015, the cryptocurrency began a new year by tumbling, extending its slide from a record \$19,511 reached on Dec. 18. The virtual coin traded at \$13,440 as of 3:55 p.m. in New York, down 6.1 percent from Friday.

Economic Calendar

Date	Release
12.04.2017	PH: CPI YoY
12.05.2017	PH: Bank Lending YoY
12.06.2017	PH: Foreign Reserves
12.11.2017	PH: Unemployment Rate
12.11.2017	PH: Trade Balance

Source: Bloomberg Economic Calendar