

The Daily Dispatch

January 03, 2018
TODAY'S TOP NEWS

PAL hopeful to become 4-star airline this 2018

Listed Philippine Airlines (PAL) remains hopeful that it will be able to join the prestigious circle of 4-star carriers this 2018, as it accelerates efforts in expanding routes, upgrading fleet, and modernizing passenger service. This is part of its efforts to earn 5-star status as a globally competitive full-service airline in 2020.

SEC approves Marcventures' merger with mining firms

The Securities and Exchange Commission (SEC) green lighted the merger of Marcventures Holdings Incorporated with two mining firms: Brightgreen Resources Holdings Incorporated (BHI) and Asia Pilot Mining Philippines Corporation (APMPC). Marcventures will become the surviving entity.

AboitizPower taking over Negros solar power project

Aboitiz Power Corporation (AboitizPower) is set to take over the 59-megawatt (MW) solar power project in Negros Occidental, after it executed the deed of transfer overseas. Aboitiz Power International Private Limited (AP International) and SunE Solar B.V. completed the execution of the deed of transfer in the Netherlands.

Aboitizes buying Isabela-based PR Savings

Aboitiz-led Union Bank of the Philippines is acquiring Isabela-based thrift bank Philippine Resources Savings Bank to expand its mass market reach. The deal involves the acquisition of 127.72 million shares owned by the ROPALI Group, which represents 66.27% of the total outstanding capital stock of PR Savings Bank.

PLDT, Smart ink another partnership with Huawei

Listed PLDT Incorporated and its mobile unit Smart Communications Incorporated sealed a \$28.5-million (P1.4-billion) partnership deal with China's Huawei Technologies Company Limited to improve the telco giant's wireless service delivery platforms.

Philippine Stock Market Update



Previous Close:

8,558.42

1 Yr Return:

28.44%

Open:

8,584.46

YTD Return:

1.38%

52-Week Range:

6,746.80 - 8,680.66

Source:

Bloomberg

Foreign Exchange

As of Jan. 02, 2018

US Dollar	Philippine Peso
1	49.828

PDST-R2 Rates

As of Jan. 02, 2018

Tenor	Rate
1Y	3.0320
3Y	4.2977
5Y	4.7437
7Y	5.3279
10Y	5.6986
20Y	5.7038

Daily Quote

"There's a tremendous bias against taking risks. Everyone is trying to optimize their ass-covering."

--Elon Musk

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MORE LOCAL NEWS

Metrobank to buy out credit card JV partner ANZ

Philippine-listed banking giant Metropolitan Bank & Trust Company (Metrobank) has secured the apex bank approval to complete the acquisition of 20 per cent stake in Metrobank Card Corp (MCC) from its joint venture partner ANZ Funds Pty Ltd. Metrobank will pay P7.4 billion (\$148 million) for the stake.

Ayala Land takes majority stake in Malaysia's MCT

Philippine-listed developer Ayala Land Inc (ALI) is taking control of property developer MCT Bhd after acquiring an additional 17.24% share in the Malaysian development and construction firm. Carried out by its subsidiary, Regent Wise Investments Limited, it will bring its total holdings in MCT to 50.19% from 32.95% currently.

BPI, Lulu sign remittance deal

Bank of the Philippine Islands, teamed up with Lulu Exchange, one of the Gulf region's leading foreign exchange and remittance service providers, to enhance its reach to overseas Filipino workers. BPI said in a statement the partnership would allow migrant workers to transfer funds directly to a BPI account.

Pagbilao Energy set to operate \$1-b coal plant

Pagbilao Energy Corp. is set to start the full commercial operations of the \$1-billion Pagbilao 3 coal-fired power plant in Quezon province in February, which will add 420 megawatts to the Luzon grid. Aboitiz Power Corp. president and chief operating officer Antonio Moraza said the new power plant was "now still testing."

Resorts World plans to open three hotels

Travellers International said it aims to continue the expansion of Resorts World Manila with the opening of three hotels and the rebranding of two facilities this year. "Resorts World Manila has the largest concentration of hotel rooms in any development in the Philippines," TIHGI president Kingson Sian told journalists over lunch.

TODAY'S TOP ASIAN NEWS

Thai's mu Space to raise over \$9.2m this year

Thailand's first space technology startup mu Space Corp plans to raise over \$9.2 mn this year for its business development and expansion, founder and CEO James Yenbamroong said. The fundraising round is planned after it received a license last month to launch its geostationary satellite and provide satellite-based services until 2032.

Temasek leads \$50m Series B in PEAR Therapeutics

Singapore's state-run investment firm Temasek Holdings Private Ltd led a \$50 million Series B investment in a U.S. based digital health firm, PEAR Therapeutics, that develops and offers digital therapies and drug and software combinations to behavioral health disorders.

ChrysCapital potential stake in NBFC Varthana

ChrysCapital Advisors LLP, the largest home-grown private equity (PE) fund, is in advanced talks to buy a significant minority stake in Thirumeni Finance Pvt. Ltd, a Bengaluru-based non-banking financial company (NBFC) that operates under the name Varthana, according to two people aware of the development.

BlackRock registers for private fund mgmt in China

US-based heavyweight asset manager BlackRock's Shanghai arm has bagged a private fund management (PFM) registration in China which will now allow it to sell onshore investment products to Chinese institutional and high net worth investors.

PNB sells entire stake in Principal Financial Group

Punjab National Bank (PNB) has sold its entire stake in the joint venture with Principal Financial Group to give the latter full ownership of Principal PNB Asset Management Co. and Principal Trustee Co. Pvt. Ltd in India.

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MORE ASIAN NEWS

Wanda Network shrinks its tech workforce

Wanda Network Technology Group, a unit of the property conglomerate founded by one of China's biggest overseas asset buyers, is slashing its workforce, the latest sign that the technology ambition of one of the country's wealthiest men is faltering. Wanda Network would shrink its workforce to 300 jobs from 6,000.

China's longest bond rout has further to go

China's money market rates are set to grind higher and a bear market in bonds will worsen before it gets better, according to a survey of strategists and traders. The seven-day repurchase rate will average 2.99 percent in 2018, up from 2.88 percent in the fourth quarter, according to the median estimate in a Bloomberg survey.

The US Dollar is falling again to start the year

The dollar sank to a three-month low as rising commodity prices reignited bets that the global reflation trade will take hold in 2018, dimming the greenback's appeal relative to currencies of faster-growing economies. The U.S. currency fell against most major and emerging-market counterparts Tuesday.

TODAY'S TOP GLOBAL NEWS

Munster: Amazon will buy Target this year

Amazon.com Inc.'s shake-up of the retail landscape may not be over, according to one well-known technology analyst. The internet giant will acquire discounter Target Corp., Loup Venture co-founder Gene Munster wrote in a report highlighting eight predictions for the technology industry in 2018.

Argentina is said to accelerate \$10B bond sale

Argentina is rushing to pull off a \$10 billion bond sale this month as Latin America's third-largest economy seeks to get ahead of other regional offerings. Argentine government officials are working to appoint banks for a sale in the first half of January, according to people with knowledge of the matter.

Arrow Electronics to buy eInfochips at \$300m

NYSE-listed Arrow Electronics Inc. has agreed to acquire Ahmedabad-based product engineering company eInfochips Ltd, the two companies said on Tuesday. The deal size is likely to be in the range of \$300-325 million, an investment banker familiar with the development said on condition of anonymity.

U.S. panel obstructs MoneyGram, Ant Financial deal

A U.S. government panel rejected Ant Financial's acquisition of U.S. money transfer company MoneyGram International Inc over national security concerns, the companies said on Tuesday, the most high-profile Chinese deal to be torpedoed under the administration of U.S. President Donald Trump.

Passenger rights group could block Niki sale

A group representing airline passengers has taken legal action to shift insolvency proceedings for budget airline Niki to Austria from Germany, in a move that could endanger the sale of the Air Berlin (AB1.DE) unit to Britain's IAG (ICAGL).

DuluxGroup to sell CH, HK coatings business

DuluxGroup Ltd said on Wednesday its majority-owned JV company DGL Camel International has agreed to sell most of its coatings business in HK and China to Yip's Chemical Holdings Ltd. DGL Camel International, which makes coating materials for building products, will retain business for the Selley's brand in Hong Kong and China.

Economic Calendar

Date	Release
01.04.2018	PH: CPI YoY
01.04.2018	PH: CPI NSA MoM
01.04.2018	PH: CPI Core YoY
01.18.2018	PH: Budget Balance Php
01.23.2018	PH: GDP Annual YoY

Source: Bloomberg Economic Calendar