

The Daily Dispatch

January 12, 2018
TODAY'S TOP NEWS

New consultant tapped to assess 48 unused MRT3 cars

Germany-based TÜV Rheinland, the winning independent audit and assessment consultant for the Metro Rail Transit Line 3 (MRT3), will evaluate and recommend what to do with 48 train cars that have already been delivered by China-based CRRC Dalian Company Limited.

Melco to launch luxury hotel brand in Macau, Manila

Melco Resorts and Entertainment Limited, the listed operator of integrated resort and gaming complex City of Dreams, is set to launch its new luxury hotel brand that will debut in Macau and in Manila next Tuesday, January 16. To be called NÜWA, Melco's new hotel brand will replace the current Crown Towers.

Meralco expects 5% sales volume growth for 2017

Power distributor Manila Electric Co. (Meralco) expects a nearly five percent growth in sales volume last year as demand for electricity continued to pick up across all sectors in its franchise area. Meralco president Oscar Reyes said the company forecasts sales volume to grow by 4.9%, slightly higher than previous the expectation of 4.5%.

Gov. loses P300B revenue yearly from tax perks

Income tax holidays and other perks enjoyed by large corporations cost the government over P300B in foregone revenue annually, according to the DOF. Citing data gathered from the TIMTA, Finance Undersecretary Chua said the government lost P301.22B in revenue in 2015 due to the grant of tax incentives and other exemptions to some

Shakey's Pizza lines up 20 new stores in 2018

Shakey's Pizza Asia Ventures Inc. (SPAVI), the listed full service restaurant of the Po family, plans to open 20 new stores this year to bring its store network to 228. Last year, the company opened 24 new stores across the globe.

Philippine Stock Market Update



Previous Close:

8,018.05

Open:

8,015.68

52-Week Range:

6,499.00 - 8,106.74

1 Yr Return:

-0.34%

YTD Return:

15.58%

Source:

Bloomberg

Foreign Exchange

As of Jan. 11, 2018

US Dollar	Philippine Peso
1	50.306

PDST-R2 Rates

As of Jan. 11, 2018

Tenor	Rate
1Y	2.8370
3Y	4.2709
5Y	4.7373
7Y	5.3411
10Y	5.8196
20Y	5.8227

Daily Quote

"An entrepreneur is someone who jumps off a cliff and builds a plane on the way down."

--Reid Hoffman

The Daily Dispatch

MORE LOCAL NEWS

DENR probes holders of forest management licenses

To prevent any recurrence of environmental degradation, the Department of Environment and Natural Resources (DENR) has launched an audit on all of the 104 companies that have been granted with Integrated Forest Management Agreements (IFMAs).

Henry Sy Jr. ventures into cement production

Businessman Henry Sy Jr., scion and namesake of the SM Group founder, is leading investors who are putting up a P2-billion plant to produce cement through a revolutionary process that uses lahar and other materials instead of the traditional limestone and shale.

Meralco power rates to decline this month

Power rates in the franchise area of Manila Electric Co. will drop P0.5260 per kWh in January, translating into a P105 reduction in the monthly bill of a typical household consuming 200 kWh. Meralco said in a statement the overall rates would decline to P8.7227 per kWh in January from P9.2487 per kWh in December.

ICTSI set to raise \$400m to fund growth strategy

ICTSI is raising \$400 million from the issuance of senior perpetual capital bonds to fund capital expenditures and acquisitions. The company led by businessman Enrique Razon Jr. said unit Royal Capital BV on Jan. 10 successfully priced a \$350-million offering of senior guaranteed perpetual capital securities.

Phoenix completes FamilyMart acquisition

Phoenix Petroleum said it completed the acquisition of the entire shares of SIAL CVS Retailers Inc., FamilyMart Co. Ltd. and Itochu Corp. in Philippine FamilyMart CVS Inc. "A new exclusive area franchise agreement of the Family Mart branch of convenience store in the Philippines was granted" Phoenix said.

Anchor Land set to build P1.5-b dormitory complex

Anchor Land Holdings Inc. launched its dormitory business with the unveiling of the P1.5B Cosmos Suites in Pasay City. Anchor Land said in a statement the twin-tower development, with 3,000 beds in over 800 units, would offer affordable, high-quality bed spaces to young employees looking for ways to outsmart the challenging commute in

Meralco sets \$800M capex for 2 wind projects

Power utility giant Meralco queuing capital spending of up to US\$800M for the two wind farm projects that it had cast as prospective investments in Luzon. That will be for total capacity installation of 300MW in two sites, one of which is 150MW that will be within its franchise area and the other 150MW capacity in Ilocos Norte.

NLEX Corp to spend P19B on infra projects in 2018

NLEX Corporation is allocating P19 billion for capex this year for major infrastructure projects that are expected to ease traffic congestion in Metro Manila. NLEX Corp. President and CEO Rodrigo Franco said the bulk of the capex would be used for constructing portions of the NLEX such as the Harbor Link Segment 10 and the Connector

TODAY'S TOP ASIAN NEWS

Qatar to target Q1 for \$9B bond sale

Qatar is planning to tap the debt market in the first quarter for about \$9 billion to finance its budget deficit, people familiar with the matter said. Government officials are in talks with a number of international banks about the sale, the people said, asking not to be identified because the talks are private.

Fresh fruit chain Pagoda raises \$230m in series B

A number of investment firms have shown interest in China's fresh produce e-commerce industry by investing \$230 million in Shenzhen-based fresh fruit chain retailer Pagoda's series B funding round. According to the China Money Network report, Pagoda raised \$230 million in the latest funding round.

The Daily Dispatch

MORE ASIAN NEWS

Japan's Shiseido acquires skin tech startup Olivo

Shiseido, a Japan-listed global cosmetics company, has acquired Olivo Laboratories, creator of US-patented artificial skin formation technology Second Skin, for an undisclosed amount, the Japanese company said. Shiseido said its consolidated subsidiary has completed all procedures to acquire the assets of Olivo Laboratories.

Shree Cement to buy 93% stake in UAE firm for \$305m

Shree Cements Ltd on Thursday said it had agreed to acquire a 92.83% stake in Union Cement Co. PSC, a United Arab Emirates-based firm, for an enterprise value of \$305.24 million (Rs1,945 crore). Shree Cement has the option to take full control of the company's shares, chief financial officer Subhash Jajoo said.

Tata Global Beverages sell stake Amalgamated Plant

Tata Global Beverages Ltd is looking to divest its 41% stake in Amalgamated Plantations Pvt. Ltd—India's second largest producer and supplier of tea with estates in Assam and the Dooars region of West Bengal. Amalgamated Plantations, produces around 43 mn kg of tea a year, of which 26 mn kg is made from its own tea crop.

Xerox in talks for deal with Fujifilm

Printer manufacturer Xerox Corp is in talks to do a deal with Japanese camera maker Fujifilm Holdings Corp that could include a change in control of Xerox, the Wall Street Journal reported on Wednesday, citing people familiar with the matter. However, a full takeover of Xerox is not on the table, the newspaper said.

Morgan Stanley PE Asia invests \$24m in Manna

A fund managed by Morgan Stanley Private Equity Asia has invested Rs 152 crore (\$23.8 million) in Southern Health Foods, operator of natural health food products brand "Manna Foods". The Chennai-based company had earlier raised Rs 30 crore from early growth investors led by Fulcrum in 2015.

TODAY'S TOP GLOBAL NEWS

Oil reaches \$70/barrel for 1st time in 3 yrs.

Oil topped \$70 a barrel in London for the first time in three years as production cuts by OPEC and rising demand whittle away a global surplus. Brent crude futures, used in the pricing of more than half the world's oil, rose as much as 1.2 percent to the highest since Dec. 4, 2014.

Cryptocurrencies retreat amid fears of KOR clamping

Bitcoin slumped to its lowest level since Christmas day as South Korea's justice minister reiterated his proposal to ban local cryptocurrency exchanges, fueling concern a state crackdown will erode demand for digital coins in one of the world's biggest markets.

How Trump's tax cut will lead to NYC's fall

The American South will keep rising and Dallas will eclipse New York. The city that never sleeps has had its obituary written plenty of times, but it may just have met its match in native son Donald Trump. His tax-cut law is more than just a deficit-busting giveaway to the rich.

US stocks rise, dollar slips with bonds steady

U.S. stocks rebounded from the first retreat of the year, while Treasuries held steady after wholesale-price data cooled inflation expectations. The dollar fell and oil charged toward \$64 a barrel.

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