

The Daily Dispatch

January 16, 2018
TODAY'S TOP NEWS

PH online news site Rappler ordered shut

The Philippine securities commission has revoked the registration of an online news outfit known for its critical reporting on President Rodrigo Duterte, a move media watchdogs said is an act to muzzle the free press. Rappler said it would fight the ruling in the courts and continue to operate.

Remittances grow in November

Remittances from overseas Filipino workers continued to grow in November last year, bringing the 11-month tally 5.1 percent higher at \$28.24 billion from the year-ago level of \$26.88 billion, the Bangko Sentral ng Pilipinas (BSP) reported yesterday.

Philippines stays out of US piracy list

Results of the 2017 out-of-cycle review of notorious markets by the Office of the USTR showed the Philippines maintained its clean record of not hosting physical marketplaces that reportedly “engage in, facilitate, turn a blind eye to, or benefit from substantial piracy and counterfeiting.”

Dennis Uy eyes dev't of another Cebu resort

Davao-based businessman Dennis Uy is developing another integrated resort in Cebu, which may also have a gaming component. Uy will lease a four-hectare property near the Mactan Cebu International Airport from Megawide, which he plans to develop as a world class hotel with a casino.

BOI mulls new perks for FDI

The Board of Investments (BOI) is looking at a conservative 10 percent growth in the registration of new investment pledges this year to P680 billion from P617 billion in 2017 to be driven by the continued growth in the manufacturing sector and planned new incentives for foreign direct investments.

Philippine Stock Market Update



Previous Close:

8,745.12

1 Yr Return:

23.54%

Open:

8,758.96

YTD Return:

3.33%

52-Week Range:

7,123.33 - 8,858.07

Source:

Bloomberg

Foreign Exchange

As of Jan. 16, 2018

US Dollar	Philippine Peso
1	50.353

PDST-R2 Rates

As of Jan. 16, 2018

Tenor	Rate
1Y	2.7864
3Y	4.1754
5Y	4.6661
7Y	5.3286
10Y	5.7946
20Y	6.0461

Daily Quote

“To see the best side of others is a great gift.”

--St. Marie Eugenie

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MORE LOCAL NEWS

DOF tweaks proposed cut in corporate taxes

Local and foreign companies will not immediately enjoy lower corporate income taxes anytime soon as the Department of Finance (DOF) wanted to index first the new rate to the cost of the government's tax incentives given to business enterprises.

Govt to name third telco by March – DICT

Third telecommunications player will be named in March, the DICT said, a move seen to boost competition in the industry and improve network services. DICT Officer in Charge Eliseo Rio Jr. expressed confidence that the government would reveal the name of and award frequencies to the third telco player at the end of March.

PSE signs deal to buy San Miguel stake in PDS

PSE is increasing its stake in Philippine Dealing System Holding Corp., (PDSHC) the operator of the country's fixed income bourse, with the acquisition of a 4-percent interest owned by SMC. The exchange said it signed a share purchase agreement with the conglomerate last Friday for the purchase of 250,000 shares for P80 million.

Pure Energy buys 3 solar farms

Pure Energy Holdings Corp. through unit Just Solar Corp. acquired majority stakes in three solar farms in Central Luzon with a combined capacity of 13.86 megawatts. Pure Energy said in a statement it signed an agreement to initially buy 60 percent of Solar Powered Agri-Rural Communities Corp., owner of the three solar projects.

Aseagas shuts down Batangas biomass plant

A wholly-owned subsidiary of Aboitiz Power, said it decided to permanently cease the operations of its 8.8-MW biomass power plant in Batangas after encountering technical problems. Aseagas suspended commissioning in November last year because of the unavailability of the supply of organic effluent wastewater from supplier.

BSP readies check on excessive lending

THE CENTRAL BANK will impose minimum leverage standards on big banks starting July, which will serve as another tool to prevent excessive debt exposures and improve their financial footing.

DOF to reduce political pressures on realty tax

THE THIRD tax reform package which the Department of Finance (DoF) plans to submit to Congress by "midyear" will seek to ensure that real property tax assessment levels are adjusted promptly and are insulated from local political concerns.

CARD Bank launches mobile app

A microfinance provider part of a huge group of companies that provides services to the poor is introducing its newly implemented mobile application in a nationwide scale.

AP takes P3.7-B hit with closure of biomass plant

ABOITIZ POWER Corp. (AboitizPower) is taking a hit of P3.7 billion as it permanently stopped the operations of a biomass power plant because of the lack of organic materials to produce electricity.

TODAY'S TOP ASIAN NEWS

Japan's SoftBank Group soars on listing reports

Shares in Japan's SoftBank Group soared 6% on Monday, January 15, on reports it could list its mobile unit, raising up to \$18 billion in one of the country's biggest public offerings. In a statement, SoftBank Group insisted no decision had been made, but acknowledged the listing was an "option."

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MORE ASIAN NEWS

JD.com seeks to raise \$2.6b for logistics unit

China's second-biggest e-commerce firm JD.com has kicked off a fund-raising round at its logistics unit with a target of at least US\$2 billion (S\$2.6 billion), and eventually plans to list the business overseas, people with direct knowledge of the matter said.

S Korea considers shutdown of virtual currency

The South Korean government has not discounted the possibility of shutting down virtual currency exchanges in the country. SK is drawing up measures to control the investment craze for cryptocurrency and that the shutdown of virtual currency exchanges is still one of the options.

Blackstone eyes two L&T Realty properties

While Blackstone is in talks to acquire two properties of L&T Realty in Mumbai, local cement manufacturers and investors have submitted bids to acquire Binani cements. Global private equity major Blackstone Group is in advanced stages of discussion to acquire two commercial properties of L&T Realty.

Air India to be split into four separate firms

India will break up its debt-burdened flag carrier into four separate companies and offer to sell at least 51 percent in each of them as part of a disinvestment proposed by Prime Minister Narendra Modi.

Liking Fit closes \$54m

Shanghai-based smart gym operator Liking Fit has raised a total of RMB350 million (\$54 million) Series B and C rounds led by Chinese investment firms including media and tech focused Guangkong Zhongying Capital and technology focused Lightspeed China Partners.

TODAY'S TOP GLOBAL NEWS

Airbus warns A380 program at risk as orders dry up

Airbus said Monday, January 15, that it might have to end production of the double-decker A380 superjumbo jet, having booked no new orders for the plane in two years. The European aerospace group had been banking on another big order from main client Emirates in November, but they decided instead to buy 40 of Boeing's Dreamliners.

Fiat CEO sees room to double profit by 2022

Fiat Chrysler Automobiles NV Chief Executive Officer Sergio Marchionne, one of the longest-serving bosses in the auto industry, said the company can double profit within five years by exploiting the potential of the Jeep brand. The shares climbed to a record high.

Carillion collapses after UK gov't refuses bailout

Carillion Plc, a U.K. construction company with government contracts in everything from hospitals to the HS2 high-speed rail project, filed for compulsory liquidation after failing in a last-ditch effort to shore up finances and get a government bailout.

Oil hovers near three-year high

Oil hovered near a three-year high above \$70 a barrel on Monday on signs that production cuts by OPEC and Russia are tightening supplies, although analysts warned of a "red flag" due to surging U.S. production.

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