

The Daily Dispatch

January 18, 2018
TODAY'S TOP NEWS

Loan signing for Metro Manila subway eyed in Q1

The government is targeting to sign before the end of January the loan agreements for Japan's funding assistance on the Metro Manila Subway Project and the Plaridel Bypass Road, the Department of Finance (DOF) said yesterday.

HARI commits additional P2 B for Laguna plant

The exclusive distributor of Hyundai vehicles intends to invest an additional P2 billion over the next two years in its Laguna assembly plant. Officers of Hyundai Asia Resources (HARI) told congressmen that its additional investment would significantly improve its production line and pave the way for the assembly of more Hyundai car models.

Anti-trust body to review 9 sectors this year

At least nine business sectors will be up for review for potential anti-competitive concerns this year, the PCC said yesterday. PCC commissioner Stella Quimbo said the sectors include rice, meat and poultry, pharmaceuticals, land transportation, air transportation, agricultural credit, digital commerce, retail, and telecommunications.

2018 challenges are crucial but BSP is up to it

Bangko Sentral ng Pilipinas (BSP) Governor Nestor A. Espenilla Jr. said 2018 "looks promising and interesting" with a higher inflation than previously estimated but still within the target, and crafting new regulatory measures to ward off threats to the country's financial stability, particularly from external shocks.

Gov't, ALI break ground on P9-B transport terminal

The government saved P9 billion in the construction of the Taguig Integrated Terminal Exchange (ITX) project as the private partner, Ayala Land, Inc. (ALI), agreed to waive royalties, or Annual Grantor Payment (AGP), of P277 million per annum for the next 35 years, according to Department of Transportation (DOTr) Arthur Tugade.

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. 17, 2018

US Dollar	Philippine Peso
1	50.705

PDST-R2 Rates

As of Jan. 17, 2018

Tenor	Rate
1Y	2.7468
3Y	4.1715
5Y	4.6752
7Y	5.3143
10Y	5.8161
20Y	5.6699

Daily Quote

"Strive not to be a success, but rather to be of value."

--Albert Einstein

The Daily Dispatch

MORE LOCAL NEWS

Overseas Filipino Bank to be inaugurated today

Another campaign promise of President Rodrigo Duterte will be fulfilled today with the launch of the Overseas Filipino Bank (OFB), the Finance department said. DOF Secretary Carlos Dominguez 3rd said all obstacles to the bank's establishment had been cleared with the PCC approval of LBP's takeover of the moribund Postal Savings

SM Group accepting cashless payments

The SM Group teamed up with PayMaya Philippines Inc. to accept cashless payments in all its shopping malls. "We are happy to have a new way to make shopping more convenient. The retail landscape is changing, and the SM Store is proud to lead the way with partners like PayMaya," SM Store president Chelo Monasterioe said.

NGCP sees power demand peaking in '18

National Grid Corp. of the Philippines said Wednesday power demand will continue to peak this year but assures brownouts are not likely to occur. "Assuming that there are no unforeseen circumstances like unplanned outages of large magnitude, we see no issue across all three grids," NGCP spokesman Cynthia Perez-Alabanza said.

DoF submits 2nd tax reform package to Congress

The DOF said it formally submitted to the House of Representatives this week the second package of the Tax Reform that aims to reduce the corporate income tax rates and modernize the fiscal incentives. Sec. Dominguez earlier committed to submit the 2nd package through upon the resumption on Jan. 15 of the second regular session of

Ikea considers PH ripe as next market

Swedish furniture retailer Ikea said it is firming up plans to enter the Philippine market which has a growing middle-class sector. Ikea Southeast Asia sustainability and communication director Lars Svensson said the Swedish retailer was finalizing a few details before it could publicly announce the definite plan for the Philippines.

Car sales growth slows, still double-digit

VEHICLE SALES growth in the country slowed last year from 2016, but 2017 still saw an increase of nearly a fifth, sustaining the annual double-digit pace the domestic auto industry has been clocking since 2012.

PSE acquires Tata shares in PDS Holdings Corp.

THE Philippine Stock Exchange (PSE) continues to increase its stake in the fixed equities bourse with the signing of a second share purchase agreement this week from one of the latter's remaining stakeholders.

PSALM rejects P57.88-B prepayment from NGCP

STATE-RUN Power Sector Assets and Liabilities Management Corp. (PSALM) said the P57.88-billion "prepayment" made by privately owned National Grid Corporation of the Philippines (NGCP) is not valid, in a rejection of an arrangement previously agreed by the two parties under the previous administration.

Metrobank, BPI plan stock rights offers

BPI and Metrobank are looking to conduct stock rights offerings (SRO) to fund their core business expansion and other operations. Metropolitan Bank and Trust Co. (Metrobank) and Bank of the Philippine Islands (BPI) said in separate disclosures to the local bourse that they will offer their common shares to stockholders to raise fresh funds.

Japan funding for key PH infra deals readied

The Philippines is set seal within the current quarter a loan deal for the initial funding for the Metro Manila Subway Project, along with the agreement for the Plaridel Bypass Road in Bulacan — both financed by Japan.

The Daily Dispatch

TDF rate continues to drop on high demand

The central bank's auction of the 7-day term deposit facility (TDF) continue to be oversubscribed and the demand yielded lower rates this week for the lone tenor. The 7-day TDF which was still the only tenor being auctioned by the BSP for the past five weeks, will remain the single offering for the January 24 transactions.

Metrobank, SM Prime to raise fresh funds

Banking giant Metrobank is raising fresh capital through a stock rights offering while SM Prime is offering as much as P20 billion in new bonds. Listed banking giant Metropolitan Bank & Trust Co (Metrobank) announced plans to raise fresh capital through a stock rights offering of up to a maximum of 819.83 million shares.

TODAY'S TOP ASIAN NEWS

IFC, Clearwater Capital to co-invest in Asian DA

International Finance Corporation (IFC), the private lending arm of the World Bank – has proposed to co-invest in distressed and special situations assets in Asia through the fifth-generation fund formed by Clearwater Capital Partners. Clearwater Capital is an Asia-dedicated credit and special situations investment firm.

IFC to invest \$150m debt in Aditya Birla Finance

The International Finance Corporation (IFC), the private investment arm of the World Bank Group, has proposed to invest up to \$150 million in the form of a loan in Aditya Birla Finance Limited (ABFL), it said in a disclosure.

PE firm Affinity close to acquiring Trimco

Asian private equity firm Affinity Equity Partners is nearing a deal to buy Trimco International Holdings Ltd., a Hong Kong-based maker of garment labels, people with knowledge of the matter said.

Ch textile-blockchain firm pursues boutique hotel

Sharing Economy International Inc., a Chinese textile machinery maker with blockchain ambitions, said it's pursuing the acquisition of a boutique hotel from Hong Kong property billionaire Lee Shau-kee.

Ziroom raises \$622m from Warburg Pincus, Tencent

Chinese apartment rental services firm Ziroom has raised more than Rmb4 billion (\$621 million) in a Series A funding round led by Warburg Pincus, Tencent, and Sequoia Capital China, according to a statement released by Warburg Pincus

TODAY'S TOP GLOBAL NEWS

U.S. banks lost over \$1B on Steinhoff loans

Steinhoff International Holdings NV's accounting scandal is getting costly for U.S. banks. Four of the nation's biggest U.S. lenders disclosed more than \$1 billion mark-to-market losses and charge-offs on margin loans and other debt tied to the embattled South African retailer in their fourth-quarter results.

US tech industry revenue to reach \$351 billion

THE US consumer technology industry, which serves as a benchmark for the global tech industry, is set to rake in a record-breaking \$351 billion in retail revenues this year or 3.9% higher than 2017, according to new research from the Consumer Technology Association (CTA).

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