

The Daily Dispatch

January 23, 2018
TODAY'S TOP NEWS

PH revises Q3 2017 GDP growth upwards to 7%

The Philippines' gross domestic product (GDP) in the 3rd quarter grew at a faster pace than previously reported, the Philippine Statistics Authority (PSA) said days before it announces preliminary figures for the last quarter of 2017. The GDP increased by 7% in the July-September period instead of the previously reported 6.9%.

Netherlands to develop Manila Bay master plan

The Netherlands agreed to design a master plan for the development of Manila Bay area, according to the NEDA. Economic Planning Secretary Ernesto Pernia and Netherlands Ambassador to the Philippines Marion Derckx signed a memorandum of understanding for the sustainable development and management of the Manila Bay area.

Globe to set up cell sites in Shell stations

GLOBE Telecom will be spending more than P200 million to put up cell sites in select retail stations of Pilipinas Shell Petroleum Corp. nationwide. The telco and Shell on Monday inked a partnership deal which permits Globe to build cell sites at 14 Shell service stations across the country.

Petron issues \$500-M new capital securities

PETRON has completed the issuance of \$500 million worth of undated unsubordinated capital securities that are set to be listed on the SGX. The oil company earlier said net proceeds from the issuance would be used for the repurchase, refinancing, or redemption of its outstanding undated subordinated capital securities, the repayment of

Globe questions common tower policy

GLOBE Telecom has opposed the government's bid to bar telecommunications companies from building more cellular towers under its common tower policy, the planned implementation of which was revealed late last week. "I don't see how that actually hastens the progress of [improving]connectivity in the country," he said.

Philippine Stock Market Update



Previous Close:

8,915.92

1 Yr Return:

25.97%

Open:

8,893.14

YTD Return:

4.75%

52-Week Range:

7,146.27 - 8,975.12

Source:

Bloomberg

Foreign Exchange

As of Jan. 23, 2018

US Dollar	Philippine Peso
1	50.864

PDST-R2 Rates

As of Jan. 23, 2018

Tenor	Rate
1Y	2.7804
3Y	4.1640
5Y	4.7279
7Y	4.9000
10Y	5.8686
20Y	5.8870

Daily Quote

"It's better to be a lion for a day than a sheep all your life."

-- Elizabeth Kenny

The Daily Dispatch

MORE LOCAL NEWS

IC OKs mobile app for insurance sale

Insurance companies may now use mobile applications in the distribution of their products, the Insurance Commission (IC) said yesterday. Insurance commissioner Funa signed Circular Letter 2018-07, providing an enhanced framework on the use of mobile phones as a distribution channel for insurance products.

Chelsea taps Japan firm for new passenger ships

Chelsea Logistics Holdings Corp. (CLC), the listed shipping company of Davao-based businessman Dennis Uy, has tapped a Japanese contractor for the construction of its new passenger ship. CLC said it signed a contract with Kegoya Dock Co., Ltd. for the construction of one brand new Roll-on, Roll off (RORO)-passenger ship.

AC Energy sees earnings growth - wind, geothermal

AC Energy expects consistent earnings growth in the medium term with higher contributions from wind farms, geothermal and new power projects, its top official said. The group started seeing improvements in its 2017 financial results after wind projects improved its performance and new contributions from the purchase of Chevron assets.

Bull run resumes, PSEi ends at all-time high

A day before the government releases its full-year 2017 gross domestic product (GDP) — perhaps the most anticipated and widely used economic performance indicator — excitement filled the local stock market yesterday, sending Philippine shares anew to an all-time high.

Consumer group asks SC to strike down TRAIN Law

Consumer advocacy group Laban Konsumer Inc.(LKI) yesterday asked the Supreme Court to strike down the newly implemented Tax Reform for Acceleration and Inclusion (TRAIN) Law for being unconstitutional, causing unwarranted increases in basic goods and services, and inflicting the hardest impact on poor families.

PNB to raise up to P20B from LTNCD issuance

In a disclosure to the stock exchange, the Lucio C. Tan-owned bank said its board of directors on Monday approved the issuance of up to P20 billion peso-denominated LTNCDs in one or more tranches. The offering will still require approval from the Bangko Sentral ng Pilipinas (BSP).

Shenzhen investment in PSE faces hurdles

THE ENTRY of Shenzhen Stock Exchange into the Philippine Stock Exchange (PSE) faces regulatory hurdles ahead of the plan of the local bourse to tap the equities market.

Chelsea Logistics taps Kegoya to build ships

CHELSEA Logistics Holdings Corp. (CLC) has tapped Japanese firm Kegoya Dock Co., Ltd. for the construction of a roll-on/roll-off (Ro-Ro) passenger ship, as the Philippine company ramps up its fleet expansion.

TODAY'S TOP ASIAN NEWS

Paytm to touch \$10b val after secondary share sale

Paytm, run by One97 Communications Ltd, is likely to be valued at about \$10 billion when some existing and former employees sell a part of their shares to new investors. The secondary share sale is expected to be in the range of \$50-70 million. One of the new investors is Discovery Capital.

CH conglomerate interested in buying Noble Group

Noble Group Ltd. said it remains in talks with “potential strategic parties” after people familiar with the matter said a Chinese conglomerate had made an approach to shareholders of the commodities trader, which is separately attempting to restructure \$3.5 billion in debt.

The Daily Dispatch

MORE ASIAN NEWS

HK takes title of least affordable housing again

Hong Kong was named the least affordable housing market for the eighth year in a study that put Sydney in the No. 2 slot and Vancouver as No. 3. The median price of a home in Hong Kong is 19.4 times the median annual pre-tax household income, up from 18.1 times in the previous study by Demographia.

Route Mobile files IPO papers to raise \$94m

Route Mobile Ltd, a provider of cloud-communication platform services, on Monday filed the draft red herring prospectus (DRHP) for its initial public offering (IPO). According to the draft prospectus, the share sale will include a fresh issue worth Rs350 crore, while the promoters will offer 6.5 million shares in an offer for sale.

Baring PE Asia exits Korea's Halla Cement for \$723m

Hong Kong-based Baring Private Equity Asia (BPEA) has sold South Korean cement producer Halla Cement to another local firm Asia Cement for \$723 million. The PE firm's exit comes less than two years after it acquired the cement business.

CPPIB to invest \$144m in ReNew Power Ventures

Canada Pension Plan Investment Board (CPPIB) on Monday said it is acquiring a 6.3% stake in ReNew Power Ventures Pvt. Ltd from Asian Development Bank for \$144 million. "This transaction aligns well with our overall power and renewables strategy, further diversifying the CPP Fund," said Scott Lawrence

Bacardi to acquire Patron Spirits in \$5.1b deal

Bacardi Ltd said on Monday it would buy high-end tequila maker Patron Spirits International AG in a \$5.1 billion deal, hoping to become the second largest spirits company in the United States in market share by value.

TODAY'S TOP GLOBAL NEWS

UBS to buy back \$2.1B of stock

UBS Group AG Chief Executive Officer Sergio Ermotti is responding to investor demands for higher returns with the bank's first share buyback since the financial crisis. The world's largest wealth manager will repurchase as much as 2 billion Swiss francs (\$2.1 billion) of stock over three years.

2018's most (and least) attractive emerging markets

By some measures, Mexico and Turkey come out as the most attractive emerging markets for 2018. In a Bloomberg analysis, the two countries score highest among 20 developing economies. Asian economies occupy the five lowest-scoring positions.

Bacardi buys Patron, valuing Tequila maker at \$5B

Bacardi Ltd. is tapping into the fast-growing market for tequila by acquiring Patron Spirits International AG in a deal valuing the company at \$5.1 billion. The purchase will combine two of the world's largest closely held distillers, putting Grey Goose vodka, Dewar's scotch and Bacardi rum under the same banner as Patron's famous tequilas.

FB should pay 'trusted' news carriage fee

Media mogul Rupert Murdoch on Monday called on Facebook to pay "trusted" news publishers a carriage fee, similar to the model used by cable companies, amid efforts by the social media company to fight misinformation on its platform.

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