

The Daily Dispatch

February 07, 2018
TODAY'S TOP NEWS

Inflation hits 3-year high of 4% in January

Inflation hit its highest level in 3 years last January as the effects of the Tax Reform for Acceleration and Inclusion (TRAIN) law kicked in. "Increases in food and non-food prices pushed the country's inflation to 4% in January 2018, hitting the upper band of the government target," the Philippine Statistics Authority (PSA) said.

Globe expects to sustain high capex until 2020

Globe Telecom Incorporated expects to allot \$850 million to \$900 million every year until 2020 as capital spending budget, in a bid to continuously upgrade its network for the fast-growing data business. They said it will continue to expand its data network and respond to the popularity of on-demand video content.

Duterte rejects extension of 3rd telco player's entry

President Duterte yesterday warned groups against hindering the entry of a third telecommunication firm in the country as he insisted that the new player should be operational by the end of March.

Farmers demand IRR for free irrigation law

"The Free Irrigation Services Act lapsed into law without President Duterte's signature last Jan. 19, and we now ask the DA and its attached agency National Irrigation Administration (NIA) to present the Implementing Rules and Regulations for the Free Irrigation Services Act," the Kilusang Magbubukid ng Pilipinas (KMP) said in a

BIR suspends all tax audits

The government has stopped anew all tax investigations and audits after the Bureau of Internal Revenues (BIR) revoked all the mission orders issued by one of its division. The BIR issued a statement announcing it has recalled all mission orders (MOs) issued by the National Investigation Division (NID).

Philippine Stock Market Update



Previous Close:

8,550.42

Open:

8,648.00

52-Week Range:

7,146.27 - 9,078.37

1 Yr Return:

21.29%

YTD Return:

1.28%

Source:

Bloomberg

Foreign Exchange

As of Feb. 6, 2018

US Dollar	Philippine Peso
1	51.431

PDST-R2 Rates

As of Feb. 6, 2018

Tenor	Rate
1Y	3.4200
3Y	4.2765
5Y	4.8624
7Y	5.9432
10Y	6.2004
20Y	6.4379

Daily Quote

"I honestly think it is better to be a failure at something you love than to be a success at something you hate."--George Burns

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MORE LOCAL NEWS

Toyota Q3 profit jumps 54%, lifts forecast

Toyota Motor Corp. lifted its full-year profit forecast by 10% on Tuesday after posting its best quarterly operating profit in two years, boosted by a weaker yen and strong sales at home. Japan's biggest automaker now expects operating profit to increase 10% on the year to 2.2T yen and marking an upgrade from its previous forecast of 2.0T yen.

MB to meet for first 2018 policy setting

The Monetary Board, the policy-making body of the Bangko Sentral ng Pilipinas, will meet on Thursday for its first policy setting discussion for the year where they are expected to take action on the rising inflation rate. Inflation in January rose to 4 percent, the highest in three years.

SMC set to sell P30-b bonds in March

Conglomerate San Miguel Corp. plans to sell P30 billion worth of fixed-rate bonds in March. The company said during an investors' briefing the bond offering would be held on March 2 to March 8. The bonds will be listed with Philippine Dealing and Exchange Corp. on March 15.

Clark operator earns P1b

Clark Development Corp., the administrator of Clark Freeport Zone, reported a 20-percent increase in gross revenue to P1.96 billion in 2017 from P1.64 billion in 2016. CDC president Noel Manankil said the record-high revenue resulted in a net income of P1.03 billion, up 32 percent from 2016's P738 million.

MEG to open P2.2-B shopping complex in Iloilo

A P2.2-billion state-of-the-art and "pet-friendly" mall of giant developer Megaworld Corp. will open here in April and is expected to create at least 3,500 jobs.

Ayala seeks Kia car dealership

In a disclosure to the PSE on Wednesday, Ayala said a unit of its wholly-owned subsidiary AC Industrial Technology Holdings Inc. (AC Industrials) had received notice from Kia Motors Asia Regional headquarters that it considered the Ayala group as "the preferred bidder" to start negotiations for the Kia distributorship in the Philippines.

Mining compelling despite policy hurdles — BMI

THE PHILIPPINES remains a compelling proposition for foreign miners, even as the current administration — which ends its six-year term in 2022 — continues its predecessor's tack of tightening the state's hold on the industry, according to an assessment of BMI Research.

TODAY'S TOP ASIAN NEWS

'Manila, Bangkok, Jakarta airports need upgrades'

The IATA on Tuesday again called for more airport infrastructure in Manila, Jakarta and Bangkok, the lack of which was causing concern in APAC. "Having the infrastructure to grow is vital to our industry's future. But in many key places, it is not being built fast enough to meet growing demand," IATA Director General Alexandre de

Vietnam to step up divestment in Petrolimex, Habeco

Vietnam's government is set to further pare its stake in Vietnam National Petroleum Group (Petrolimex), Hanoi Beer Alcohol Beverages Corporation (Habeco) and many other enterprises this year. The government plans to further divest a 24.86% stake in Petrolimex, reducing its holding in Vietnam's top fuel importer and distributor to 51%.

CLP India eyes power transmission assets

CLP India Pvt. Ltd, one of the largest foreign investors in the Indian power sector, is looking at acquisitions to enter the transmission business, said two people aware of the development. This comes amid low green energy tariffs that threaten profitability.

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MORE ASIAN NEWS

Great Eastern in talks to sell Malaysia unit to EPF

Singapore-based insurer Great Eastern Holdings, the insurance arm of OCBC Bank, is in discussions with Malaysia's Employees Provident Fund (EPF) and Retirement Fund Inc (KWAP) regarding the sale of a minority stake in the latter's Malaysian insurance unit, said a report by the Wall Street Journal.

Taiwan's Foxconn to invest \$342m in AI, internet

Foxconn, one of Apple's main suppliers, formally known as Hon Hai Precision Industry Co Ltd said on Friday it aims to invest T\$10 billion (\$342 million) in artificial intelligence (AI) and related spheres of industrial internet.

Mitsubishi Heavy to sell stake in Mitsubishi Motors

Mitsubishi Heavy Industries Ltd has decided to sell most of its 10 percent stake in Mitsubishi Motors Corp in a deal likely to exceed 50 billion yen (\$460 million), the Nikkei business daily reported. Sister company Mitsubishi Corp will likely buy the stake, making the automaker an equity-method affiliate, the paper said.

TODAY'S TOP GLOBAL NEWS

Asia stocks rally after recovery in US equities

Asian equity markets recovered some of the losses sustained in the global rout after U.S. shares rallied amid a welter of calls to "buy the dip." The dollar and Treasuries were steady. Japan's benchmarks jumped about 3 percent at the open and stocks also rose in Sydney and Seoul.

Bitcoin snaps its losing streak

Bitcoin rose for the first time in six days, snapping a losing streak that had helped push overall losses in digital currencies to about \$500 billion, as the top U.S. market cops said they possessed all the authority needed to regulate and risk appetite returned to financial markets.

Driverless future threatens the laws of real estate

The link between property and transport has been perhaps the most durable in human history. But now, the dawn of the driverless car—promising a utopia of stress-free commutes, urban playgrounds and the end of parking hassles—threatens to complicate the calculus for anyone buying property.

Wall Street's deepest dives

US stocks took a historic tumble on Monday, with the blue-chip Dow Jones Industrial Average at one point losing almost 1,600 points—the biggest-ever dip during trading—before recovering somewhat to close at 4.6 percent. While sending waves through the global financial system, Monday's swoon was far from Wall Street's most

Robots may affect one-third of UK jobs

Financial services workers will be among the first to be hit by the rise of automation while women will feel the effects earlier than men, according to research by PwC. The report - which analysed more than 200,000 jobs across 29 countries - anticipates three stages of automation between now and the mid-2030s, which will eventually impact almost one-third of

Steve Wynn steps down as CEO of Wynn Resorts

Billionaire casino mogul Steve Wynn has stepped down as chief executive of Wynn Resorts, and has been replaced by Matt Maddox, the current president, according to a company statement on Tuesday.

Economic Calendar

Date	Release
02.05.2018	PH: CPI YoY
02.06.2018	Foreign Reserves
02.08.2018	BSP Overnight Borrowing Rates
02.11.2018	Budget Balance PHP
02.14.2018	Overseas Remittances YoY

Source: Bloomberg Economic Calendar