

The Daily Dispatch

February 09, 2018
TODAY'S TOP NEWS

BSP maintains rates, raises inflation forecast

The BSP maintained its interest rates despite faster than expected inflation in January, but raised its inflation forecast for the next two years. After its meeting on Thursday, February 8, the BSP Monetary Board announced that it is maintaining the interest rate on the overnight reverse repurchase facility at 3%.

Globe in talks for independent cell tower firm

Ayala-led Globe Telecom Incorporated announced plans to outsource the building of cell towers in a bid to speed up the process. In a statement on Thursday, February 8, Globe said it has "initiated discussions with independent 3rd parties for the establishment of a tower company to speed up the build and deployment of cell towers."

DoF eyes Alibaba financial technology

The Finance department wants to tap the financial expertise of a Chinese e-commerce giant to lower remittance costs for overseas Filipinos. Finance Secretary Carlos Dominguez 3rd had broached the possibility of using Alibaba fintech solutions, through unit Ant Financial, to lower the costs of sending money home for over 10 million migrant Filipino

Vista Land triples mall portfolio in two years

Vista Land & Lifescapes Inc., the property unit of the Villar Group, said it will nearly triple its mall portfolio to 60 by the end of 2020 from the current 22 as part of a plan to boost recurring income. Vista Land said mall subsidiary Starmalls would construct 38 new shopping malls over the next three year across the country .

PAL, now a global 4-star airline

Philippine Airlines (PAL) has been certified as a 4-Star airline by Skytrax, the international air transport rating organisation. PAL, joining 40 other well-renowned airlines in this prestigious category, is the first and only airline in the country to have a 4-Star Rating.

Philippine Stock Market Update



Previous Close:

8,764.01

1 Yr Return:

23.76%

Open:

8,748.38

YTD Return:

2.83%

52-Week Range:

7,146.27 - 9,078.37

Source:

Bloomberg

Foreign Exchange

As of Feb 9, 2018

US Dollar	Philippine Peso
1	51.431

PDST-R2 Rates

As of Feb 9, 2018

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

Daily Quote

"Without deep reflection one knows from daily life that one exists for other people."

--Albert Einstein

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MORE LOCAL NEWS

Farm sector grows 4% in 2017

The agriculture industry bounced back in 2017, growing by 3.97 percent amid improvements in most sub-sectors. This was a turnaround from the 1.4 percent decline in 2016, based on the latest report of the Philippine Statistics Authority.

Roxas Holdings trims net loss

Listed sugar and bioethanol company Roxas Holdings Inc. (RHI) has slightly reduced its net loss for the first quarter of crop year 2018 to P110 million due to improved volume of sugar sold and higher revenues.

DBM to release P7B in fin support to LGUs

The government has earmarked P7.03 billion in financial assistance to local government units (LGU) to support their various programs and projects, according to the Department of Budget and Management (DBM).

DTI insists on conditional release - steel imports

The Department of Trade and Industry (DTI) has insisted that conditional release of imported steel is still allowed under the law following a lower court ruling that all steel importation must pass the mandatory standards test before any release.

Foreigners interested in PH offshore gaming ops

London – Foreign online casinos have expressed interest to put up shops in the Philippines while government revenue from offshore gaming licenses is expected to nearly double this year, the Philippine Amusement and Gaming Corp. (Pagcor) said.

Exports contract in December

Preliminary data released by the Philippine Statistics Authority (PSA) showed exports contracting by 4.9% to \$4.72 billion in December, slower than the previous month's 1.6% increase recorded in December 2016.

ICTSI investing additional \$250M in Iraq port

Port terminal operator International Container Terminal Services Inc. (ICTSI) expects to spend over \$250 million in Iraq for a new berth, yard and state-of-the-art equipment as part of the second phase of development of its pioneering port infrastructure in Basra Gateway Terminal (BGT) at the Port of Umm Qasr.

PSEi falters as global bond jitters return

The local stock index slipped on Thursday as bond jitters returned to spook global markets ahead of a closely-watched local monetary setting. The main-share Philippine Stock Exchange index (PSEi) shed 22.48 points or 0.26 percent to close at 8,645.08, tracking the overnight slump in Wall Street.

TODAY'S TOP ASIAN NEWS

Everything a sell in CH after equity wipeout

Investors got a stark reminder of how fast their bets can turn in China, where the most bullish trades are falling apart. The country's currency was their latest favorite to succumb to a rout that has roiled financial markets around the world this week.

CITIC PE nears \$1.4b first close for latest fund

CITIC Private Equity, the investment arm of China's top brokerage CITIC Securities, is set to hit the first close at \$1.4 billion for its latest fund, where it plans to raise \$2 billion. The final close is expected to happen in Summer.

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MORE ASIAN NEWS

Fusion Microfinance raises funds

Fusion Microfinance on Thursday said it raised Rs80 crore in the latest round of funding from existing investors Creation Investments, Oikocredit and GAWA Capital. The funding will help Fusion Microfinance continue its growth momentum through network expansion, infrastructure capacity ramp up and growing the employee base of 3,000.

Strand Life Sciences raises up to \$13m

Strand Life Sciences, a bioinformatics and integrated and specialized diagnostics company, has raised Rs60-80 crore from private equity firm Quadria Capital, a senior executive of the firm said. India-based Healthquad fund and Singapore-based Heritas Venture fund, which is a limited partner of Quadria, also participated in the round.

Japan still beating China in SEA infra race

China may steal all the headlines when it comes to its infrastructure push across Southeast Asia, but data from BMI Research shows Japan is still well ahead in funding projects in the region. As Japan's population ages, the government and companies are searching for new markets overseas.

TODAY'S TOP GLOBAL NEWS

BlackRock seeks to raise \$10b for new vehicle

BlackRock Inc., the world's largest money manager, is seeking to raise more than \$10 billion to buy and hold stakes in companies. BlackRock, which oversees about \$6 trillion in assets, is seeking capital from sovereign-wealth funds, pensions and other big investors for an effort named BlackRock Long-Term Private Capital.

WalkMart in talks for stake in India's Flipkart

Walmart Inc. is in discussions to pay several billion dollars for as much as 20 percent of India e-commerce leader Flipkart Online Services Pvt, according to a person familiar with the matter. The world's biggest retailer would invest in Flipkart as part of a proposed deal that would increase the startup's valuation as high as \$20B.

Canva's only getting started

Australia minted another unicorn this year when online design and publishing platform Canva raised a \$40-million round that valued the company, which started out as a hobby of co-founder and CEO Melanie Perkins, at \$1 billion.

Stocks enter correction as rate hike fears return

The dread that gripped equity markets earlier in the week re-emerged Thursday as U.S. stocks plunged into a correction on concern that rising interest rates will drag down economic growth. Selling accelerated in the final hour of trading as major indexes breached round-number milestones they blew past just weeks ago.

Tesla may be about to lose throne in solar rooftops

Tesla Inc. may be losing the lead in the rooftop solar market. The company installed 87 megawatts of solar systems in the fourth quarter, according to a statement Wednesday. That's down from the 201 megawatts installed in the same quarter a year earlier and the lowest since it paid \$2 billion in 2016 to buy SolarCity.

Qualcomm rejects Broadcom's higher \$121B bid

Qualcomm Inc.'s board unanimously rejected a higher acquisition offer from Broadcom Ltd., spurning the largest technology takeover bid in history and likely leaving the future of the hostile \$121 billion proposal to be decided by shareholders next month.

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