

The Daily Dispatch

July 03, 2017
TODAY'S TOP NEWS

World Bank cuts PH growth outlook to 6.8%

The World Bank lowered its growth forecast for the Philippine economy in 2017 to 6.8%, after it saw signs of slow public spending in the first 3 months of the year. The bank, however, pointed out the high base in the first quarter of 2016, when large election-related spending boosted growth.

ERC urged to reject Meralco's 7 coal power plants

Civil society organizations called on the Energy Regulatory Commission (ERC) to reject applications filed by the Manila Electric Company (Meralco) for power supply agreements (PSAs) on 7 coal-fired power plants across the country, which they tagged as "costly" and "dirty."

DBP willing to help rebuild Marawi City, says CEO

The state-owned Development Bank of the Philippines (DBP) is willing to help rebuild Marawi City, currently being ravaged due to the war against the Maute Group, the bank's chief executive officer said. "We're open to help rebuild Marawi if the Marawi City local government unit opts to borrow to rebuild the city," she said.

Eagle considers acquiring factories

Eagle Cement Corp., the cement manufacturing unit of businessman Ramon Ang, is on the lookout for acquisitions to expand capacity. Eagle chief finance officer Monica Ang said the company was conducting due diligence on possible targets.

Peza asks Malacañang to clear P54B projects

The Philippine Economic Zone Authority asked Malacañang Palace to speed up the approval of 40 investment projects worth P54.6 billion. Peza director-general Charito Plaza said these projects were pending at the Office of the President for nearly a year now.

Philippine Stock Market Update



Previous Close:

7,788.06

Open:

7,774.91

52-Week Range:

6,499.00 - 8,118.44

1 Yr Return:

1.04%

YTD Return:

13.31%

Source:

Bloomberg

Foreign Exchange

As of June 30, 2017

US Dollar	Philippine Peso
1	50.470

PDST-R2 Rates

As of June 30, 2017

Tenor	Rate
1Y	3.2257
3Y	3.8916
5Y	4.0336
7Y	4.9171
10Y	4.6691
20Y	5.0844

Daily Quote

"There is only one way to avoid criticism: do nothing, say nothing, and be nothing." --Aristotle

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MORE LOCAL NEWS

PSE suspends trading in Calata for a month

The PSE over the weekend said it has suspended the trading of shares in agribusiness firm Calata Corp. due to multiple violations of disclosure rules. The trading suspension took effect on June 30, 2017 at 2:20 p.m. and will be in place for a month.

Home prices edge up in first quarter -- BSP

HOUSING PRICES saw an uptick in the first three months of the year, after more Filipinos acquired loans for homes, particularly on residential condominiums, latest data from the Bangko Sentral ng Pilipinas (BSP) showed.

Solar PH offers to replace coal power plants

SOLAR PHILIPPINES Power Project Holdings, Inc. has offered to replace all planned coal-fired power plants with solar farms equipped with battery storage in a move that it expects to significantly cut electricity rates.

DMPL earnings fall 57% on impact of one-offs

In a disclosure to the stock exchange on Friday, the company reported a net profit of \$24.4 million, well off the year-earlier result of \$57 million. It said it incurred non-recurring writeoffs of \$21.1 million after the closure of its North Carolina plant and a deferred tax write-off.

46 ecozone applications pile up in Malacañang

A nearly year-long backlog in pending economic zones is still in the Office of the President, leaving a pile of new ecozones worth least P30 billion lacking the required nod to start development, a delay that may push some investors to transfer their investments elsewhere, the Philippine Economic Zone Authority (Peza) said.

Bizz Buzz: Back to Pinoy hands

Architectural glass manufacturer AGC Flat Glass Philippines Inc. is going back to Filipino hands as Japanese global glass manufacturing company AGC Asahi Glass has decided to sell its 100 percent to TQMP Glass Manufacturing Corp. (TQMP). The sale is subject to approval by the Philippine Competition Commission.

CNPF sees international businesses driving profit

CNPF President Christopher T. Po said that while the main driver of growth is still the domestic tuna business, the company is starting to see growth from international investments, particularly in China. The group consolidated Century China Group of Companies into CNPF in 2016 in order to expedite decision-making for the company.

TODAY'S TOP ASIAN NEWS

Asia can power through another financial crisis

The Asian nations hit hardest 20 years ago by a crisis that sent currencies and stock markets tumbling, saw governments fall and pushed millions back into poverty, now have some of the strongest buffers in the world. But that resilience faces a fresh test.

China-HK bond link to start Monday to lure inflows

China's bond-connect program with Hong Kong, giving offshore investors another way to access the mainland's \$10 trillion debt market, will start on Monday. The official announcement was made on Sunday in a joint statement between the People's Bank of China and the Hong Kong Monetary Authority.

Charoen Pokphand Foods acquires German meat seller

CPF Europe SA – the subsidiary of Charoen Pokphand Foods Pcl (CPF) – has entered into an agreement to acquire a 95 per cent stake in German-based meat distributor Paulsen Food GmbH from Peter Paulsen Import-Export GmbH for 12 million euro (\$13.7 million)

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MORE ASIAN NEWS

IFC seeks to invest in Myanmar agri businesses

International Finance Corporation (IFC), the World Bank Group's private sector investment arm is looking to invest more in the agricultural space, to help private companies be part of the supply chain development process.

Nokia planning a comeback in China

Finnish company Nokia, once a dominant global player in mobile phones, is planning a strong comeback in China's consumer electronics market as it seeks investment opportunities and the right partners to tap the digital health and virtual reality (VR) segments in the world's second-largest economy.

Bidders for Li Ka-shing's fixed-line network

As Hong Kong ratcheted up preparations for the 20th anniversary of its return to Chinese sovereignty on Saturday, a number of major enterprises quietly moved to make a deal with tycoon Li Ka-shing to buy his 22-year-old fixed-line telecommunications network business.

Big step to a cashless society

PayNow, going live on July 10, marks a vital milestone in Singapore's journey to become a smart nation. The fund transfer system, allowing people to send money to friends and family using only the recipient's mobile or NRIC number, is a big step towards creating a cashless society.

China robots displace workers

As he marches through a gritty factory that makes baby strollers and wheels, Hu Chengpeng says finding workers is his number one challenge these days. Turnover at the facility in Hanchuan in Hubei province in central China is running at 20%, even while wages have been growing by double digits for his 400-plus workers every year.

TODAY'S TOP GLOBAL NEWS

Aussie Dollar defies the RBA's 5 year plan

For almost 5 years, Reserve Bank officials cheered for the US to begin raising interest rates in the belief it would exert downward pressure on the Aussie dollar and boost exporters Down Under. Yet, when the RBA board meets Tuesday they will find three Federal Reserve rate hikes in six months has sent the currency up almost 7%.

Moelis Australia acquires Redcape Hotel Group

Investment bank Moelis Australia has acquired the Redcape Hotel Group in an A\$677 million (\$520.6 million) transaction, with plans for a listing on Redcape on the Australian Securities Exchange (ASX). Redcape Hotel Group operates gaming-focused pubs.

Airbnb looking to launch rentals for luxury

Airbnb is planning to launch a new rental service for megahomes, mansions and penthouses that will be inspected to ensure they pass muster. The company will start testing the new offering in some markets at the end of year. If the tests are successful, the San Francisco-based company will roll out the service broadly.

FR energy giant to invest \$1B on Iran gas field

The French energy giant Total has agreed to invest \$1 billion in Iran to develop a huge offshore gas field. The agreement, the largest by a Western energy company in Iran since the 2015 deal to curb Tehran's nuclear program, had been delayed in February as Total waited to see how Trump administration's policy toward Iran would proceed.

Economic Calendar

Date	Release
07.02.2017	PH: Nikkei Philippines PMI Manufacturing
07.04.2017	PH: CPI YoY
07.06.2017	PH: Foreign Reserves
07.10.2017	PH: Trade Balance
07.16.2017	PH: Overseas Remittances YoY

Source: Bloomberg Economic Calendar