

# The Daily Dispatch

July 07, 2017  
TODAY'S TOP NEWS

## China Bank gets SEC okay for CBCC capital hike

In a disclosure to the Philippine Stock Exchange (PSE) on Thursday, the Henry Sy-led bank announced that the SEC on June 30 approved the lender's wholly owned subsidiary's capital stock hike to P2 billion from P500 million.

## DoubleDragon prices retail bond offer

DoubleDragon said it will pay a coupon rate of 6.0952% for its seven-year fixed rate retail bonds, which will have a base size of P6.5B with an oversubscription option of P3.2B. This is the second tranche of the P15B retail bonds under shelf registration approved by the Securities and Exchange Commission (SEC) in 2016.

## Clark Green City master plan ready next month

The 9,450-hectare development that is expected to be a bigger Bonifacio Global City in the heart of Central Luzon "is now in full swing," said Vivencio B. Dizon, BCDA president and CEO, and the detailed plan will be presented to attract investment there.

## Remittance inflows seen to remain robust

Neither lower global oil prices nor the geopolitical tensions in the Middle East could possibly dampen the robust and resilient inflows of cash sent home by Filipinos overseas through banks, Washington-based Institute of International Finance said.

## IGNITE exploded with startup innovations

IGNITE, the premier innovation conference staged by TechShake in partnership with dentsu X Philippines and IGPI Singapore came to a hugely successful close with "QWIKWIRE, secure cross-border billing and payment platform," being declared as "the start-up company of the year."

## Philippine Stock Market Update



**Previous Close:**

7,788.06

**1 Yr Return:**

1.04%

**Open:**

7,774.91

**YTD Return:**

13.31%

**52-Week Range:**

6,499.00 - 8,118.44

**Source:**

Bloomberg

## Foreign Exchange

As of July 06, 2017

US Dollar	Philippine Peso
1	50.712

## PDST-R2 Rates

As of July 06, 2017

Tenor	Rate
1Y	2.8691
3Y	3.9834
5Y	4.4918
7Y	4.7964
10Y	4.9929
20Y	5.1024

## Daily Quote

"Don't worry about failure; you only have to be right once."

-Drew Houston

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## MORE LOCAL NEWS

### Phoenix Petroleum buys Petronas Energy, Duta

Phoenix Petroleum Philippines Inc has acquired 100 per cent shares in Petronas Energy Philippines Inc (Pepi), and Duta Inc for a total consideration of up to \$126.1 million (P6.268 billion).

### PSE acquires additional 8% in PDS Holdings

The Philippine Stock Exchange has signed an agreement to acquire an additional eight percent of PDS Holdings Corp. The PSE is acquiring the 500,000 common shares held by Whistler Technologies Services Inc. in PDSHC, the operator of the country's fixed income exchange.

### Peso falls to fresh 11-year low

The peso weakened further yesterday to a fresh 11-year low due to the rising possibility of monetary policy tightening in the US, Japan and other European countries. The peso weakened further to 50.67 from 50.60 to \$1 recorded last Wednesday. This is the lowest since the peso closed at 50.735 to \$1 on Sept. 1, 2006.

### Dominguez declares PHL fiscally secure

Finance Secretary Carlos G. Dominguez III on Tuesday said the Philippines has secured its financial footing, and the government ready to fund an ambitious infrastructure program that will sustain economic growth and bring down poverty rate to 14 percent by 2022.

### Cimatu scraps Lopez's restriction on ECC issuances

Department of Environment and Natural Resources (DENR) Secretary Roy Cimatu has scrapped the order of former environment chief Regina Paz Lopez to restrict the issuance of environmental compliance certificates (ECC) and instead orders to expedite it.

### Franchising now among country's big dollar earners

Franchising is now the fifth biggest dollar earner in the country as more local companies export their concepts abroad and the industry is putting up a franchising fund to support local brands break into the international markets.

### San Miguel to buy stake in PH BMW supplier

San Miguel Corporation (SMC), a diversified conglomerate led by businessman Ramon Ang, is in discussions with Asian Carmakers Corporation, the official importer and distributor of BMW in the Philippines, for a "majority stake" acquisition. Ang, a known car enthusiast, confirmed the agreement is scheduled to be finalized in July.

### AC completes buyout of German auto parts supplier

AC Industrial Holdings, Inc., a wholly-owned subsidiary of conglomerate Ayala Corp., said on Thursday it has completed the acquisition of a 94.9 percent stake in MT Misslback Technologies GmbH for 26.8 million euros (\$30.37 million, P1.54 billion).

## TODAY'S TOP ASIAN NEWS

### HKT unleashes ultra-fast fibre-optic connections

HKT, the largest telecommunications network operator in Hong Kong, is unleashing more ultra-fast broadband capacity to households across the city with a new service that delivers up to four multi-use, 1-gigabit per second fibre-optic connections to each home.

### Fosun's founder says business is steady and robust

Guo Guangchang, founder and chairman of the Chinese conglomerate that owns the Club Med resorts chain, said he's working with law enforcement to find out who's spreading rumours about him, insisting that business at one of China's largest asset acquirers is steady and robust.

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## MORE ASIAN NEWS

### Baidu ropes in partners for Apollo driverless car

Baidu Inc. has enlisted more than 50 partners for its Apollo driverless car project, which aims to employ the data of its users to improve the search giant's technology.

### HK braces for higher rates as losses quicken

How long can it last? That's what watchers of Hong Kong's markets are asking as the gap between local and U.S. interbank rates widens to the most since 2009. The city's currency peg to the greenback effectively ties its monetary policy to that of the U.S.

### Bike-sharing firm ofo raises nearly \$1b

Chinese bike-sharing start-up ofo raised more than US\$700 million (\$966.6 million) in its latest funding round to expand its business globally amid rising domestic competition with Beijing MoBike Technology and more than a dozen rivals.

## TODAY'S TOP GLOBAL NEWS

### Microsoft lays off thousands to focus on cloud

Microsoft plans to shed thousands of jobs in a major reboot to focus on its fast-growing cloud-computing business. The software giant did not specify how many jobs would be cut. When asked about cuts during a conference call, Microsoft President Brad Smith had no comment on Thursday.

### US stocks drop most since May, bond rout worsens

The hawkish tone from developed-nation central banks continued to roil financial markets, with U.S. stocks falling the most in seven weeks, Treasury yields rising to levels last seen in May and crude settling below \$46 a barrel.

### Times boom for recruiters as US job mkt. tightens

There's hardly ever been a better, or busier, time to be a recruiter in America. While headhunters can get lofty retainers for executive positions, a 16-year low unemployment rate and a record-high number of job openings are turning workers across all sorts of industries into hot commodities.

### The motorcycle industry is dying

It's the manufacturing equivalent of a mid-life crisis - motorcycle sales in the U.S. peaked in 2006 at 716,268 and promptly started to skid. When the recession hit, the market went down hard. Bike sales fell by 41 percent in 2009 and another 14 percent the following year, according to the Motorcycle Industry Council.

### Malone to put QVC, HSN under one roof

Billionaire John Malones Liberty Interactive Corp. will increase its stake in HSN Inc. for \$1.3 billion in stock to acquire full control, consolidating its hold on home-shopping services as the retail and television industries undergo seismic changes.

### Airbus nets plane orders from China worth \$30b

Airbus won orders from China to supply 140 single-aisle and wide-body jets worth US\$22 billion (\$30.4 billion) at list prices and said it is in talks to sell more A380 superjumbos as the Asian nation is set to become the world's largest aviation market.

## 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