

The Daily Dispatch

January 19, 2018
TODAY'S TOP NEWS

Ayala, LT Group team up for P53-B urban estate

Ayala Corp. and the LT Group Inc. (LTG), two of the country's biggest conglomerates, will pour in P53 billion over the next 10 years for the development of their first ever urban estate, the 35-hectare Parklinks. The project is a 50-50 joint venture between Ayala Land Inc. and Eton Properties Philippines Inc.

Sunlife to invest in infrastructure

Sun Life Philippines Inc. is looking at investment opportunities in the infrastructure sector given the administration's massive Build Build Build program. In a briefing, SLOCPI president Alexander Narciso said the infrastructure sector is a perfect match for the life insurance industry since they both involve long-term investments.

Peso weakens to 50.80: \$1

The peso continued to weaken yesterday, closing 9.50 centavos lower at 50.80 from Wednesday's close of 50.705 to \$1. It opened slightly stronger at 50.73 to \$1, but this was still lower compared to the 50.50 to \$1 opening level the previous day. Total volume reached \$749.4 million, lower than Wednesday's \$930.65 million.

Government launches \$2-B global bonds

The Bureau of the Treasury formally commenced yesterday its plan to issue \$2 billion worth of global bonds due in 2028, to support the country's programs and liability management efforts. Half of the offering volume will be used to raise new money, while the remaining \$1 billion will be swapped with existing securities.

Government allots P2B for MSME development

The DTI has set aside P2 billion for the continued development of MSMEs in the country. "We are committed in our goal of providing job opportunities for all Filipinos and uplifting the lives of those at the bottom of the pyramid by strengthening the MSME sector in the country," Trade Secretary Ramon Lopez said in a statement.

Philippine Stock Market Update



Previous Close:

8,820.74

1 Yr Return:

24.01%

Open:

8,824.72

YTD Return:

3.31%

52-Week Range:

7,146.27 - 8,969.18

Source:

Bloomberg

Foreign Exchange

As of Jan. 18, 2018

US Dollar	Philippine Peso
1	50.745

PDST-R2 Rates

As of Jan. 18, 2018

Tenor	Rate
1Y	2.8023
3Y	4.1739
5Y	4.7174
7Y	5.4054
10Y	5.8375
20Y	5.8756

Daily Quote

"If we did all the things we are capable of, we would literally astound ourselves."

--Thomas Edison

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MORE LOCAL NEWS

Cargill eyeing another feedmill in PH

US agriculture conglomerate Cargill plans to increase its investments in the Philippines and may build a new feedmill in the Visayas or Mindanao, a top executive said Thursday. Cargill Philippines president Philip Soliven said the company was identifying areas where it could put more investments.

MPIC set to buy 3 logistics companies

Metro Pacific Investments Corp. plans to acquire two or three logistic companies to expand its footprint in the logistics industry. Manuel Pangilinan said the conglomerate would acquire two or three logistics companies in the coming years to expand its portfolio. "I think most likely at least one this year," Pangilinan said.

BPI looking to raise P50B from rights offer

BPI plans to raise P50B from a stock rights offering of common shares to fund initiatives to drive business growth. BPI said the proceeds from the stock rights offer would finance a plan to accelerate lending activities across the consumer, SME, and micro-finance segments "to capture the positive momentum in the Philippine economy."

Tax reform to support SSS contribution hike

The country's Budget chief said it is high time to raise the contribution rates of Social Security System (SSS) members as they could easily adjust on the back of the additional take-home pay from the tax reform program.

Overseas Filipino Bank launched

The Overseas Filipino Bank (OFB) was launched yesterday — in fulfillment of a campaign promise by President Rodrigo R. Duterte. This comes about four months since Mr. Duterte directed through Executive Order No. 44 the transfer of PostBank shares to Land Bank of the Philippines (Landbank).

Landbank eyes to acquire majority stake at PDS

The Land Bank of the Philippines is eyeing to acquire a majority stake at the Philippine Dealing System Holdings Corp. (PDS). In a Jan. 16 letter to the state-run lender's board of directors, president and chief executive Alex V. Buenaventura said he was recommending the acquisition of at least 66.67 percent of PDS.

PureFoods open to make tender offer to Ginebra

San Miguel PureFoods Co. Inc. will launch a tender offer to minority shareholders of Ginebra San Miguel, one of the companies to be consolidated into this company, if required by the Securities and Exchange Commission (SEC).

TV5 shutting down InterAksyon by March

TV5 Network Inc. is closing the operations of news website InterAksyon.com by March this year in line with efforts to cut costs. The news website's editor-in-chief Roby Alampay said yesterday, InterAksyon.com would stop operations by end of March this year.

TODAY'S TOP ASIAN NEWS

Incheon airport opens new terminal before Olympics

South Korea's main international gateway Incheon airport opened its second terminal on Thursday, January 18, significantly increasing its capacity 3 weeks before the start of the Winter Olympics, airport authorities said. More than 300,000 tourists are expected to enter the country through Incheon during next month's Games.

CH is getting more bang for its credit buck

China is squeezing more economic growth out of new credit, signaling that the nation is shedding some of the wasteful investment of the past. The amount of new credit needed to generate each dollar of economic output fell to about 28 cents in 2017 from slightly more than 30 cents a year earlier.

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MORE ASIAN NEWS

\$245m raised from refinery operator Binh Son's IPO

The Vietnamese government has raised 5.57 trillion dong (\$245 million) by selling a 7.79 percent stake in refinery operator Binh Son Refining and Petrochemical company in an initial public offering, the company said on Wednesday. The proceeds exceeded the Vietnamese government's plan to raise at least \$155 million from the sale.

Canada pension fund CDPQ eyes stake in CLP India

Canada's second largest pension fund Caisse de dépôt et placement du Québec (CDPQ) is looking to acquire a stake in CLP India Pvt. Ltd, one of the largest foreign investors in the Indian power sector, said two people aware of the development.

SoftBank is now Uber's largest shareholder

A group of investors led by SoftBank Group Corp closed a deal with Uber Technologies Inc on Thursday, making SoftBank the largest stakeholder in the ride-services firm and providing a much-needed boost to controversy-ridden Uber.

Carlyle Group - Wanlin Liu to lead Ch growth inv.

Alternative asset manager The Carlyle Group has roped in Wanlin Liu into the private equity team as a Managing Director to lead growth investments in China. Based in Shanghai, Liu is an addition to Carlyle's effort to build on its position in the region.

Emirates announces \$16-B deal for 36 A380s

Emirates Airlines said Thursday, January 18, it has struck a \$16 billion deal to buy 36 Airbus A380 superjumbos just days after the European manufacturer said it would have to halt production without new orders. The company said it had placed firm orders for 20 of the double-decker aircraft with options for a further 16.

TODAY'S TOP GLOBAL NEWS

European stocks dip, bitcoin crashes below \$10,000

Europe's major stock markets mostly churned lower Wednesday, January 17, as investors took their cue from downbeat sentiment in Asia, while Wall Street resumed its upward trend. Virtual currency bitcoin meanwhile dived, falling below \$10,000 for the first time in 6 weeks in what one analyst called a "cryptocalypse".

Google, Temasek investing in Go-Jek

Alphabet's Google, Singapore investment company Temasek Holdings and Chinese online platform Meituan-Dianping are investing in Indonesian ride-hailing start-up Go-Jek as part of a US\$1.2 billion (S\$1.6 billion) fund-raising round, sources familiar with the matter said.

Apple to pay \$50b in one-time tax on overseas cash

Apple will open a new campus as part of a five-year, US\$30 billion (S\$39 billion) US investment plan and will make about US\$38 billion (S\$50 billion) in one-time tax payments on its overseas cash, one of the largest corporate spending plans announced since the passage of a tax cut signed by US President Donald Trump.

Amazon could escalate tension with Trump

Amazon.com Inc's inclusion of Canada's largest city on a list of 20 finalists for a massive new campus could escalate tensions between the tech giant and U.S. President Donald Trump.

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