

# The Daily Dispatch

January 22, 2018  
TODAY'S TOP NEWS

## MIAA won't renew Miascor's contract over thefts

The Manila International Airport Authority (MIAA) will not renew its contract with ground handler Miascor Groundhandling Corporation, which is set to expire on March 31, following luggage theft incidents involving Miascor employees. President Rodrigo Duterte warned he would fire airport officials if similar cases of theft happen

## No review of ABS-CBN, GMA PDRs after Rappler

The Securities and Exchange Commission (SEC) said that it will not review listed ABS-CBN Corporation's and GMA Network Incorporated's securities, as their Philippine Depositary Receipts (PDRs) were offered to the public, unlike those of Rappler Incorporated.

## LandBank chief eyes PDS takeover

LBP wants to buy over 60 percent of PDS, documents showed. "The undersigned recommends to the board the acquisition by Land Bank of the Philippines of a majority stake or at least 66.67 percent of PDS," LandBank President and CEO Alex Buenaventura said in a January 16 letter addressed to the bank's board of directors.

## Government pushes for common tower policy

THE government unveiled on Friday a plan to implement a common tower policy, a move expected to hasten the building of more towers and lower operational costs. According to businessman and Presidential Adviser Ramon Jacinto, the plan is in response to the difficulty Globe and PLDT are having in securing permits for such towers.

## Banks relaxed lending rules in Q4

Banks relaxed lending to companies and households in the fourth quarter of 2017, the BSP reported on Friday. Based on the central bank's Fourth Quarter 2017 Senior Bank Loan Officers Survey (SLOS), credit standards, as measured using the diffusion index (DI) approach, showed a net easing for loans sought by enterprises and households.

## Philippine Stock Market Update



**Previous Close:**

8,915.92

**1 Yr Return:**

25.97%

**Open:**

8,893.14

**YTD Return:**

4.75%

**52-Week Range:**

7,146.27 - 8,975.12

**Source:**

Bloomberg

## Foreign Exchange

As of Jan. 21, 2018

US Dollar	Philippine Peso
1	50.680

## PDST-R2 Rates

As of Jan. 21, 2018

Tenor	Rate
1Y	2.7983
3Y	4.1514
5Y	4.7359
7Y	5.4807
10Y	5.9450
20Y	5.9714

## Daily Quote

"Formal education will make you a living; self-education will make you a fortune."

--Jim Rohn

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## MORE LOCAL NEWS

### Govt raises \$2b from US bonds

The Philippines successfully sold Friday \$2 billion worth of 10-year US dollar bonds due 2028 in the international market, garnering strong support from investors. The Finance Department said in a statement the transaction marked the first time the Philippines issued a 10-year US dollar bond since 2014.

### Economists expect higher inflation

Economists of private banks expect inflation to climb this year due to the implementation of the tax reform law, rising global oil prices, weakening peso and higher public spending, according to a survey by the Bangko Sentral ng Pilipinas (BSP).

### Philippine economy likely grew by 6.7% in Q4

The country's economy likely grew by 6.7 percent in the last quarter of 2017, according to Moody's Analytics. Moody's said the Philippines' gross domestic product in the last three months of the year may have expanded by 6.7 percent, slower than the revised seven percent GDP growth the previous quarter.

### Oriental Peninsula shifts to power generation

Listed miner Oriental Peninsula Resources Group Inc. is venturing into the power generation business, particularly eyeing investments in renewable energy. Oriental Peninsula said it has received shareholders' approval to amend the primary purpose of its AOI from being a holding company for mining entities/activities into a general holding

### PH, Papua New Guinea to forge 5-yr rice deal

The Philippines is set to forge a five-year deal with the government of Papua New Guinea (PNG) as both countries explore possible mutual cooperation on the development of their rice industries. Data from PhilRice showed that the Philippine and PNG governments are set to sign a five-year MOA on agricultural cooperation, specifically for rice, this

### New Asahi Glass owners to expand plant, products

TQMP Glass Manufacturing Corp. has vowed to continue the manufacturing operation of its newly acquired AGC Flat Glass Philippines, Inc. (AGPH) in Pasig by going into more value-added glass products and expand into a new facility over the next three years.

### Debt to remain at 'prudent levels,' DBCC says

THE Development Budget Coordination Committee (DBCC) said that national government (NG) debt will remain at prudent levels over the medium term even though the government is pushing to finance infrastructure investments with loans.

### PAL Holdings to conduct re-IPO in 2nd quarter

THE COUNTRY'S flag carrier intends to push through with a plan to sell shares to the public this year, the Philippine's second-richest man said. PAL Holdings, Inc. Chairman Lucio C. Tan, Sr. said in an interview last week the airline operator can embark on the re-initial public offering (IPO) in the "second quarter" of the year. He did

### No more SMS frequency for 3rd telco player

The Department of Information and Communications Technology (DICT) is seeking a third telco player that could match or offer better services than PLDT Inc. and Globe Telecom.

## TODAY'S TOP ASIAN NEWS

### SGX introducing dual-class shares

The Singapore Exchange (SGX) is allowing companies with controversial dual-class share structures to have their first, primary listing here - a move to attract hot tech listings. SGX chief executive Loh Boon Chye told a briefing yesterday that the first listing of a company with a dual-class share structure could come soon after June.

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## MORE ASIAN NEWS

### ONGC to buy maj stake in refiner HPCL for \$5.78b

India's biggest explorer Oil and Natural Gas Corp (ONGC) has agreed to buy the government's majority stake in state-refiner Hindustan Petroleum Corp for 369 bn rupees (\$5.78 bn). It will pay a premium of about 14% on HPCL's current market price for the 51.1% stake. It expects to complete the transaction by end-January.

### Folio, Xinja, Anomali, OVO Mobile close funding

Tokyo-based online asset manager Folio and Australian ventures Xinja and OVO Mobile have secured growth funding, while Telstra Ventures has backed a \$40 million Series D investment in Anomali. Tokyo-based Folio, an online asset management platform, has secured JPY 7 billion (\$62.8 million) in a series A2 round.

### 99.co acquires Indo RE platform UrbanIndo

Singapore-headquartered property portal 99.co on Sunday said it had acquired UrbanIndo.com, one of the largest real estate platforms in Indonesia, for an undisclosed sum. The deal is set to see 99.co emerge as a strong competitor to PropertyGuru in Singapore and Indonesia.

### Vietnam plans 6.5x more sales of stake in companies

Vietnam is dramatically accelerating sales of stakes in state-owned companies to boost revenue and ease a strained budget, while seeking to exceed its economic growth target this year. The government plans to sell 6.5 times more shares than it offered last year. The state raised 135.6 tn dong (\$6 bn) from these sales in 2017.

### Masan Beverage to up stake in Vinacafe to 100%

Masan Beverage Ltd, a wholly-owned subsidiary of fast-moving consumer goods giant Masan Consumer under Masan Group, has announced it will buy out Vinacafe Bien Hoa (VCF) by increasing its ownership in the coffee producer to 100 per cent.

## TODAY'S TOP GLOBAL NEWS

### US Solar has a \$1.5B plan to end a trade war

While President Donald Trump prepares to announce his decision on new solar panel import tariffs, the U.S. industry is quietly trying to broker a sweeping deal to settle a different trade dispute with China involving an estimated \$1.5 billion held by Washington.

### Venezuelan hyperinflation explodes over 440,000%

If there was any doubt about whether Venezuela had sunk into an inflationary spiral, it's gone now. The price of a cup of coffee in Bloomberg's Cafe Con Leche Index has risen six of the past 12 weeks. During that period, the cost climbed from 5,500 bolivars to 45,000 bolivars. That's an increase of 718 percent.

### Kuwait joining gulf bonds rush with dollar sale

Kuwait is weighing plans to sell dollar-denominated bonds, according to people familiar with the matter, joining other Gulf Cooperation Council states also said to be considering sales. Officials from the oil-rich Gulf nation have held talks with banks about the possibility of a sale as soon as the first quarter, sources said.

### McConnell threatens early Monday morning vote

Senate Majority Leader Mitch McConnell said on the Senate floor that the chamber will vote at 1 a.m. Monday on his plan to reopen the government and fund it for three weeks — with no action on immigration — unless Democrats agree to hold the vote earlier.

## 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