

# The Daily Dispatch

October 11, 2017  
TODAY'S TOP NEWS

## PH exports, imports up in August

Exports and imports in the Philippines increased in August 2017, preliminary data from the Philippine Statistics Authority (PSA) showed. The PSA said on Tuesday, October 10, that total imports payments went up by 10.5% to \$7.92 billion in August 2017, from \$7.17 billion in the same month a year ago.

## FDI in PH drop to one year low in July

The amount of foreign direct investments (FDIs) coming into the Philippines plunged to its lowest since President Rodrigo Duterte assumed office in July 2016, underscoring challenges to economic growth. This announcement comes amid an assurance from the NEDA that foreign investors remain confident to do business in the Philippines.

## Shell stations to offer charging for electric vehicles

Pilipinas Shell Petroleum Corporation will install the first 100 electric vehicle fast-charging stations in its gasoline stations across Metro Manila, in a bid to encourage the adoption of zero-emission vehicles. The company signed a memorandum of agreement with QEV Philippines to begin building the infrastructure.

## IMF retains 6.6% growth forecast for PH this year

The International Monetary Fund (IMF) has retained the Philippines' economic growth target at 6.6 percent for this year. We see continued robust domestic demand driven by investment and consumption, and fiscal policy is supportive of growth. Hence no change to our forecast," IMF resident representative Yongzheng Yang said.

## Factory activity rebounds in August

Manufacturing activities picked up pace in August following a contraction in July mainly due to the increased production of construction-related materials, the Philippine Statistics Authority (PSA) said. Factory output rose 2.8 percent in August, reversing the 3.5 percent decline in July.

## Philippine Stock Market Update



**Previous Close:**

8,018.05

**1 Yr Return:**

-0.34%

**Open:**

8,015.68

**YTD Return:**

15.58%

**52-Week Range:**

6,499.00 - 8,106.74

**Source:**

Bloomberg

## Foreign Exchange

As of Oct. 10, 2017

US Dollar	Philippine Peso
1	51.474

## PDST-R2 Rates

As of Oct. 10, 2017

Tenor	Rate
1Y	2.8543
3Y	3.6844
5Y	4.5882
7Y	4.5771
10Y	4.6615
20Y	5.4496

## Daily Quote

"To climb steep hills requires a slow pace at first."

--William Shakespeare

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## MORE LOCAL NEWS

### Ireland urged to participate in 'Build, Build, Build'

Foreign Affairs Secretary Alan Peter Cayetano has encouraged Ireland companies to participate in the Duterte administration's "Build, Build, Build!" infrastructure program. Cayetano met with Irish Foreign Minister Simon Coveney at the sidelines of the 72nd session of the United Nations General Assembly in New York.

### China welcomes PH planned Panda bond offering

China on Monday welcomed the Philippines' planned maiden Panda bond offering to diversify funding sources further, taking advantage of the renewed and strengthening ties between the two countries that soured over a sea dispute.

### ALI, partner raise Alvierra investment to P100 billion

Ayala Land, Inc and Leonio Land Holdings, Inc. have raised to P100B from P90B their investment in Alvierra—a large-scale, mixed-use estate in Porac, Pampanga they are jointly developing. Alvierra General Manager John Estacio said P10B more has been invested with an additional 700 ha infused to Alvierra for a total of 1,800 ha.

### PSE index soars to new high again, flirts with 8,400

The Philippine equities market reached another all-time high yesterday, its seventh winning session in eight trading days as expectations of a tax overhaul continued to underpin sentiment, even as other Southeast Asian markets declined due to risk aversion.

### SM Prime sees no mall saturation as 65th opens

Property giant SM Prime Holdings Inc. is opening a new shopping mall in Cagayan's capital city of Tuguegarao, further expanding its nationwide footprint as this marks its 65th domestic retail hub.

### Phinma Properties plans 2nd project in Davao

Phinma Property Holdings Corp. (Phinma Properties) is planning a horizontal residential development as its second project in Davao City, to be located within the vicinity of the mid-rise condominium complex it is developing in the Sasa district.

### Petron says PNOC violated lease deals

The state-owned Philippine National Oil Co. (PNOC) breached three lease contracts with Petron Corp. when the former moved to nullify binding property lease renewal clauses ahead of their expiration, the country's biggest petroleum firm said yesterday.

### Tobacco LGUs to get P29.5 bn in excise tax shares

The Department of Budget and Management has ordered the release of a total of P29.5 billion to tobacco-producing provinces, cities and towns as part of their share from excise taxes collected in 2011, 2014 and 2015.

### Tata to assemble vehicles in PH

The local partner of Tata Motors Ltd. said Tuesday it will fund the construction of an assembly facility in the Philippines to produce Tata commercial vehicles. Pilipinas Taj Autogroup Inc. said the new facility would make the Philippines a major assembly point of Tata commercial vehicles in the ASEAN.

### Pioneer Pointe offers convenience

To provide a life of success, convenience and wellness—this is the driving force behind Pioneer Pointe, a 28-story condominium project of Filinvest Livable Condos. Now ready for occupancy, Pioneer Pointe puts a premium on quality life with its strategic location at the center of Mandaluyong City.

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## MORE LOCAL NEWS

### Retain VAT-exemption for socialized housing

In a statement, the Chamber of Real Estate and Builders' Association Inc. (CREBA) said that if VAT-exemption is not retained, prices of residential units would go beyond reach of millions of homeless Filipinos thereby aggravating further the increasing housing backlog.

## TODAY'S TOP ASIAN NEWS

### Here's why Malaysians can't afford a house

Malaysia's central bank has a response to those saying it needs to do more to spur home loans: houses simply aren't affordable. Bank Negara Malaysia has created a website packed with data aimed at debunking the "myth" that access to financing was deterring home ownership, showing that loan approvals for key cities are near 70%.

### Banpu acquires fifth US shale gas asset for \$210m

Thailand's biggest coal miner and exporter Banpu Plc is acquiring a US shale gas portfolio worth \$210 million, its fifth such overseas investment play. Banpu signed a purchase and sale agreement to acquire an operatorship position and gas portfolio in Northeast Marcellus shale gas play of Pennsylvania

### Vickers Venture Partners' fund over 70% deployed

Singapore-based Vickers Venture Partners said Tuesday that it had raised a total of \$230 million for its fifth fund, which includes a yuan-denominated vehicle of \$40 million, making it the largest private fund in Southeast Asia

### Alibaba tops Amazon in e-commerce

After 831 days, Alibaba Group Holding Ltd. regained the title of the world's biggest e-commerce company, albeit briefly. The Chinese retailer surpassed Amazon.com Inc. Tuesday on an intraday basis as the U.S. retail giant's stock continued to stall after second-quarter earnings missed estimates.

## TODAY'S TOP GLOBAL NEWS

### Nobel economist Thaler says he's nervous about stock

A buoyant and complacent stock market is worrying Richard H. Thaler, the University of Chicago professor who this week won the Nobel Prize in economics. "We seem to be living in the riskiest moment of our lives, and yet the stock market seems to be napping," Thaler said, speaking by phone on Bloomberg TV.

### Oil giants at odds as Saudi-Russian ties improve

Saudi King Salman visited Moscow, the first such visit by a Saudi monarch since the Soviet Union collapsed. Two topics dominated the agenda: Syria and oil. Saudi has likely found itself in the uncomfortable position of accepting Assad's grip on power into the future in hopes of drawing Russia further away from Tehran in trying to resolve the Civil War.

### Honeywell spins off units worth \$7.5B

U.S. manufacturer Honeywell International Inc will spin off its home and ADI global distribution business and transportation systems into two independent, publicly-traded companies by end of 2018, the company said on Tuesday.

### Wal-Mart sees 40% online sales growth next year

Wal-Mart Stores Inc (WMT.N) on Tuesday forecast a 40 percent rise in U.S. online sales next year as it ramps up competition with Amazon.com Inc (AMZN.O), boosting shares of world's biggest brick-and-mortar retailer to the highest in more than two years.

## Economic Calendar

Date	Release
10.15.2017	PH: Overseas Remittances YoY
10.15.2017	PH: Overseas Workers Remittances
10.18.2017	PH: BoP Overall
10.18.2017	PH: Budget Balance
10.30.2017	PH: Bank Lending YoY

Source: Bloomberg Economic Calendar