

# The Daily Dispatch

October 13, 2017  
TODAY'S TOP NEWS

## ING remains bullish on Philippines

ING Bank is bullish on the Philippines as a captive offshoring market for global companies despite the headwinds affecting the country's BPO industry. Hans Sicat, incoming country manager of ING Bank's Manila Branch, said they remain deeply invested in the country's potential growth, particularly as a market for captive offshoring.

## Korea group investing in Clark tourism estate

A Korean-led group is investing P2.6B to develop a new tourism estate at the Clark Freeport Zone. CDC said the project, dubbed as The Sharp Clark Hills, would be situated in a 2.2- hectare property in Clark and would be developed by a JV of South Korea's POSCO Engineering and Construction Co. Ltd. and JB Cresta Corp.

## Philippines must assure tourists on safety — JLL

The Philippines needs to assure tourists of their security to ensure the continued growth of the sector, a property services firm said. Tourists will need reassuring that the attacks in Marawi City and Resorts World Manila are isolated incidents," Jones Lang Lasalle said amid concerns over safe.

## DTI wants perks for makers of SPVs

The government is also considering perks to boost local production of special purpose vehicles (SPVs). "Beyond the PUV requirements, we can also move into the local manufacture of SPVs that the Philippines is currently importing heavily, like ambulances, truck-mounted cranes, and mini-firetrucks," Trade Secretary Ramon Lopez said.

## ERC prodded to work double time on pending cases

Following the Malacañang dismissal of its highest official, the Energy Regulatory Commission (ERC) is now prodded to work double time so it can clear up hundreds of backlog of rate-setting cases and other petitions.

## 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. 12, 2017

US Dollar	Philippine Peso
1	51.395

## PDST-R2 Rates

As of Oct. 12, 2017

Tenor	Rate
1Y	2.8597
3Y	4.0536
5Y	4.6093
7Y	4.3303
10Y	4.6446
20Y	5.1480

## Daily Quote

"I'm intimidated by the fear of being average."

--Taylor Swift

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## MORE LOCAL NEWS

### Senate leaves BPO perks intact in TRAIN

Noting that the BPO industry has been one of the country's biggest job generators, the Senate left intact the Business Process Outsourcing (BPO) industry's tax incentives to enable the Philippines to continue attracting more investments that would spur employment and economic growth.

### BSP sees PH posting record high FDIs in 2017

The Bangko Sentral ng Pilipinas yesterday expressed confidence the record-high foreign direct investment target of \$8 billion would be met in 2017 even as investment inflows were lower than year-ago levels as of July.

### PLDT invests P500M in international cable system

Industry giant PLDT Inc. is expecting to bolster internet quality in the Philippines with the start of operations of an Asia-Africa-Europe submarine cable before the end of the year.

### First Gen pares debt, retires bonds

First Gen Corp. has retired a portion of the \$300 million worth of fixed-rate notes listed on the Singapore Exchange Securities Trading Ltd. The power company said in a disclosure to the Philippine Stock Exchange yesterday that the notes carry an interest rate of 6.5 percent a year and are due in 2023.

### Visayas electricity supply still tight

The Visayas grid will experience tight power supply, with "yellow and red alerts" until December this year, underscoring the need for additional reserves in the region, an official of Philippine Electricity Market Corp. said Wednesday. The system operator issues a 'yellow alert' whenever there is insufficient reserve in the grid.

### Govt allots P2b for fuel marking

The government is spending P2B next year for the fuel marking program in a bid to curb smuggling and misdeclaration of petroleum products, Finance Secretary Dominguez said. "By spending P2 billion, which is one month's collection, additional collection from the BIR will probably yield between P25-P40 billion," Dominguez said.

### Max leads sugar farm mechanization

"The hauling and off-loading of newly harvested sugarcanes and bagasse is faster with the Max Crane Loaders, and can replace the workers who used to do the manual hauling and off-loading," said a representative of All Certified Equipment Trading Corp. (ACETC)

### 40 EU firms set sight on PH renewable market

About 40 European companies are set to visit the Philippines this month to explore opportunities in the local renewable energy sector, said an official of the European Union (EU) Delegation to the Philippines. These European firms are also interested in investing in electric vehicles in the Philippines.

### PH stocks close above 8,400 in another milestone

Philippine stocks continued their rally, breaching the 8,400 mark on Thursday, October 12, as investors took their cue from sentiments overseas. At the close of Thursday's trading, the Philippine Stock Exchange index (PSEi) surged by 0.53% to 8,402.81 points.

### Jollibee hunts US, CH acquisition targets

Jollibee Foods Corp., the fast-food chain that controls more than half of the Philippines' \$4 billion market with its signature fried chicken, is looking for acquisitions to accelerate ambitious expansion plans in the U.S. and China. The targets could be other fast-food chains as well as fast-casual restaurants like Smashburger.

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## TODAY'S TOP ASIAN NEWS

### Policy incentives to keep CH EV carmakers afloat

Chinese electric vehicle producers will continue to benefit from Beijing's new energy vehicle push, analysts said, even as the business environment becomes increasingly competitive

### Co-working space Justco raises \$12m

Singaporean co-working space operator JustCo's valuation has reached \$200 million after securing \$12 million in a Series B round from Thailand's listed property developer Sansiri Plc to fuel its expansion in Southeast Asia.

### Tencent seeks to buy \$100m of stock in Sea IPO

Singapore-headquartered consumer Internet company Sea Ltd, formerly known as Garena, on Thursday said Chinese internet giant Tencent Holdings has indicated an interest in purchasing up to \$100 million worth of shares in the company's proposed initial public offering (IPO).

### SG growth accelerates in 3Q due to export bounce

Singapore's economy gained traction in the third quarter as a pickup in exports helped to drive up manufacturing. Singapore has enjoyed a more solid growth patch this year as global trade continues to rebound and the electronics sector shows a particularly impressive upswing.

## TODAY'S TOP GLOBAL NEWS

### Things are about to get tougher for EM bulls

Weathering political turbulence and the prospect of tightened monetary policy is about to get tougher for the bulls in emerging markets. That's according to 17 investors, traders and strategists surveyed by Bloomberg between Oct. 2 and Oct. 9 on the outlook for the rest of 2017.

### IMF sounds alert over debt in largest economies

For the first time in years the International Monetary Fund is optimistic about global economic growth. But it sees a new problem: mounting debt in the world's largest countries. "Debt levels are increasing in G20 economies," Tobias Adrian, who heads the IMF's monetary and capital markets division, said Wednesday.

### Waymo demanded \$1b in settlement talks with Uber

Alphabet Inc's Waymo sought at least \$1 billion in damages and a public apology from Uber Technologies Inc as conditions for settling its high-profile trade secret lawsuit against the ride-services company, sources familiar with the proposal told Reuters.

### Ghana Preparing \$1.4 Billion Bond Sale

Ghana will hold roadshows in the U.S. and London next week to sell 6 billion cedis (\$1.4 billion) in local-currency debt to clear arrears owed to banks by state-owned electricity and petroleum utilities, according to Finance Minister Ken Ofori-Atta.

### Bitcoin bursts through \$5,000 for the first time

Bitcoin surged through the \$5,000 level on Thursday, October 12, for the first time since the launch of the unregulated virtual currency more than 8 years ago. The cryptocurrency struck a new record high of \$5,183.97 around 0820 GMT according to financial data provider Bloomberg.

## Economic Calendar

Date	Release
10.01.2017	Nikkei Philippines PMI Manufacturing
10.04.2017	PH: CPI YoY
10.05.2017	PH: Foreign Reserves
10.09.2017	PH: Exports and Imports YoY
10.09.2017	PH: Trade Balance

Source: Bloomberg Economic Calendar