

# The Daily Dispatch

October 17, 2017  
TODAY'S TOP NEWS

## WB keen on P52-b power grid project

State-run National Transmission Corp. said Monday it is in "serious talks" with the World Bank to finance the P52-billion Visayas-Mindanao interconnection project. TransCo president Melvin Matibag said the World Bank was looking at providing a 30-year zero interest loan for the facility and submitted the proposal to the DOE

## MTD Berhad offers to build P122B Clark hub

The Bases Conversion and Development Authority said Monday it received a P121.8-billion unsolicited proposal from MTD Berhad Capital of Malaysia to establish the 207-hectare New Clark City National Government Administrative Center through a joint venture agreement.

## PSE eyes Shenzhen bourse investment

THE Philippine Stock Exchange (PSE) is in talks with its Shenzhen counterpart to invest in the former's planned P2.5 billion follow-on offering, a bourse official said. "Very preliminary. We had somebody talking to them [the Shenzhen Stock Exchange]," PSE President and Chief Executive Officer Ramon Monzon said.

## MICC to soon decide on open-pit mining ban

The multi-stakeholder Mining Industry Coordinating Council (MICC) will decide next week on the possible lifting of a ban on open-pit mining, a senior Finance department official said. Finance Undersecretary and MICC member Bayani Agabin said a technical panel had already finished a study.

## Dominguez: Asean moving closer to a common market

The Association of Southeast Asian Nations (Asean) is moving closer to creating a common market, a Cabinet official told the IMF. Accomplishments made by the Philippines and other Asean members were reported by Finance Secretary Carlos Dominguez 3rd during a meeting with IMF managing directors.

## Philippine Stock Market Update



**Previous Close:**

8,447.94

**1 Yr Return:**

17.70%

**Open:**

8,484.94

**YTD Return:**

24.95%

**52-Week Range:**

6,499.00 - 8,548.20

**Source:**

Bloomberg

## Foreign Exchange

As of Oct. 16, 2017

US Dollar	Philippine Peso
1	51.248

## PDST-R2 Rates

As of Oct. 16, 2017

Tenor	Rate
1Y	2.8507
3Y	4.0136
5Y	4.5682
7Y	4.3277
10Y	4.6344
20Y	5.1570

## Daily Quote

"If you want to go fast, go alone. If you want to go far, go together."

--Anonymous

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## MORE LOCAL NEWS

### PT&T looks to become major telco force in 3 years

The new owners of listed PT&T, the firm being touted as the likely 3rd player in the country's telecommunications sector, have revealed their plans to get there. The firm confirmed that "it is looking for a strategic partner, possibly foreign, with regard to said expansion plans" and that "the firm is preparing itself for future talks."

### PSE offers Calata voluntary delisting

The chief of the Philippine Stock Exchange (PSE) thinks the proposal of Calata Corporation to sell out to Millennium Global Holdings Incorporated to save itself from being delisted "is not workable." The local bourse has instead proposed that Calata conduct voluntary delisting, with a condition.

### Remittances rise to \$20.72 B in 8 months

The amount of money sent by overseas Filipinos to the Philippines in August grew at its fastest pace in five months as new markets for skilled Filipino workers have been found, the Bangko Sentral ng Pilipinas (BSP) reported yesterday.

### BPO investment pledges picking up

Investment pledges in the country's BPO sector are picking up after the Senate retained the current tax incentives for the industry, Sen. Sonny Angara said. Angara said the panel did not touch the IT-BPM industry's tax incentives in crafting its version of the TRAIN to enable the country to continue attracting more BPO investments.

### Palace lifts Lepanto mining suspension

The Office of the President (OP) has lifted the eight-month suspension order against Lepanto Consolidated Mining Co. In a regulatory filing, Lepanto said it received the decision dated Oct. 12, which lifted the suspension order issued by former environment secretary Gina Lopez in February.

### PH looking at future with cautious optimism — BSP

The Philippines is looking at the future with cautious optimism as the economic landscape has altered considerably a decade after the global financial crisis, Bangko Sentral ng Pilipinas Governor Nestor Espenilla Jr. said yesterday.

### No need to tweak BSP rates – Espenilla

BSP Governor Nestor Espenilla said contained inflation means there isn't a need to increase interest rates in the near term. "Right now, there is no need to move policy rates looking at the inflation outlook," Espenilla said, "It might be too much of an anticipation to say we will raise interest rates at the next review."

### DBP is chosen 'SME Bank of the Year'

State-owned Development Bank of the Philippines (DBP) was recognized as 'SME Bank of the Year' in The Asian Banker – Philippine Country Awards for 2017 during ceremonies held on October 6, 2017 at the Fairmont Hotel in Makati City.

### MacroAsia, PTC set up aviation school

Aviation support firm MacroAsia Corp. has signed a deal with PTC Holdings Corp., one of the country's leading crew management and diversified maritime services group, to set up an integrated aviation career and resource development venture.

### Malaysian bank to establish PH presence

A listed Malaysian bank will establish presence in the Philippines as it expects to get the Bangko Sentral ng Pilipinas' (BSP) nod before yearend. BSP Deputy Governor Fonacier said that of the 8 foreign banks that had expressed interest to do business here, two were from Asean, and one of them already submitted the requirements.

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## TODAY'S TOP ASIAN NEWS

### OPEC's output curbs squeeze oil refining complex

Reliance Industries Ltd.'s 1.24MBD facility in India features highly advanced units designed to process the globe's heaviest types of crude, which have historically been cheaper than lighter varieties. Now, a drive by the OPEC to stabilize the oil market is squeezing supplies of such grades and making them relatively costlier.

### In China, trading begins on WeChat

In China, bankers and traders don't just hit the phones or send an email when they have a deal to sell. They take to WeChat. Regulators elsewhere may be clamping down on the financial industry's use of private messaging apps, but in the world's second-largest economy the practice is flourishing.

### IDN hunts for investors for projects worth billions

Indonesia will turn to private investors for the hundreds of billions of dollars in investment needed to develop the archipelago's infrastructure and natural resources, President Joko Widodo said, brushing off claims he was increasingly becoming an economic nationalist.

### HK IPO's head for worst year since 2012

Hong Kong's market for initial public offerings is heading for its worst year since 2012 as a combined \$20 billion of megadeals are being pushed to next year. State-owned China Tower Corp. was slated to be one of this year's biggest deals, with a fundraising goal of as much as \$10 billion, according to sources.

### Vincom Retail launches Vietnam's largest IPO

Vincom Retail, the shopping mall subsidiary of Vingroup, launched on Monday Vietnam's largest-ever initial public offering (IPO), in a deal worth up to \$713 million, IFR reported, citing a term sheet of the deal. The IPO consists of 380.22 million shares in the institutional tranche and another 19 million for the retail tranche.

## TODAY'S TOP GLOBAL NEWS

### Airbus to enter into partnership with Bombardier

Airbus will take a majority stake in Bombardier's marquee C-Series airliner program, the companies announced Monday, October 16, as the Canadian firm battled against a stiff tariff ruling in the US. "It's a win-win deal for everyone," said the president of Airbus, Tom Enders.

### London house prices fall most since financial crisis

London house prices are falling at their fastest pace since the financial crisis, confirming the British capital as the worst-performing part of a slowing market. Early data point to home values in London declining 2.7 percent in the year through September, the most since 2009.

### GS and JPM say they're assuming a 'hard Brexit'

Goldman Sachs Group Inc. and JPMorgan Chase & Co. are bracing for a "hard Brexit" as they seek to protect their access to the European Union once Britain leaves the bloc in 2019, according to top executives.

### Blockchain startup Digital Asset raises \$40m

Digital Asset, a blockchain startup funded by some of the world's largest banks, has raised \$40 million as it expands globally. The funding round was led by Jefferson River Capital LLC, the family office of Tony James, president and chief operating officer of private equity firm Blackstone, Digital Asset said.

## 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