

The Daily Dispatch

October 20, 2017
TODAY'S TOP NEWS

ANZ exits investment in Metrobank JV for \$287m

ANZ is selling its entire 40 per cent stake in Metrobank Card Corp (MCC), a credit card provider in the Philippines, to its joint venture partner, Metropolitan Bank & Trust Company (Metrobank). Metrobank and ANZ launched MCC in 2003 as a 60:40 joint venture respectively.

Philippines see steady investment from Chinese firms

Chinese investors are excited about business opportunities in the Philippines, and after an early surge in the first half of this year, investment should grow steadily, according to the Philippines' economic planning chief.

TRAIN to add P500B spending power to government

The Philippines is expected to gain an additional spending power of around P500 billion each year due to the government's expansionary fiscal policy and the impact of the tax reform bill, the Department of Budget and Management (DBM) said yesterday.

BPI raising P30 B from LTNCD issue

Ayala-led Bank of the Philippine Islands (BPI) is raising P30 billion from the issuance of long-term negotiable certificates of time deposits (LTNCDs) to support the bank's expansion plans and at the same time diversify its funding sources.

Cirtek seeks SEC go-signal to issue \$200-M pref shares

Cirtek Holdings Philippines Corp. is seeking the approval of the SEC to issue USD-denominated preferred shares. Anthony Buyawe, CFO, said the company plans to sell \$200M worth of dollar denominated preferred share between Nov-Dec to fund its expansion plans as well as that of its newly acquired company Quintel and to pay off debt.

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. 19, 2017

US Dollar	Philippine Peso
1	51.480

PDST-R2 Rates

As of Oct. 19, 2017

Tenor	Rate
1Y	2.8535
3Y	3.7150
5Y	4.5964
7Y	4.4009
10Y	4.6395
20Y	5.4854

Daily Quote

"You know you are truly alive when you're living among lions."

--Karen Blixen

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MORE LOCAL NEWS

Growing tourist arrivals a boon to residential market

The rising number of tourist arrivals in the country is creating opportunities for the Philippine residential market, a property analyst said. In a recent interview, Santos Knight Frank chairman and chief executive officer Rick Santos told reporters foreign tourists are potential buyers of real estate in the country.

Japanese investors wary of losing PEZA perks

Japanese firms have been apprehensive the Philippines could lose its “core competence” in the tax incentive package being offered by the Philippine Economic Zone Authority (PEZA) as the two chambers of Congress debate the proposed tax reform measure.

PBC prods gov't on ecozone applications

The 43rd Philippine Business Conference (PBC) yesterday passed a resolution urging Malacañang to fast track the presidential proclamation of several pending economic zone applications already approved by the Philippine Economic Zone Authority (PEZA) to keep the economic growth momentum especially in the regions.

LandBank's net profit hit P9.3b in 8 months

Land Bank, the third-largest lender in terms of assets, said it posted a 2% increase in net income in the first eight months to P9.3 billion from P9.1 billion a year ago, led by growth in loans and investments. LandBank said in a statement the latest figure was in line with its 2017 net income target of P13.75 billion.

Peso sinks to 51.53 per dollar

The peso sank to a new 11-year low of 51.53 against the US dollar Thursday, as investors' demand for the greenback picked up in the fourth quarter. The local currency lost P0.13 Thursday from 51.405 a dollar Wednesday. It was the peso's weakest closing in more than 11 years, or since it settled at 51.60 against the green back on Aug. 24, 2006.

BSP moves to fix MSME's lack of access to credit

Filipino entrepreneurs' lack of access to affordable credit is stunting the growth of many micro, small and medium firms and crimping job growth as a result—a situation that the country's top banking regulator is worried about.

OFW-centric Western Union taps ubiquity of LBC

Western Union, a global money transfer company, is expanding its footprint in the Philippines, announcing on Thursday a partnership with logistics giant LBC Express.

MICT starts facilities upgrade

International Container Terminal Services Inc. (ICTSI) is readying the deployment of new equipment at its flagship Manila International Container Terminal, part of an \$80-million improvement program.

Harbor Star acquires energy company

In a disclosure to the stock exchange on Thursday, the listed tugboat and cargo vessel company said its wholly owned subsidiary Harbor Star Energy Corp. (HSEC) has acquired a combination of primary and secondary shares in Astronergy Development Gensan, Inc., Astronergy Development F1, Inc., and Astronergy F2, Inc. Together, these firms form

Chinese firms considering to locate in PHL

CHINESE electronic firms have expressed interest in locating in Philippine economic zones, the country's top development planner said following their investment road show in China two weeks ago.

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TODAY'S TOP ASIAN NEWS

Dragon Group to acquire gold mining firm

Singapore-listed Dragon Group International Ltd (DGI) on Thursday announced its plans to acquire precious metal mining company Coeur Gold Armenia Ltd, which holds exploration rights in Armenia, for \$368.3 million (\$500 million).

Uber probes bribery in Asia business

Uber Technologies Inc., facing a US federal probe into whether it broke laws against overseas bribery, has embarked on a review of its Asia operations and notified US officials about payments made by staff in Indonesia, people with knowledge of the matter said.

GSG raises \$23m in Series C round

Germany-headquartered coupons site Global Savings Group (GSG), also known as CupoNation, has raised \$23 million (EUR 19 million) in its Series C round from Holtzbrinck Ventures, Rocket Internet, Deutsche Telekom Venture Funds, ru-Net and Deutsche Bank.

China tech story is not that exciting

As Asia matures into a private investment market with emergence of sector-focused funds and heavyweight investor China acts as the flag bearer, specially in areas of technology investments, a PE fund formation expert has a contrarian view: China tech story may not be that exciting if the likes of Alibaba and Tencent are taken out.

CWT to be delisted

Chinese conglomerate HNA Holding Group said its control of CWT has crossed the 90% ownership threshold and it will proceed to delist the Singapore-listed logistics company. Following its conditional general offer for CWT at S\$2.33 per share, which was launched on Sept 7, HNA said it owns 541mn shares, representing about 90.10 per cent.

TODAY'S TOP GLOBAL NEWS

Cenovus continues shedding assets with \$1.04B deal

Cenovus Energy Inc. agreed to sell its Palliser crude field to Schlumberger Ltd. and Torxen Energy for C\$1.3B (\$1.04B), advancing efforts to pay down debt from its oil-sands megadeal earlier this year. With the Palliser sale, Cenovus has announced about C\$2.8B in divestitures to help pay off a C\$3.6B bridge loan.

Lyft says new \$1B funding round led by CapitalG

Lyft Inc. raised \$1 billion in a deal that values the ride-sharing startup at \$11 billion, steps up competition with rival Uber Technologies Inc. and builds ties with internet giant Alphabet Inc.

Wal-Mart courts Lord & Taylor to challenge Amazon

Wal-Mart Stores Inc. is near a deal to add Lord & Taylor to its website, part of a broader effort by the retail giant to build an online shopping destination that can compete with Amazon.com Inc., according to people familiar with the matter. Wal-Mart, seeking to ramp up e-commerce sales after years of sluggish growth.

SoftBank's big checks are stalling tech IPOs

Big cash infusions for startups from an ever-expanding group of financiers, led by SoftBank Group Corp and Middle East sovereign wealth funds, have extinguished hopes that the technology IPO market would bounce back this year.

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