

The Daily Dispatch

October 23, 2017
TODAY'S TOP NEWS

DoubleDragon plans franchising of JinJiang

"For JinJiang, we plan to build five company-owned hotels and subfranchise," DoubleDragon chair Edgar Sia II said in a recent interview. JinJiang Inn, one of the leading hotel chains in China, is one of the brands under DoubleDragon's hospitality arm, Hotel of Asia Inc. (HOA).

Online broker flags security breach

COL Financial disclosed Friday that its system may have been breached. Data involving client information may have been stolen. "The company detected a possible breach involving some client information. This possible breach has not affected the account balances and stock positions of its clients, nor have transactions been compromised," it said.

Anscor sells US-based medical staffing firm

A. Soriano Corp. (Anscor), through its wholly-owned British Virgin Island company Q Healthcare Investments Ltd. has sold its entire stake in a medical staffing firm to a US-based fund manager for \$36.85M. Anscor said it has entered into an agreement with Webster Capital Management LLC to sell its entire shareholdings in Cirrus

Cusi open to PSE takeover of WESM

Energy Secretary Alfonso Cusi is open to a proposal to allow the Philippine Stock Exchange (PSE) operate the country's trading floor for electricity. Cusi said the Department of Energy (DOE) is conducting a study on the PSE's proposal to operate the wholesale electricity spot market (WESM). "It's worth studying, we are studying it,"

Further retail trade lib will not bring FDIs

Further liberalization of the domestic retail trade to foreign retailers will not bring in the much needed FDI, but instead usher in small and non-reputable foreign players, reduce the quality of the already world-class local industry, kill the local micro and small retailers, and pave the way for an underground economy.

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. 20, 2017

US Dollar	Philippine Peso
1	51.484

PDST-R2 Rates

As of Oct. 20, 2017

Tenor	Rate
1Y	2.8511
3Y	4.1104
5Y	4.6504
7Y	4.7368
10Y	4.6431
20Y	5.1434

Daily Quote

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

--William Shakespeare

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MORE LOCAL NEWS

Petron sues PNOC over threats of contract 'breach'

State-run Philippine National Oil Company (PNOC) was sued over threats of “breach of a binding and compulsory sale-leaseback contract” that it has with Petron Corporation, its subsidiary prior to the oil firm’s full privatization.

PH clears Udenna’s purchase of GGDC

The Philippine Competition Commission approved the acquisition of the entire capital stock of GGDC Holdings Inc. by Clark Global City Corp. The PCC said the acquisition did not show any signs of anti-competitive behavior nor posed any harm to similar businesses and to business in general.

JG Summit eyes airports, infrastructure projects

The infrastructure arm of JG Summit Holdings Inc. disclosed a plan to submit unsolicited projects to the government to develop airports and other transport infrastructure projects. “I think transport related, primarily. We are still looking for opportunities,” JGSHI president and chief operating officer Lance Gokongwei told reporters.

Razon drops bid for Rizal Memorial

Businessman Enrique Razon Jr. dropped a multibillion-peso bid to redevelop the 11-hectare Rizal Memorial Sports Complex in Manila into a modern urban complex. Razon said in a chance interview the proposed redevelopment would no longer be pursued because of the opposition by the Philippine Sports Commission, a major tenant.

'Energy City' proponent urges PNOC to honor lease

A \$1.2-billion “Energy City” project proposed by businessman Gregorio Araneta III in Limay, Bataan—one with a liquefied natural gas (LNG) terminal and a power plant with a generation capacity starting at 600 megawatts—is stalled by a debate with the state-owned Philippine National Oil Co. (PNOC) on leasehold terms.

Banks further tighten real estate loans

Banks continued to tighten lending standards for commercial real estate and housing loans for seven consecutive quarters amid the steady rise in prices, the Bangko Sentral ng Pilipinas (BSP) reported over the weekend.

Dennis Uy takes over Clark logistics hub

Davao-based businessman Dennis Uy has finalized a deal to acquire a company developing a \$1-billion 177-hectare logistics hub called Global Gateway Logistics City in Clark City.

Icon hotel to rise in Davao City

Global Comfort Group Managing Director Edmundo G. Las said the planned Icon Hotel will target travelers looking for more “affordable rooms that can offer better amenities” while the Apo View, now under the company’s management, would remain for the higher-end market.

SSI still bullish on retail

SSI GROUP, Inc. remains bullish on the country’s retail sector amid rising concerns the booming e-commerce industry would dampen the growth of traditional brick-and-mortar stores.

Anscor divests stake in Cirrus Medical Staffing

Philippine holding company A Soriano Corp (Anscor) has divested its entire stake in US-based Cirrus Medical Staffing Inc (CMSI) for \$36.85 million. Anscor exited its CMSI investment through a merger agreement between its wholly-owned British Virgin Island company IQ Healthcare Investments Ltd, and Webster Capital Management LLC.

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TODAY'S TOP ASIAN NEWS

Grab taps banks for record \$952 million

Ride-hailing company Grab said it has secured debt financing of up to US\$700 million (S\$952 million), the largest raised by a South-east Asian start-up. It also announced that it has signed an exclusive partnership with SMRT to build the largest car rental fleet in the region by the end of next year.

China's Baowu Steel will consider M&A opportunities

China's top steel maker Baowu Steel Group Co, formed in a mega merger last year, will consider other merger and acquisition opportunities amid a government drive to consolidate the market and cut overcapacity. They will track and do research on M&A opportunities and actively participate in these opportunities as market player.

Noble Group sells US oil unit to Vitol for \$582m

Embattled commodity trader Noble Group Ltd. announced the sale of its U.S. oil-liquids business to Vitol Group, and warned that it will probably post a net loss of more than \$1 billion for the third quarter. The company gave an illustrative figure for the sale for cash proceeds of \$582 million.

Hong Kong stocks poised to rise

Hong Kong's stock index futures rose on Monday, indicating the city's equity benchmark may open higher. October futures contracts on the Hang Seng Index advanced 0.4 per cent, or 100 points. The Hang Seng Index rose 1.2 per cent to 28,487.24 on Friday. The mainland's Shanghai Composite Index added 0.3 per cent to 3,378.65.

JP MSMEs eyeing PH route for global expansion

Japanese investors, who account for a large chunk of foreign direct investments in the Philippines, support the call for further retail liberalization here, noting it would help lure Japanese micro, small, and medium enterprises (MSMEs).

TODAY'S TOP GLOBAL NEWS

Catalonia's leaders fight off direct rule from Madrid

Catalonia's leaders said on Saturday they would not accept direct rule imposed on the region by the Spanish government, as a political crisis that has rattled the economy and raised fears of prolonged unrest showed no signs of easing.

Big money stays away from booming bitcoin

Bitcoin is booming, digital currency hedge funds are sprouting at the rate of two a week and the value of all cryptocurrencies has surged tenfold this year to more than \$170 billion.

Noble Group to sell oil liquids unit to Vitol

Struggling commodities trader Noble Group agreed to sell its Americas-focused oil liquids business to Vitol for about \$580 million as part of a debt-cutting strategy, and warned of a big loss for its third quarter.

Cisco nears deal to acquire BroadSoft

Cisco Systems Inc, the world's largest networking gear manufacturer, is nearing a deal to buy U.S. telecommunications software firm BroadSoft Inc for close to \$2 billion, a person familiar with the matter said on Sunday.

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