

The Daily Dispatch

October 30, 2017
TODAY'S TOP NEWS

Dennis Uy buys FamilyMart PH

The Ayala and Tantoco groups have signed a deal to sell the Philippine convenience store chain business under FamilyMart to Phoenix Petroleum Philippines Inc., the petroleum distribution arm of Davao-based businessman Dennis Uy.

Banks to intensify measures vs liquidity risks

The Bangko Sentral ng Pilipinas (BSP) has issued new rules on liquidity risk management, which requires commitment from banks' top brass in order to ensure stable sources of funding.

Biofuel production growth tapering off

Lower energy prices and tempered interest in biofuels have pushed down the growth in the global output of crop-derived fuel, but the Philippines is grouped among countries expected to drive continued expansion.

PAL resorts to borrowing to pay P6-B debt to gov't

Flag carrier Philippine Airlines (PAL) will borrow money to settle a multiyear P6-billion bill in navigational fees and other charges due within the year, in line with the deal struck with the Duterte administration recently.

BPI aims to raise P5B via deposit notes offering

Ayala-led Bank of the Philippine Islands is raising at least P5 billion from an offering of high-yielding deposit notes to support expansion plans and diversify funding sources.

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. 27, 2017

US Dollar	Philippine Peso
1	51.756

PDST-R2 Rates

As of Oct. 27, 2017

Tenor	Rate
1Y	2.8648
3Y	3.7779
5Y	4.4000
7Y	4.8621
10Y	4.7888
20Y	5.1445

Daily Quote

"Never be afraid to try something new. Remember, amateurs built the ark. Professionals built the Titanic." --Anonymous

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MORE LOCAL NEWS

DOF eyes Samurai bond issuance in 2018

The government is planning to issue Samurai-bonds or yen-denominated securities in 2018, the DOF said over the weekend. Finance Secretary Carlos Dominguez said the DOF and the Bureau of the Treasury (BTr) are studying the possibility of issuing Samurai-bonds as part of the government's financing program next year.

Meralco moving toward cleaner technology

The power generation arm of Manila Electric Co. (Meralco) is strategizing its next move toward cleaner technology. Meralco Powergen Corp. (MGen) has started charting its direction amid the shift in the country's power industry to low carbon emitting technologies, said its president and CEO Rogelio Singson.

Gov't fast-tracks agri deal with Russia

The Philippines is fast-tracking its preparation for improved agricultural trade with the Russian government as it readies products that will soon be exported to the Eurasian country. Agriculture Secretary Piñol said both countries are expected to implement their agricultural relationship by the first quarter of 2018.

PNOC tower plan attracts 7-8 prospective corp.inv

About 7-8 companies have been advancing interests on the planned multi-billion iconic tower development of state-run PNOC. According to executives of the state-run company, 4-5 of these interested investor-groups are Filipino real estate firms; while 2-3 are foreign that are generally Chinese companies.

BEC okays renewable energy investments

Basic Energy Corp, a listed power firm in the Philippines, has approved equity investments in its latest renewable energy business ventures in Japan, Myanmar, and Thailand.

Araneta eyes financial center in Caloocan

Property developer Araneta Properties Inc. is planning a 140-hectare central business district (CBD) in the eastern part of Caloocan, an area to be traversed by the upcoming Metro Railway Transit 7, as part of a new roadmap to unlock values from the vast landbank of its controlling Araneta family.

All mining sites to be reviewed under Duterte

The interagency Mining Industry Coordinating Council (MICC) will conduct a biennial review of mining operations nationwide, such that all sites will be covered before the end of the Duterte administration.

TODAY'S TOP ASIAN NEWS

US firm buying Asia's top RE producer

United States-based fund Global Infrastructure Partners (GIP) has entered into an agreement to acquire the renewable energy portfolio of Singapore-based Equis Energy for \$3.7 billion, including five solar and wind assets in the Philippines.

Search engine Sogou targets \$585m in US IPO

Sogou Inc., the Chinese search engine backed by Tencent Holdings Ltd., aims to raise as much as \$585 million in a U.S. initial public offering. The company is marketing 45 million American depositary shares for \$11 to \$13 apiece, according to a filing Friday with the U.S. Securities and Exchange Commission.

Gaming firm Razer to launch up to \$550m HK IPO

Razer Inc, a gaming hardware maker backed by Intel Corp and Hong Kong billionaire Li Ka-shing, plans to launch on Monday an up to \$550 million Hong Kong initial public offering. The company, which is based in Singapore and the United States, will offer shares in an indicative range of HK\$2.93 to HK\$4.00 each.

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MORE ASIAN NEWS

China with “green financing”

Going green has emerged as a key component of China’s future growth plans, and recent developments show the push for sustainable development is only increasing. President Xi Jinping endorsed green finance yet again last week, this time on the country’s biggest stage at the twice-a-decade Communist Party congress.

Electric car maker BYD sees profits fall

Net profit dropped 23.8 per cent to 2.79 billion yuan (US\$419.46 million) in the period, while operating income edged up 1.6 per cent to 79.93 billion yuan. “In the fourth quarter, it is expected that the group’s sales of new energy vehicles will continue to grow rapidly as compared with the same period of last year,” it said.

No IPO in 2018: PropertyGuru

After having deferred its listing in the past, the region’s largest realty portal, PropertyGuru, has no plans to go in for an initial public offering (IPO) in 2018, but will raise more capital if there is an ‘opportunity for inorganic growth, which includes an investment or acquisition of another player for growth.’

Taiwan’s eCommerce giant launches payment service

PChome Thailand Co., Ltd., a subsidiary of Taiwanese biggest eCommerce group – PChome Online Inc, is launching its ePayment service – PChomePay in Thailand. Online sellers here can now enjoy it for FREE.

ZhongAn uses AI to improve its products

China’s first online-only insurance technology company, ZhongAn Online Property & Casualty, said it aims to raise its service quality by using artificial intelligence for the pricing of products, underwriting, fraud detection and customer services.

TODAY’S TOP GLOBAL NEWS

CVS bid for Aetna: \$66B bet on cutting drug costs

The proposed merger between U.S. pharmacy operator CVS Health Corp and No. 3 health insurer Aetna Inc represents a \$66 billion bet that insurers can drive down high U.S. drug prices by cutting out the middleman.

Exxon, Chevron results linked to oil price

Rising oil and natural gas prices boosted third-quarter profits at Exxon Mobil Corp and Chevron Corp by about 50 percent, underscoring how reliant they remain on commodity markets for their financial futures than better technology or cost cuts.

U.S. oil exports boom, putting infra to the test

Tankers carrying record levels of crude are leaving in droves from Texas and Louisiana ports, and more growth in the fledgling U.S. oil export market may before long test the limits of infrastructure like pipelines, dock space and ship traffic.

Chevron drops decision to leave Bangladesh

The U.S. oil company Chevron will not sell three subsidiaries and leave Bangladesh as planned, Chevron said on Sunday. Chevron had said in April it would sell to China’s Himalaya Energy Co. the wholly owned subsidiaries that operate three gas fields, which together account for 58 percent of Bangladesh’s gas production.

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