

# The Daily Dispatch

October 04, 2017  
TODAY'S TOP NEWS

## EDC takes in new partner

Energy Development Corp. is primed for “future growth” with the entry of new strategic partner Philippines Renewable Energy Holdings Corp. (PREHC) following the completion of a \$1.3-billion tender offer, according to First Gen. Corp.

## Treasury awards P15B in 5-year bonds at 3.979%

The Bureau of the Treasury awarded all the P15 billion in bonds it offered yesterday amid strong demand from investors as the volume of term deposit facility (TDF) to be auctioned this week has been reduced.

## Pru Life UK rolls out fund

PRU LIFE UK has rolled out a balanced fund that will allow Filipinos to invest offshore, as part of the life insurer’s push for clients to diversify portfolios and deploy excess liquidity in the domestic market.

## BSP likely to keep bank reserve req't at 20%

Nomura Securities Ltd. said the BSP is likely to keep the level of deposits that banks maintain with the central bank at 20%, the highest in the region. A senior economist at Nomura, said low inflation over the past few months would not allow the BSP to keep the reserve requirement ratio (RRR) at its current level this year.

## Gov. commits support to AIIB, OBOR initiative

During a forum held in Beijing last week, Finance Secretary Carlos Dominguez cited the benefits brought about by the establishment of the AIIB, as well as the implementation of the One-Belt One-Road initiative which he said may be considered as “the largest and most comprehensive cooperation project of the century.”

## 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. 3, 2017

US Dollar	Philippine Peso
1	51.105

## PDST-R2 Rates

As of Oct. 3, 2017

Tenor	Rate
1Y	2.8604
3Y	3.6792
5Y	4.6107
7Y	4.3376
10Y	4.6583
20Y	5.4425

## Daily Quote

"People seldom do what they believe in. They do what is convenient, then repent."

--Bob Dylan

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## MORE LOCAL NEWS

### VC Securities targets underserved investors

VC Securities, a brokerage company chaired by businessman William Co, marked its official entry to the Philippine Stock Exchange (PSE) yesterday. During the bell ringing ceremony, VC Securities Corp. president Wilhelmino Agregado said the company is targeting the underserved market.

### DA to build P300 M biotech center

The Department of Agriculture (DA) is building a P300-million biotechnology center to generate improved technologies for the local farm sector. The facility, which will be housed by the Philippine Rice Research Institute (PhilRice), will be the biggest biotech center of DA so far.

### SM Prime's Conrad bags another LEED Gold Cert.

SM Prime Holding, Inc. (SM Prime) has proven yet again its Manila commitment towards sustainability as the iconic Conrad Manila building, housing the internationally-awarded Conrad Manila as well as the upscale lifestyle destination S Maison, was recently conferred the LEED Gold Certification.

### TransCo to diversify into telecom, power gen.

State-run National Transmission Corporation (TransCo) is working its way into expanding its business grip by diversifying into telecommunications and power generation ventures. TransCo President Matibag told reporters that he will pursue these business interests for the state-owned firm by seeking a new Charter for TransCo.

### PH stocks close above 8,300, track Wall St. gains

Philippine stocks hit a new milestone again, closing above the 8,300 mark as record closes on Wall Street and upbeat US economic data lifted investor sentiment here. The Philippine Stock Exchange index (PSEi) on Tuesday, October 3, closed at an all-time high of 8,312.93, up by 56.65 points from Monday, October 2.

### Qatar wants to invest in PH via Islamic bonds

Qatar, through its state-run holding company, is keen on funding energy projects in the Philippines but prefers to do so through an Islamic financial system, a leader of the country's lone Islamic bank said. In the case of the Philippines, Al Amanah will be the only Islamic bank available to facilitate the financing schemes.

### Mindanao electricity market launch targeted in 2018

Mindanao's Wholesale Electricity Spot Market (WESM) is slated to launch in the second quarter of 2018, an official of the Department of Energy (DOE) said on Tuesday, October 3. Energy Undersecretary Felix William B. Funtebella said the government is currently auditing the system of the electricity spot market for Mindanao.

### Meralco to bid alone for AES' coal plant in Zambales

Meralco is pushing through with its bid for a controlling stake in a 600-megawatt (MW) coal power plant in Masinloc, Zambales owned by AES Corporation. US electricity giant AES Corporation is selling its entire 51% interest in the Masinloc power facility, which it bought from the Philippine government for \$930 million in 2008.

### Megaworld to build P3-b FactSet Tower

Property developer Megaworld Corp. said Monday it won a P3-billion lease contract for the regional corporate headquarters of FactSet, a global provider of integrated financial information, analytical applications and industry-leading services.

### SBS buys 5.4-hectare property in Mandaluyong

SBS Philippines Corp. said on Tuesday it purchased 5.4-hectare prime real estate property along J.P. Rizal Street in Mandaluyong City for investment purposes. In a disclosure to the stock exchange, the company said the transaction was made through its 37.25-percent owned Cleon Phils. Holdings Corp.

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## MORE LOCAL NEWS

### Transco contests NGCP interconnection project

Transco wants to challenge the legality of National Grid Corp. of the Philippines' P51.69-million Visayas-Mindanao (VisMin) interconnection project. Transco President Melvin Matibag told reporters that the firm had already asked the ERC to look into several issues pertaining to the project

## TODAY'S TOP ASIAN NEWS

### Asia-Pac region maintains global IPO leadership

2017 has been a robust year for Singapore which has seen its biggest public offering in six years in the third quarter coupled with the return of mega deals in the Asia-Pacific region

### Ride-hailing firm Ola is said to raise \$2B

Ola scored \$2 billion in new funding from a group of investors including SoftBank Group Corp. and Tencent Holdings Ltd., according to a person familiar with the matter, helping to bankroll Uber Technologies Inc.'s fiercest rival in India.

### Toshiba buying back 10% stake in Westinghouse unit

Japan's Toshiba Corp. said on Tuesday it is buying back a 10% stake in Westinghouse Electric Co. from minority shareholder Kazatomprom for 59 billion yen (\$522 million), taking full ownership of the bankrupt US unit.

## TODAY'S TOP GLOBAL NEWS

### Wells Fargo bounces back after scandal

WELLS FARGO & Co. Chief Executive Officer Tim Sloan will tell lawmakers that the bank has undergone a dramatic transformation in sales practices and customer service in the year since its bogus-account scandal became public.

### Yahoo says all 3 bn accounts hacked in 2013 data theft

Yahoo on Tuesday said that all 3 billion of its accounts were hacked in a 2013 data theft, tripling its earlier estimate of the size of the largest breach in history, in a disclosure that attorneys said sharply increased the legal exposure of its new owner, Verizon Communications Inc

### \$1T fund doubts dollar rally will last

Dollar skeptics are extending their bets outside the U.S., even as the greenback rallies. Amundi SA, which oversees more than \$1.1 trillion, prefers to wager on European currencies, including the euro, while Schroder Investment Management Ltd. is putting its money into emerging markets.

### Buffett buys stake in Pilot Flying J

Warren Buffett's Berkshire Hathaway Inc. bought a stake in Pilot Travel Centers LLC, owner of the Pilot Flying J truck stop chain, and detailed plans to become the company's biggest shareholder in six years.

### Uber shareholder drops lawsuit

Tuesday's meeting of the Uber Inc. board – the first following Kalanick's unilateral decision to appoint former Xerox Corp. Chairwoman and CEO Ursula Burns and former Merrill Lynch Chairman and CEO John Thain – appears to have been a productive one.

## 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