

The Daily Dispatch

November 22, 2017
TODAY'S TOP NEWS

SEC raises minimum public float requirement to 20%

The Securities and Exchange Commission (SEC) has issued a circular, increasing the minimum public float requirement for listed companies to 20 percent from the current 10 percent. In a briefing yesterday, SEC commissioner Ephyro Amatong said the new circular would take effect 15 days after its scheduled publication this week.

Vista Land issues \$350-M bonds

Vista Land & Lifescapes has returned to the offshore debt market with the issuance of \$350M worth of bonds. The proceeds from the issuance will be used primarily for refinancing. On Nov. 10, VLL announced a liability management exercise for the tender offer of its outstanding \$51.8M bonds due 2018 and \$180.8M bonds due 2019.

Philippines urged to focus on other crops

The Philippines should focus its resources on other high-value crops that have a greater potential to compete in the region, an agriculture expert said. The Research Program on Climate Change, Agriculture and Food Security said the country should further develop other existing crops aside from rice, which may not be its strength now.

BSP readies liquidity risk rules

The central bank is preparing the financial sector for its enhanced liquidity risk management rules such as the reporting of intraday liquidity as BSP Governor Nestor A. Espenilla Jr., assures the market that despite global and local risks, the Philippines can sustain its strong macroeconomic fundamentals.

Gov't all set to launch repo trading next week

Bangko Sentral ng Pilipinas (BSP) Governor Nestor A. Espenilla Jr. said they will launch the trading of repurchase agreement or repo facility next week, part of the local currency debt and foreign exchange market initiatives.

Philippine Stock Market Update



Previous Close:
8,289.19

1 Yr Return:
24.44%

Open:
8,306.72

YTD Return:
21.77%

52-Week Range:
6,499.00 - 8,605.15

Source:
Bloomberg

Foreign Exchange

As of Nov. 21, 2017

US Dollar	Philippine Peso
1	50.723

PDST-R2 Rates

As of Nov. 21, 2017

Tenor	Rate
1Y	2.9049
3Y	4.0760
5Y	4.9950
7Y	5.1468
10Y	5.4325
20Y	5.7414

Daily Quote

"The only place success comes before work is in the dictionary."

--Vidal Sassoon

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MORE LOCAL NEWS

IFC invests \$12.8m in Discovery World's resort biz

World Bank's private investment arm International Finance Corp is investing up to \$12.8 million in Discovery World Corp, a listed company in the Philippines, that owns popular hotels and resorts in the country. Both companies signed an agreement where IFC shall subscribe up to 216.6 mn preferred shares in DWC at P3 per share.

SBS gets nod to incorporate new unit

THE Securities and Exchange Commission (SEC) has approved SBS Philippines Corp.'s plan to incorporate a new company that would undertake the acquisition of a warehouse facility complex. In a disclosure, SBS said it received on Monday the SEC approval to incorporate Lence Holdings Corp.

New cement import rules issued

Revised rules governing cement imports have been issued by the Trade department, which has required pre-shipment testing in a bid to ensure that only quality products enter the country. To facilitate shipments, the new department administrative order allows checks to be made in accredited testing centers at the country of origin.

China Mobile/China Telecom as PH's 3rd major telco?

Is it going to be China Mobile Limited or China Telecom Corporation Limited? Socioeconomic Planning Secretary Ernesto Pernia disclosed that two of China's top 3 telecommunications players have set their sights on the Philippine market, wanting to challenge the industry duopoly of Globe Telecom Incorporated and PLDT.

MEG to build P9-B 'Makati-inspired' CBD in Cavite

Andrew Tan-led property developer Megaworld Corporation is betting on the growing development of Cavite, with plans of adding a new central business district (CBD) to the province. Megaworld announced it is set to build a 35-hectare CBD within its 140-hectare Maple Grove township in General Trias, Cavite.

Groups welcome move to break telco duopoly

President Duterte signaled this week that he remained displeased with the services offered by PLDT Inc. and Globe Telecom and that a new player, likely from China, would break the telco duopoly in the Philippines. The announcement, made through presidential spokesperson Harry Roque, offered no details.

Allianz PNB bullish on PH insurance market

Life insurer Allianz PNB plans to build a significant footprint in the Philippines, where it expects to reclaim a slot among the country's top 10 life insurance companies over the short term. Allianz PNB also plans to build a 3,000-man agency force by 2020 from only 300 this year.

Spanish companies keen on PH infra projects

Spanish companies turned out in record numbers on Tuesday, lured by the Philippines' massive infrastructure needs. More than 30 Spanish firms, many of which are global leaders in transportation, water and energy infrastructure, attended the two-day Philippines-Spain Multilateral Partnership meetings that started yesterday.

TODAY'S TOP ASIAN NEWS

GIC acquires majority stake in \$322m Melbourne dev'

Singapore's sovereign wealth fund GIC has emerged as a majority investor in a Lendlease-led consortium developing a \$322.2 million mix-used project for the University of Melbourne in the Carlton district. The partners in the project are the University of Melbourne, Lendlease and Urbanest, a developer of student accommodation.

Daiwa PI Partners to invest \$50m equity in Myanmar

Daiwa PI Partners, the principle investment arm of Daiwa Securities Group, is seeking to invest \$50 million in the form of equity investments in Myanmar enterprises over the next two years, as part of their strategy to tap opportunities in the emerging markets of Asia, said a top executive of the firm.

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MORE ASIAN NEWS

VC firms struggle to justify funds as deals dry up

Most of India's top venture capital firms raised successively large funds in 2015 and 2016, betting on what looked like an internet gold mine then. After the slowdown in the growth of the consumer internet business since the start of 2016, venture capital firms are struggling to justify the large funds they raised.

Japan's DMM pays \$62.2m for pawn shop app Cash

Japanese internet and e-commerce conglomerate DMM is buying pawn shop app Cash for 7 billion yen, or about \$62.2 million. In an announcement on Tuesday, Bank, the startup behind Cash app, said that DMM was acquiring its shares and aims to take the app to new markets.

CH is stepping up fight against its mountain of debt

China's drive to reduce its debt burden has shifted into a higher gear following the Communist Party's twice-a-decade congress in October. Regulators have set their sights on a key pressure point -- shadow banking -- with rules around asset-management products tightened last week as they seek to bring the market under control.

Alwaleed's \$1B loan for Fransi stake said on hold

Kingdom Holding Co.'s plan to raise about \$1 billion in loans is on hold after its owner Prince Alwaleed Bin Talal was detained as part of the country's anti-corruption drive, people familiar with the matter said. The investment firm had been in talks with local and international lenders since October.

Asian stocks surpass 2007 peak in global rally

Asian stocks climbed to a record, buoyed by fresh all-time highs for U.S. equities with investors energized by the outlook for profits and tax reform. The MSCI Asia Pacific Index broke through its 2007 peak as trading got underway in the region on Wednesday, with shares higher in Tokyo, Sydney and Seoul.

TODAY'S TOP GLOBAL NEWS

Mugabe's woes wipe out \$5B from Zimbabwe's stock

Investors dumped Zimbabwean stocks every day since the military seized power on optimism that 93-year-old President Robert Mugabe will be forced to step down. The stocks, which are denominated in U.S. dollars and were used to hedge against rising inflation, fell another 10 percent on Tuesday.

Airbus looking forward to a pilotless future

Airbus SE is looking to develop autonomous aircraft and technologies that will allow a single pilot to operate commercial jetliners, helping cut costs for carriers, Chief Technology Officer Paul Eremenko said. The aerospace industry has begun seeing a similar trend as the car market.

Uber paid hackers to delete stolen data

Hackers stole the personal data of 57 million customers and drivers from Uber Technologies Inc., a massive breach that the company concealed for more than a year. This week, the ride-hailing firm ousted its chief security officer and one of his deputies for their roles in keeping the hack under wraps.

Yellen still predicts U.S. inflation rebound

Federal Reserve Chair Janet Yellen stuck by her prediction that U.S. inflation will soon rebound but offered on Tuesday an unusually strong caveat: she is "very uncertain" about this and is open to the possibility that prices could remain low for years to come.

Economic Calendar

Date	Release
11.19.2017	PH: BoP Overall
11.19.2017	PH: Budget Balance
11.28.2017	PH: Money Supply M3 SRF YoY
11.28.2017	PH: Bank Lending YoY
11.30.2017	PH: Nikkei Philippines PMI Mfg

Source: Bloomberg Economic Calendar