

The Daily Dispatch

November 08, 2017
TODAY'S TOP NEWS

Philippine auto sector outperforms in ASEAN market

Latest data from the ASEAN Automotive Federation showed vehicle sales and production in the Philippines posted the second fastest growth among automotive markets in the region behind Myanmar, a relatively smaller market.

PSE delists and penalizes Calata

The Philippine Stock Exchange (PSE) announced yesterday the delisting of Calata Corp. of businessman Joseph Calata. In a memorandum issued yesterday, the PSE said it has also ordered the imposition of penalties on Calata.

SM bags award as top Philippine retailer

SM Retail received the gold award as the Philippines' Top Retailer during the recent 14th Retail Asia-Pacific Top 500 Awards Ceremony and gala dinner held recently. Each year, the three top retail companies across 10 formats in 14 Asia Pacific economies receive gold, silver, and bronze top retailing awards.

AI to hit IT-BPM profit first before growth

Required investments for artificial intelligence (AI) will drag down profitability of IT-BPM (information technology-business process management) companies before the efficiencies brought about by these new technologies can translate into higher bottomline.

SMC's sub buys another Aus. wine packaging firm

San Miguel Corporation's international packaging business, San Miguel Yamamura Packaging International Ltd. (SMYPIL), has acquired Best Bottlers Pty Ltd of Australia as it continues to boost its packaging presence in the Australasian region.

Philippine Stock Market Update



Previous Close:

8,521.81

1 Yr Return:

18.17%

Open:

8,525.04

YTD Return:

24.35%

52-Week Range:

6,499.00 - 8,605.15

Source:

Bloomberg

Foreign Exchange

As of Nov. 7 2017

US Dollar	Philippine Peso
1	51.423

PDST-R2 Rates

As of Nov. 7, 2017

Tenor	Rate
1Y	3.0529
3Y	3.9003
5Y	5.0611
7Y	4.6870
10Y	5.3282
20Y	5.2667

Daily Quote

"Every great dream begins with a dreamer. Always remember, you have within you the strength, the patience, and the passion to reach for the stars to change the world."
-- Harriet Tubman

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MORE LOCAL NEWS

San Miguel to consolidate f&b units in share swap

San Miguel Corp announced a share swap among its group companies to combine its core food and beverage assets valued at P336 bn. San Miguel Pure Foods Co Inc said it will acquire San Miguel Corp's majority stakes in both Ginebra San Miguel Inc and San Miguel Brewery Inc and will issue 4.24 bn new shares to San Miguel Corp.

Vantage Equities to inject \$4.8m in investment firm

Investment and financial holdings firm Vantage Equities Inc is investing up to \$4.8 million in the pre-incorporation of a new funding company, while private universal bank Chinabank has named William Whang as its new president.

URC NI drops by 21.2% in 1st 9 months of 2017

Despite stronger sales, Gokongwei-led food manufacturer Universal Robina Corporation (URC) saw its net income drop by 21.2% in the 1st 9 months of the year compared to its performance in the same period last year. URC reported a net income of P8.408 billion for the January to September period.

Ayala Land net income up 18% in 1st 9 months

Ayala Land Incorporated (ALI), the property development arm of the Ayala Group, saw its bottom line for the 1st 3 quarters of the year rise by 18% due to better than expected property sales. ALI reported a net income of P17.8 billion for the January to September period.

Govt, China firm settle rail dispute

The Philippine government concluded an out-of-court settlement over its dispute with China National Machinery & Equipment Corp., the former contractor of the 80km Caloocan to Malolos segment of the North Rail Project. The Trade Department said the settlement agreement, which was approved by the CoA, was reviewed and certified legal and

BoI approves P30-M coco export project

The Board of Investments has approved a Canadian-Chinese firm's application as a new export producer of coco fiber and coco peat, the Trade department said on Tuesday. All Bright Resources International Inc.'s P 30-million project qualified under the 2017 IPP and it will be required to export at least 70 percent of its products.

Meralco rates likely to rise in November

Generation charges of Manila Electric Co. may go up this month due to higher rates at the WESM and the impact of the peso depreciation. Meralco spokesman Joe Zaldarriaga said Tuesday the anticipated higher generation charges could push up November power rates. Meralco is set to announce this month's generation charges this week.

October inflation sped up to 3.5%

The inflation rate in October accelerated to 3.5 percent from 3.4 percent a month ago, the fastest in almost three years, driven mainly by higher annual increases in the prices of alcoholic beverages and tobacco, utilities and fuel products, the Philippine Statistics Authority said Tuesday.

NOW Corp. eyeing residential broadband clientele

NOW Corp. is entering the massive residential broadband business as it hopes to capture a small but loyal slice of a market being aggressively pursued by industry giants PLDT Inc. and Globe Telecom.

Japan funding for 3 infra projects firmed up

The government is firming up Japanese financing for three of the Duterte administration's flagship infrastructure projects worth more than \$11.5 billion, including the country's first subway system, the Department of Finance said yesterday.

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TODAY'S TOP ASIAN NEWS

Actis talks to acquire StanChart PE's RE portfolio

Standard Chartered Private Equity (SCPE), which has renewed plans to spin out from its parent company, is in talks with growth markets investor Actis to dispose of its real estate portfolio, this portal has learnt. SCPE's real estate assets are estimated to be worth \$450 million and include properties in India, China and Korea.

HNA's share sale and repurchase deal for NH Hotel

China's heavily indebted airline-to-property conglomerate HNAGroup has agreed a sale and repurchase deal on some of its shares in Spain's NH Hotel Group to raise cash for internal financing. HNA, which has taken on billions in debt to fund a \$50 billion acquisition spree, faced rising funding costs in recent weeks.

Henkel not to buy 26% stake in Jyothy Labs

German consumer goods firm Henkel AG has called off talks to acquire a 26% stake in Indian soaps and detergent maker Jyothy Laboratories Ltd, a top company executive said. Henkel AG chose not to exercise its option to buy as much as 26% in Jyothy Labs because the companies were not happy with the direction the talks were taking.

Vietnam's business owners are loving Facebook

Quang Dang built a business with 200 staff selling lipstick and perfume. His secret to success? Once-banned Facebook. Like a growing number of Vietnamese, the 25-year-old turned to Facebook to put money in his pocket as getting his own physical shop proved out of reach.

Shandong Ruyi paying over \$2.7b to buy Lycra owner

Chinese apparel producer Shandong Ruyi Group is paying more than \$2 billion to buy the owner of Lycra from Koch Industries. The purchase is part of Shandong Ruyi's goal to acquire leading global textile brands, according to one of the sources, who asked not to be identified because the information is private.

TODAY'S TOP GLOBAL NEWS

Snapchat is having a crisis of confidence

Let's not mince words: Eight months after Snapchat went public, the company is a disaster. Parent company Snap Inc. on Tuesday turned in its third earnings report as a public company, and for the third time its shares tanked when both revenue and user growth were disappointing.

Alphabet launches first driverless taxi service

For almost a decade, self-driving cars have graced public roads -- but always with a person behind the wheel. Now Waymo is yanking the driver. The autonomous car unit of Google parent Alphabet Inc. said on Tuesday it will soon start chauffeuring people in minivans without "safety drivers," staffers that man the steering wheel.

Disney to have edge in streaming after Fox deal

If Walt Disney Co buys some Twenty-First Century Fox businesses, it could provide a quick path for the traditional media giant to create a substantial competitor to Netflix Inc (NFLX.O) in the battle for TV and movie viewers.

Online travel sites getting squeezed by Airbnb

Online travel booking sites Priceline Group and TripAdvisor took a beating from investors on Tuesday, highlighting how the companies' once industry-disrupting model is under growing pressure from other competitors.

Economic Calendar

Date	Release
11.06.2017	PH: CPI YoY
11.06.2017	PH: Foreign Reserves
11.09.2017	PH: BSP Overnight Borrowing Rate
11.09.2017	PH: Exports/Imports YoY
11.15.2017	PH: GDP YoY

Source: Bloomberg Economic Calendar