

The Daily Dispatch

December 07, 2017
TODAY'S TOP NEWS

Coal tax threatens manufacturing resurgence

The proposed hike in coal excise tax is threatening the country's accelerated manufacturing growth target of over 10% next year, Trade Secretary Ramon Lopez warns. Lopez said achieving the target would be "challenging" should the proposed coal tax under the Senate-approved version of the TRAIN be implemented.

Del Monte shuts down US vegetable business

Del Monte Pacific Ltd.'s US subsidiary has divested its vegetable business because it was not doing well. DMPL's Del Monte Food Inc divested its Sager Creek vegetable business and consequently shut down the production facility in Siloam Springs, Arkansas.

Cebu Landmasters, Ascott ink management deal

Cebu Landmasters Inc. (CLI) has signed another serviced residence management agreement with The Ascott Limited. In a disclosure to the Philippine Stock Exchange (PSE), CLI said it signed its third agreement with Ascott for "lyf Cebu City," a 153-room serviced residence which is targeting the local and foreign millennial tourists in Cebu City.

DOF wants China-PH trade disparity checked

The DOF ordered the Bureau of Customs to meet with its counterpart in Beijing to discuss the significant gap between China's registered export volumes to the PH. Finance Secretary Dominguez III said that while the gap of China's export volumes and actual import figures officially reported to the PH is narrowing, the gap remains "significant."

Global Power, Vivant ink deal on 670MW plant

A subsidiary and project corporate vehicle of listed firm Vivant Corporation has inked a pre-development agreement (PDA) for planned partnership on the 670-megawatt coal plant project led by Global Business Power Corporation (GBPC) sited in Luna, La Union.

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 Dec. 7, 2017

US Dollar	Philippine Peso
1	50.725

PDST-R2 Rates

As of Dec. 7, 2017

Tenor	Rate
1Y	3.1264
3Y	4.3093
5Y	4.7083
7Y	5.3536
10Y	5.7032
20Y	5.6380

Daily Quote

"Life is what happens to you while you're busy making other plans."

--John Lennon

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MORE LOCAL NEWS

Phinma unit buys St. Jude College for \$7.3m

Phinma Education Holdings Inc, a wholly-owned subsidiary of Philippine-listed company Phinma Corp, has acquired Manila-based St. Jude College Inc (SJC) for \$7.3 million (P370.2 million). Phinma Education completed the transaction on Wednesday after buying 57,347 shares in SJC representing 96% of the outstanding shares.

VC deal activity falls in the Philippines in 2017

The year 2017 saw a clear slowdown in venture capital activity in the Philippines as the country reported fewer deals this year than last year. Only 10 VC deals were reported as at November-end, compared to 21 deals in the previous year.

Ph mulls ICO regulations as bitcoin use surges

The Philippines is looking at regulating so-called initial coin offerings, as the use of cryptocurrencies gains ground in the Southeast Asian nation. BSP Governor Nestor Espenilla said the central bank is in talks with the nation's SEC on ways to oversee ICOs, in which companies raise funds through the sale of digital tokens.

First Balfour, Acciona gets toll bridge project

The Cebu Link Joint Venture (CLJV), a consortium of Spain-based Acciona Construction SA, and Philippine-based companies First Balfour Inc, and DM Consuji Inc (DMCI), have nailed the deal for the construction of a \$447.5 million (P22.6 billion) toll bridge project.

PARMS to build recycling facility for plastic

THE Philippine Alliance for Recycling and Materials Sustainability (PARMS) is set to establish a P25-million facility that will recycle plastic sachets. In a statement, the multi-stakeholder group said the recycling facility will be able to process more than 150 metric tons of waste per year.

PH economy far from overheating-BSP

Bangko Sentral ng Pilipinas Governor Nestor A. Espenilla Jr. yesterday reiterated that the economy was far from overheating given the central bank policy and reform agenda that had been keeping it competitive.

PTT to spend P500M in '18 for more stations, cafes

PIT Philippines Corp. has earmarked at least P500 million for its expansion in 2018 as it revs up its non-oil business, particularly the coffee shop chain Café Amazon. The amount is part of PTT Philippines' P5-billion capex plan for the next five years, an official said in a media briefing yesterday.

Alsons bares terms of deal with GBP

Alsons Consolidated Resources, Inc. has unveiled the financial terms of its partnership with Global Business Power Corp. (GBP) through its subsidiary Alsons Thermal Energy Corp. (ATEC). In a disclosure to the PSE, Alsons said it has agreed to sell to GBP 14.95 million shares in ATEC at a price of P159.03 per share.

TODAY'S TOP ASIAN NEWS

Walgreens to buy 40% stake in Chinese pharmacy

Walgreens Boots Alliance Inc said on Wednesday it would buy a 40 percent minority stake in China National Accord Medicines Corp Ltd's subsidiary Sinopharm Holding GuoDa Drugstores Co Ltd. The U.S. drugstore chain operator said it would invest 2.767 billion yuan (about \$416 million) to acquire the stake.

A Bitcoin frenzy is gripping South Korea

So many Koreans have embraced bitcoin that the prime minister recently warned that cryptocurrencies might corrupt the nation's youth. The craze has spread so far that, in Korea, bitcoin is trading at a premium of about 23 percent over prevailing international rates.

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MORE ASIAN NEWS

CH not likely to budge this time on Fed hike

The People's Bank of China will refrain from raising open-market interest rates even if the U.S. Federal Reserve decides to increase borrowing costs next week, according to a Bloomberg survey. More than 80 percent of 32 economists, analysts and traders said that the PBOC will maintain its current rates on reverse-repurchase agreements.

Japan embraces the robot takeover

While people fret about robots taking human jobs, machines in Japan are stepping in to fill vacancies amid the worst labor shortage in more than 40 years. That's creating an opportunity for up-and-coming startups focused on automating warehouse tasks.

Jakarta promises pain for drivers w/ fees planned

Drivers in the traffic-choked roads of Indonesia's capital have been put on notice that using the city's streets is set to get more painful. With millions of vehicles on Jakarta's streets, the provincial government is preparing to introduce a congestion tax and push people towards using public transport.

HNA Airline unit scraps bond sale as yields surge

Chinese conglomerate HNA Group Co.s flagship carrier canceled a planned bond sale after weeks of soaring interest rates that had forced the debt-laden groups units to pay some of their highest borrowing costs ever.

Indonesia happy to stay outside of Opec for now

In November 2016, Indonesia decided to temporarily withdraw from Opec following the group's decision to cut production by 1.2 million barrels of oil per day (bopd) in 2017 in a bid to rebalance what had become an oversupplied market.

TODAY'S TOP GLOBAL NEWS

US trade deficit is widest since January

The U.S. trade deficit widened in October to a nine-month high on record imports that reflect steady domestic demand, Commerce Department data showed Tuesday. The surge in imports probably reflected merchants preparing for the holiday-shopping season.

Bitcoin zooms above \$13,000

Bitcoin extended its rally on Wednesday, breaking above \$13,000 to a record high despite questions about the cryptocurrency's real value and worries about a dangerous bubble. Bitcoin received a boost after Friday's announcement by the main U.S. derivatives regulator that it would allow CME Group Inc and CBOE Global Markets to

Ireland to collect \$15B in back taxes from Apple

The Irish government has reached an agreement with Apple to start collecting the \$15 billion owed by the tech giant, it announced Monday. "We have now reached agreement with Apple in relation to the principles and operation of the escrow fund," Finance Minister Paschal Donohoe said in Brussels in quotes confirmed to AFP by Ireland's finance

Nigeria refining push prompts \$3.6B Petrolex plan

Nigeria is set to get another new oil refinery as a government push to end fuel imports attracts investors to the industry. Petrolex Oil & Gas Ltd. plans to build a \$3.6 billion plant with a capacity of 250,000 barrels a day, Chief Executive Officer Segun Adebutu said in an interview in Lagos.

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