

# The Daily Dispatch

December 08, 2017  
TODAY'S TOP NEWS

## ADB lending \$3.68B to PH in next 3 years

The Asian Development Bank will lend the Philippines \$3.68 billion in the next three years to support the Duterte administration's plan to build more infrastructure as well as reduce poverty incidence.

## Nomura raises 2018 PH growth forecast

Japanese financial giant Nomura has raised its 2018 growth forecast for the Philippines while projecting four interest rate increases next year on expectations that the inflation rate could exceed the government's target range.

## First Metro to tie up with Chinese bank

Investment house First Metro Investment Corp. plans to team up with China Development Bank (CDB), a state-owned development financial institution, to support large-scale infrastructure projects in the Philippines.

## Conglomerates in talks to upgrade NAIA

With their profits tied to the continuing growth of the economy, some of the country's biggest conglomerates are discussing the possibility of banding together to finally upgrade the Ninoy Aquino International Airport (NAIA). Alliance Global Incorporated and LT Group Incorporated both confirmed that talks are ongoing.

## ERC to appeal decision on spot market controversy

The ERC will appeal the decision of the Court of Appeals to overturn the power regulator's order to void the sharp spike in spot market rates in Nov-Dec 2013. ERC spokesperson Floresinda Digal said the commission is preparing a Motion for Reconsideration as the court's decision may result to an increase in generation charge.

## Philippine Stock Market Update



**Previous Close:**

8,018.05

**Open:**

8,015.68

**52-Week Range:**

6,499.00 - 8,106.74

**1 Yr Return:**

-0.34%

**YTD Return:**

15.58%

**Source:**

Bloomberg

## Foreign Exchange

As of Dec. 07, 2017

US Dollar	Philippine Peso
1	50.645

## PDST-R2 Rates

As of Dec. 07, 2017

Tenor	Rate
1Y	3.0877
3Y	4.8321
5Y	4.7263
7Y	5.3161
10Y	5.5796
20Y	5.8568

## Daily Quote

"Your vision will become clear only when you look into your heart. Who looks outside, dreams. Who looks inside, awakens."

--Carl Jung

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## MORE LOCAL NEWS

### Manila Water bags Leyte contract

Ayala-led Manila Water Co., Inc. has been awarded the contract to provide water and wastewater services in Tacloban City and seven other municipalities in Leyte. The utility said it received the notice of award for the implementation of an integrated water supply and sanitation project which would be carried out under a joint venture.

### Limited supply of office spaces for BPO firms

The amount of viable office space for business process outsourcing (BPO) companies in Metro Manila is becoming limited due to the slowdown in the approval of Philippine Economic Zone Authority (PEZA) licenses.

### Tokyo Gas affirms partnership talks with First Gen

Partnership talks with Filipino firm First Gen Corporation had been affirmed by Tokyo Gas Co. Ltd. on planned LNG investments in the PH. Tokyo Gas Executive Director Kunio Nohata said “we are talking with them (First Gen),” albeit he qualified that discussions had not been really exclusive with the Lopez firm.

### Semirara Mining launches P2-B share buyback

Semirara Mining and Power Corporation is starting a buy back program today (December 8) for P2B worth of its shares after the price took a hit from Congress’ plan to impose a hefty tax on coal. In a disclosure to the PSE, the firm said its Board of Directors approved the buy back program at a special meeting held yesterday.

### Go-Jek to expand to Philippines in 2018

Indonesia motorbike-hailing startup Go-Jek plans to set up operations in the Philippines in early 2018, with other Southeast Asian countries to follow later that year, the company’s chief technology officer said on Thursday.

### Cirtek raises \$67m in share sale

Cirtek Holdings Philippines Inc. said Thursday it raised \$67 million in fresh capital from the issuance of dollar-denominated preferred shares. Cirtek said in a disclosure to the stock exchange a total of 67 million dollar preferred shares were subscribed at the end of offer period on Nov. 29.

### Cargill opens \$12-m PH plant

Cargill said it opened its first animal nutrition premix plant in the Philippines to meet increasing demand from medium and large livestock farms and feed millers in SEA. Cargill said it invested \$12M to open the plant at First Bulacan Industrial Park where 50 local employees would produce animal nutrition premix solutions.

### CA ruling to increase electricity charges

The ERC said Thursday it will ask the CA to reconsider its order reinstating the higher charges at the WESM, the trading platform for power suppliers. “The ERC received the decision of the Court of Appeals and has until Dec. 12 to file a motion for reconsideration,” ERC spokesman Floresinda Digal said.

### Malampaya to last 10 more years

The Malampaya natural gas field in northwest Palawan, which supplies fuel to three major power plants in Batangas, is expected to continue producing for the next 10 years, an executive of the consortium operating the field said Wednesday night. Shell Companies in the Philippines chairman Cesar Romero said the natural gas field could

## TODAY’S TOP ASIAN NEWS

### Is Goldman embracing tiny Asian IPOs?

Goldman Sachs Group Inc. has nearly vanished from the Hong Kong IPO scene this year. Goldman is on track to arrange the lowest volume of Hong Kong IPOs since 2008, when it advised on \$1.4 billion of first-time share sales, according to data compiled by Bloomberg.

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## MORE ASIAN NEWS

### JPN 3Q GDP growth revised up on business spending

The Japanese economy has grown for seven straight quarters, its longest expansion since comparable data back to the mid-1990s. A nearly year-long recovery in exports is driving corporate profits and business investment. A slew of key October indicators suggest that while growth may slow a bit, the GDP expansion will continue.

### Fullerton Fund to manage \$17b NTUC portfolio

Singapore-based insurer NTUC Income has forged a strategic partnership with Temasek-owned Fullerton Fund Management Company that will see the latter become the investment manager of its portfolio assets estimated at S\$23 billion (\$17.05 billion).

### ComfortDelGro loses 11% of value waiting for Uber

ComfortDelGro Corp. has lost S\$500 million (\$370 million) in just four months — on track to become Singapore's second-worst performing stock in 2017 — as investors lose patience over a planned venture with Uber Technologies Inc.

### CapitaLand enters \$7.4m partnership with EDB

CapitaLand has entered into a S\$10 million (\$7.4 million) innovation partnership with the Singapore Economic Development Board (EDB) through a programme called CapitaLand ELEVATE. The programme aims to upskill CapitaLand staff in areas such as data analytics, digital marketing and digital product management.

### Halcyon Agri buys 4 Indonesian rubber factories

Natural rubber supplier Halcyon Agri Corporation has turned into the largest producer and exporter of crumb rubber in Indonesia, as it makes another acquisition of four Indonesian crumb rubber factories for S\$105.3 million in cash.

## TODAY'S TOP GLOBAL NEWS

### Cryptocurrency mining marketplace NiceHash hacked

NiceHash, a cryptocurrency mining marketplace, has been hacked, the company said in a press release. "Our payment system was compromised and the contents of the NiceHash Bitcoin wallet have been stolen. We are working to verify the precise number of BTC taken," it said.

### Bitcoin flirts with \$16k, alarm bells ring louder

Bitcoin rocketed to a lifetime high just shy of \$16,000 (11,922.50 pounds) on Thursday after climbing some 60 percent over one week, intensifying the debate about whether the cryptocurrency is in a bubble about to burst.

### GE to cut 12,000 jobs in power unit

General Electric Co. plans to cut 12,000 jobs in its power business as the company's new leaders look to slash costs and stabilize the beleaguered manufacturer. The reductions, accounting for about 18 percent of GE Power's workforce, include both professional and production employees, the company said Thursday.

### Stocks seen climbing in Asia after US rally

Asian stocks were poised to rise following a broad-based rally in U.S. equities and as a weaker yen looked set to buoy Japanese shares. The pound maintained gains on speculation that Ireland and Britain were close to a Brexit deal. Futures for stock markets in Tokyo and Hong Kong climbed.

## 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