

The Daily Dispatch

December 13, 2017
TODAY'S TOP NEWS

Venture Capital, Kickstart back \$550k round in ZAP

ZAP Group Inc, a top rewards and loyalty programme in the Philippines, raised \$550,000 in its Pre-A financing led by Venture Capital Holdings Inc, and Kickstart Ventures Inc. ZAP co-founder and CEO Dustin Cheng said the latest funding has brought the company's total amount of investments to \$1.4 million.

SBI Investment leads series A in tech startup

KK Fund-backed Venteny, a hybrid employee benefits and fintech solutions platform in the Philippines, has raised \$2.3 million in its Series A round led by Japan-based venture capital fund SBI Investment.

S'pore underwhelmed after Amazon Prime's launch

Consumers excited about e-commerce giant Amazon's launch of its membership service – Amazon Prime – in Singapore on Wednesday were let down by limited offerings and compatibility issues between its app and desktop versions.

Trade deficit widens 28% in October

The balance of trade swung to a higher 28 percent deficit in October as imports continued to outpace exports, the Philippine Statistics Authority (PSA) reported. Based on data from the PSA, total external trade in goods grew by 10.4 percent in October to \$13.58 billion, from \$12.30 billion registered in the previous year.

RCBC turns table on Bangladesh Bank

Listed RCBC yesterday turned the tables on Bangladesh Bank, saying the negligence of the foreign bank led to the \$81 million cyber heist in February last year. George dela Cuesta, first SVP and head of legal affairs at RCBC, said Bangladesh Bank should stop covering up the incident and should divulge its own findings.

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. 12, 2017

US Dollar	Philippine Peso
1	50.462

PDST-R2 Rates

As of Dec. 12, 2017

Tenor	Rate
1Y	3.2777
3Y	4.3531
5Y	4.7113
7Y	5.2086
10Y	5.6818
20Y	5.6055

Daily Quote

"The proper response, as Hanukkah teaches, is not to curse the darkness but to light a candle."

--Irving Greenberg

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MORE LOCAL NEWS

AC Energy increases capacity to 1,600MW

AC Energy Holdings Inc. has raised its attributable capacity to 1,600MW after securing project financing for its Dinginin coal-fired power project. AC Energy said GNPowr Dinginin Ltd. Co. (GNPD) has achieved financial close for the project financing of the second unit of its 2x668MW super-critical coal fired power plant in Dinginin, Bataan.

SMC likely winner in Masinloc's \$1-B asset sale

An energy unit of San Miguel Corporation (SMC) is the "likely winner" in the sale of the equity part of the 630-megawatt Masinloc coal-fired power plant asset that had been divested by American firm AES Corporation, according to highly placed sources.

Unemployment rises slightly in October

The country's unemployment rate rose slightly in October while underemployment recorded its lowest rate in more than a decade, data from the Philippine Statistics Authority (PSA) showed yesterday. The percentage of unemployed Filipinos was estimated at 5.0% in October, marginally higher than 4.7% recorded in the same month last year.

CA clears Roberto Ongpin of insider trading

The Court of Appeals (CA) cleared businessman Roberto Ongpin of insider trading of Philex Mining Corporation shares back in 2009. The decision reversed a Securities and Exchange Commission (SEC) en banc ruling in July 2016 which prohibited Ongpin from becoming part of the board of any Philippine Stock Exchange-listed firm.

Cebu Landmasters inks deal to build Davao CBD

PROPERTY developer Cebu Landmasters, Inc. (CLI) has inked a joint venture agreement with four Davao-based firms for the construction of a 17.1-hectare central business district in Matina, Davao City next year. The property—called Matina Business Park—will sit on a former golf course established in 1960.

Finance dept pleased with P130B gain from TRAIN

The DoF has expressed pleasure over the estimated P130 billion in revenues that the government would gain from the Tax Reform, which is expected to become law later this month. This came as RFM Corp. President and CEO Jose Maria "Joey" Concepcion 3rd expressed optimism that the Philippines would enjoy a better year next year with the

Uber tech platform to guide PH infra programs

Ride-hailing company Uber is offering its technology to the Philippine government for use in optimizing infrastructure plans. Laurence Cua, Uber Philippines general manager, said its Movement initiative, which aggregates data from daily trips, could help the government to plan routes.

SMC Global Power launches new P20B bond offer

The power generation arm of conglomerate SMC returned to the local bond market on Tuesday with a new offering of P20 bn worth of retail bonds at multi-year tenor. This is part of the P35 bn bonds recently approved by the Securities and Exchange Commission for shelf registration or staggered issuance for the next three years by SMC Global Power

Dramatic BPO resurgence seen in 2018

The Philippines will likely see a dramatic resurgence in the business process outsourcing (BPO) industry next year on the back of improved relations with the US, in turn boosting office space take-up to another record high and making Metro Manila one of Asia's top office markets.

Ayala, Aboitiz groups OK powerplant financing deal

The Ayala and Aboitiz groups yesterday said they had reached financial closing for their joint venture, the second generator of the \$1.7-billion GNPowr Dinginin Ltd. Co.'s (GNPD) supercritical coal-fired power plant in Bataan.

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PCC wraps up probe of healthcare association

The Philippine Competition Commission (PCC) has capped its first ever full administrative investigation, but the industry association that violated the law has been given a free pass after taking advantage of the so-called transitory period.

TODAY'S TOP ASIAN NEWS

Blackstone buys back 10% in warehouse firm Logikor

A Blackstone real estate fund is buying a 10 per cent stake in Logikor Ltd just months after selling the European warehouse firm to a Chinese sovereign wealth fund, a source familiar with the matter said on Tuesday. Blackstone Group LP sold Logikor to China Investment Corp in June for 12.25 billion euros (\$14.4 billion).

SE Asia's internet economy to cross \$200b by 2025

Southeast Asia's internet economy is poised to cross \$200 billion by 2025, as it readies to hit \$50 billion by the end of 2017. Internet economy in the region, which spans ride-hailing apps to online travel, is growing at a CAGR of 27 per cent, outpacing last year's projection of a 20 per cent 10-yr CAGR.

Rich are getting richer in Abe's Japan

Japan has an income-inequality problem, and it's getting worse. While the country is enjoying its best stretch of growth since the mid 1990s, many are missing out. The widening income gap—while nothing like U.S. imbalances—is making it tougher for the nation to deal with demographic challenges.

US, EU, JPN fire warning shot over CH trade abuse

The US, EU and Japan announced a partnership to tackle overcapacity issues and forced technology transfers, which could inflame their relationship with China. The three countries issued a joint declaration Tuesday at the World Trade Organization biennial meetings that promised to target the "severe excess capacity in key sectors."

Toshiba, Western Digital end chip dispute

Toshiba Corp and its chip business partner Western Digital Corp agreed to settle a long-running dispute over the embattled Japanese conglomerate's plans to sell its chip unit, the companies said in a statement, removing a key obstacle to the deal.

TODAY'S TOP GLOBAL NEWS

Zara owner Inditex seeks \$472M for 16 stores

Inditex SA, the world's biggest clothing retailer, is seeking a buyer for 16 Zara stores in Iberia as online purchasing takes off in Spain. Inditex, owned and founded by Amancio Ortega, the world's fourth-richest man, is seeking 400 million euros (\$472 million) for the stores in a 20-year sale-and-leaseback agreement.

Chip boom masks weakness in Korea's economy

The semiconductor industry's role as a driver of South Korea's economic expansion this year comes with caveats: the booming sector is creating few jobs while masking weakness in other areas of the economy.

Dutch firm brews \$488m buyout offer for OldTown

Dutch tea and coffee giant Jacobs Douwe Egberts (JDE) has lodged a RM1.47 billion (\$488 million) bid to buy Malaysia-listed coffee company OldTown. JDE is offering RM3.18 per share for the operator of OldTown White Coffee chain, which has 232 outlets, the companies said in a statement on Monday.

Economic Calendar

Date	Release
12.04.2017	PH: CPI YoY
12.05.2017	PH: Bank Lending YoY
12.06.2017	PH: Foreign Reserves
12.11.2017	PH: Unemployment Rate
12.11.2017	PH: Trade Balance

Source: Bloomberg Economic Calendar