

The Daily Dispatch

December 15, 2017
TODAY'S TOP NEWS

TRAIN falls short of revenue target

The final version of the tax reform bill may yield only about two-thirds of the P134 billion in additional revenues originally programmed under the new measure, the Department of Finance (DOF) said yesterday.

BSP keeps rates unchanged

The BSP decided yesterday to keep benchmark rates steady anew as inflation remains manageable. BSP Governor Espenilla Jr. said the Monetary Board retained the interest rate on the overnight reverse repurchase facility at three percent as well as the corresponding interest rates on the overnight lending and deposit facilities.

Major Philippines banks get rating upgrade

Fitch Ratings has raised the credit ratings of the country's largest banks as well as government financial institutions after the Philippines received a credit rating upgrade on the back of the improving economy.

Coal excise tax a bitter pill to swallow

With the Tax Reform for Acceleration and Inclusion (TRAIN) measure now just awaiting the signature of President Rodrigo Duterte, the approved three-tiered increases in coal excise taxes would be a better pill to swallow for Filipino consumers who will eventually bear the brunt of cost impact in their electric bills.

Ayala Healthcare to have 54 clinics by 2018

Ayala Healthcare Holdings, Inc. (AC Health) is aiming to have 54 branches of its primary care FamilyDOC clinics in 2018 from this year's target of 24 branches. AC Health Chief Executive Officer Paolo Borromeo said that their new 3-in-1 community-based primary care clinic already had 15 branches in Mega Manila as of last October.

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. 15, 2017

US Dollar	Philippine Peso
1	50.476

PDST-R2 Rates

As of Dec. 15, 2017

Tenor	Rate
1Y	3.0760
3Y	4.7036
5Y	4.6521
7Y	5.3089
10Y	5.6911
20Y	5.9389

Daily Quote

"Be yourself; everyone else is already taken." "

--Oscar Wilde

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MORE LOCAL NEWS

NEDA eyes 6 big infra project rollouts in 2018

Filipinos can look forward to some much-awaited infrastructure projects finally breaking ground in 2018, and bringing even stronger economic growth, if the expectations of the National Economic and Development Authority (NEDA) hold true. Next year is when the effects of the Build, Build, Build program are expected to take shape.

Qwikwire launching \$9m ICO to aid property players

500 Startups-backed Qwikwire, a cross-border payments platform for enterprises in the Philippines, aims to raise up to \$9 mn through the initial coin offering (ICO) of its “AQwire” token. Qwikwire founder and CEO Ray Refundo said AQwire will empower property developers to be able to sell their units to any customer in the world.

Virtual currency gaining popularity in Philippines

The BSP is fasttracking the evaluation of the applications of 12 virtual currency exchange operators in its bid to strengthen financial consumer protection. Melchor Plabasan, deputy director and head of the BSP’s core info. tech. specialist group, said BSP is evaluating the application of 12 companies to operate virtual currency exchanges.

Farmesa plans P300-M seaweed processing plant

Argentinian food ingredient-producer Farmesa wants to put up a P300-million processing plant in the Philippines, marking its first manufacturing initiative overseas, according to the Department of Trade and Industry (DTI).

Aboitiz commences work on P1.7-B Benguet project

Aboitiz Power Corp.’s hydropower unit has started construction work for the P1.7-billion 19-megawatt (MW) Bineng project in Benguet. Hedcor Inc. broke ground in La Trinidad town last Dec. 5 for an undertaking that would replace its existing three-generator facility with a new one dubbed Bineng Combination hydro project.

Megawide-GMR leads bid for Clark airport deal

A Filipino-Indian consortium, which took the country’s largest conglomerates by surprise three years ago when it won the Mactan Cebu International Airport contract, is poised to bag another airport deal.

P1T worth of projects OKd by Neda board in 2017

The National Economic and Development Authority Board chaired by President Duterte approved P1 trillion in projects so far this year, with the rollout of up to a dozen infrastructure projects next year expected to create more jobs.

Market bounces back to 8,400 level

The local stock barometer surged back to the 8,400 mark yesterday as investors cheered the ratification of the first phase of the tax reform program, which is seen necessary to finance the Duterte administration’s massive infrastructure building.

TODAY’S TOP ASIAN NEWS

China’s HNA meets with banks over 2018 financing

Debt-laden Chinese conglomerate HNA Group Co. met with Chinese lenders for talks on financing next year, after borrowing costs surged in recent weeks and prompted some units to scrap bond offerings.

Sunac China raises \$1b in upsized share placement

Sunac China Holdings Ltd., one of China’s most leveraged developers, raised \$1 bn in a top-up share placement after increasing the size of the offering. The Tianjin-based company sold 251.5 mn shares at HK\$31.10 each. The price represents an 11.9% discount to Thursday’s close of HK\$35.30. The developer initially offered 226.5 mn shares.

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MORE ASIAN NEWS

Go-Jek acquires three Indonesian fintech firms

Go-Jek, Indonesia's largest ride-hailing service, Friday said it had reached deals to acquire three local fintech companies to further beef up its formidable payments arm as it aims to consolidate its position as the dominant player in the country's digital payments space.

Uber investor Pischevar departs Sherpa Capital

Silicon Valley investor Shervin Pischevar, known for his early bet on Uber Technologies Inc, said on Thursday that he would sever ties with his venture capital company, Sherpa Capital, after being accused of sexual misconduct.

Beijing keeps building in South China Sea

Tensions over China's island-building in the South China Sea may have eased in the past year, but Beijing has kept busy. New satellite imagery shows China has built infrastructure covering 72 acres (28 hectares) in the Spratly and Paracel islands during 2017 to equip its larger outposts to be air and naval bases.

Myanmar's Hello Cabs sues Grab

Myanmar's home-grown app-based ride-hailing brand Hello Cabs has sued Grab, Southeast Asia's leading transport booking service, under the Competition law. A case was filed at the Padauk Chaung police station in July 2017 and it is still pending.

Fixed-asset investment in China's economy slows

China's fixed-asset investment growth slowed to 7.2 per cent in the January-November period, while industrial output expanded at a faster pace than markets had expected. Analysts polled by Reuters had correctly predicted investment growth of 7.2 per cent, cooling from the 7.3 per cent rate from January to October.

TODAY'S TOP GLOBAL NEWS

Disney to buy 21st Century Fox assets for \$52.4B

Walt Disney Co. on Thursday, December 14, agreed to buy key film and television operations of 21st Century Fox in a \$52.4-billion stock deal that could reshape the media-entertainment world and step up a challenge to Netflix and emerging tech platforms.

Dollar eyes weekly drop on tax, Asia stocks fall

Stocks in Japan and Australia declined, while the dollar headed for its first weekly drop this month after a dovish tone from the Federal Reserve and amid concerns that the Republican tax overhaul package may struggle to pass the Senate.

FCC votes to end net neutrality rules

The U.S. Federal Communications Commission swept aside rules barring broadband providers from favoring the internet traffic of websites willing to pay for speedier service, sending the future of net neutrality on to a likely court challenge.

Delta chooses Airbus over Boeing in \$12B jet deal

Delta Air Lines Inc. ordered 100 of Airbus SE's A321neo jetliners, a deal with a list value of \$12.7 billion, in a major victory for the European planemaker over Boeing Co. Deliveries of the single-aisle planes will begin in early 2020 and the transaction includes options for an additional 100 aircraft.

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