

# The Daily Dispatch

December 22, 2017  
TODAY'S TOP NEWS

## Super consortium readies bid for NAIA rehab

Seven of the country's biggest conglomerates have formally formed a super consortium that seeks to develop the congested Ninoy Aquino International Airport (NAIA) into a global gateway at par with the world's best airports.

## Seaoil partners with Caltex Australia

Independent oil player Seaoil Philippines Inc. has taken in Caltex Australia Petroleum Pty Ltd. as long-term strategic partner for its expansion program. In a statement, Seaoil said it has signed a definitive agreement that forges a strategic partnership with Caltex Australia, which will acquire a 20 percent interest in the independent oil firm.

## 4 more foreign firms to vie for 3rd telco slot

Four other companies from Japan, South Korea, US, and Australia are interested to partner with local firms and become a third telco player in the country, according to the Department of Information and Communications Technology.

## Uy's Cebu casino likely to list via backdoor

Davao-based businessman Dennis Uy is likely to take the backdoor route with the acquisition of H2O Ventures. Uy may use H2O Ventures as the listing vehicle for his planned grand casino in Cebu. Through Udenna Development Corp., Uy signed a MOA to acquire the shares of listed holding company Jollville Holdings Corp. in H2O Ventures

## Beverage firm secures fresh investment

Beverage firm Stedgro, Incorporated has secured the support of new investors to boost its beverage production of affordable healthy drink alternatives with zero-calorie. Stedgro has announced that the company has recently signed a contract for fresh investments with Norbideiri Edding, Bullet Jaloslos, Hong Kong based Michael Chang,

## 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. 21, 2017

US Dollar	Philippine Peso
1	50.198

## PDST-R2 Rates

As of Dec. 21, 2017

Tenor	Rate
1Y	3.5018
3Y	4.4492
5Y	4.7553
7Y	5.4214
10Y	5.7950
20Y	5.9375

## Daily Quote

"Courage is contagious. When a brave man takes a stand, the spines of others are stiffened."

--Billy Graham

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## MORE LOCAL NEWS

### BSP OKs banks' branch-lite units

The Bangko Sentral ng Pilipinas (BSP) said it has approved the rules on “branch-lite” units which banks could establish to offer financial products and services to low-risk clients. The new guidelines, according to the central bank, rationalize the current classifications of banking units to expand financial inclusion coverage.

### Grab eyes investment in PUV modernization

Transport network company (TNC) Grab Philippines said it wants to support the government's public utility vehicle (PUV) modernization program by investing in public transportation in 2018. Leo Gonzales, public affairs manager of Grab Philippines, said the company is open to investing heavily in PUV modernization in various cities.

### Ombudsman suspends ERC commissioners for a year

The Office of the Ombudsman has suspended 4 commissioners of the Energy Regulatory Commission (ERC) due to what it alleges to be anomalous transactions involving the Manila Electric Company (Meralco). The ERC officials also face graft and corruption charges over alleged extravagant travels.

### Megawide bags P3.3B contract with DoubleDragon

Construction, engineering and infrastructure group Megawide Construction Corp. has bagged a P3.3-billion new contract with property developer DoubleDragon Properties Corp. to put up a new office tower and a luxury hotel at Meridian Park along the Manila Bay area.

### Overseas Filipino Bank on track to open in 2018

The Bangko Sentral ng Pilipinas has given its go-ahead for Land Bank of the Philippines' acquisition of Philippine Postal Bank to form the Overseas Filipino Bank. Deputy Governor Fonacier said that the Monetary Board, the BSP's highest policymaking body, last Dec. 7 approved the state-run lender's application to acquire Postbank.

### Bye Crown Towers, Hello NÜWA

A new luxury hotel brand called NÜWA will soon debut in integrated gaming resorts City of Dreams Manila and Macau, replacing Crown Towers Hotel, resort operator Melco Resorts & Entertainment said. NÜWA will open its doors in both City of Dreams Macau and Manila on January 16, 2018.

### PhilSeven's 65% stock dividend

PARITY Values Inc. (PVI) is a significant stockholder of Liberty Flour Mills Inc. (LFM). On December 18, it bought 33,647 LFM shares at P60 per share. The acquisition increased PVI's stake in LFM to 61,127,274 common shares, or 40.752 percent of 150 million outstanding common shares.

### Petron to spend \$3.5B for Bataan refinery upgrade

PETRON Corp., the country's largest oil refining and marketing company, plans to further expand the capacity of its oil refinery in Bataan by an additional 90,000 barrels per day (bpd) at an estimated cost of \$3.5 billion.

### 8990 eyes P21-B sales from Urban Deca Homes

MASS housing developer 8990 Holdings, Inc. expects to generate P21 billion in sales from Urban Deca Homes Manila, touted as its largest project so far. The project, currently under construction, is a 13-tower development in an 8.4-hectare property in Tondo, Manila.

## TODAY'S TOP ASIAN NEWS

### Edelweiss unit plans \$1b infrastructure fund

Financial services-focused Edelweiss group's Edelweiss Alternative Asset Advisors Ltd (EAAA), an investment manager, on Thursday announced that it will soon launch an infrastructure-focused fund—Edelweiss Infrastructure Yield Plus—for which the firm plans to raise as much as Rs6,500 crore (approx \$1 billion).

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## MORE ASIAN NEWS

### Wesfarmers to sell Curragh coal mine for \$539m

Wesfarmers Ltd said on Friday it would sell its Curragh coal mine in Queensland to Texas-based Coronado Coal Group for A\$700 million (\$539 million). Coronado Coal is owned by Texas-based private equity group The Energy & Minerals Group.

### OTPP acquires avocado grower Jasper Farms

Canadian single-profession pension fund, the Ontario Teachers' Pension Plan (OTPP), has acquired Jasper Farms, an Australian avocado producer. Stepstone Infrastructure & Real Assets acted as financial advisor to Ontario Teachers'. The deal is estimated to be worth about A\$180 million (\$137.9 million).

### Axiata launches fund to support Lankan startups

Malaysian-owned Dialog Axiata Plc, Sri Lanka's leading telecom service provider, has unveiled a \$15 million fund, to invest in startups in the island nation. The Digital Innovation Fund (DIF) is Sri Lanka's first as well as its largest venture capital vehicle, and it will support the country's nascent startups.

### Trustpower to sell Aus hydel business for \$129.5m

Trustpower Ltd said on Friday it would sell its Australian hydro-power generation assets operator GSP Energy to Meridian Energy, for A\$168 million (\$129.46 million), as the company focuses on its core New Zealand business.

### Metro Pacific bags \$246m joint water project

A unit of Metro Pacific Investment Corp (MPIC) is launching a joint venture company with Metro Iloilo Water District (MIWD) for the rehabilitation and expansion of the latter's existing water distribution business pegged at \$246 million (P12.35 billion).

## TODAY'S TOP GLOBAL NEWS

### Goldman is setting up a cryptocurrency trading desk

At least one of Wall Street's biggest firms is growing more comfortable with cryptocurrencies. Goldman Sachs Group Inc. is setting up a trading desk to make markets in digital currencies such as bitcoin, according to people with knowledge of the strategy. The bank aims to get the business running by the end of June.

### New Zealand has threats from within as growth slows

For a small economy whose fortunes often rise and fall on the global tide, New Zealand's biggest threats in 2018 may come from within. Business confidence has plummeted since the election of a center-left government, there are predictions that house prices will fall, and an unusual spell of dry weather has raised the risk of a drought.

### PE firms have no way out of subprime auto defaults

Private-equity firms that plunged headlong into subprime auto lending are discovering just how hard it might be to get out. In the years after the financial crisis, buyout firms poured billions into auto finance, angling for the big profits that come with offering high-interest loans to buyers with the weakest credit.

### RUS and CH buyers are snapping up Greek properties

George Kachmazov, a Russian realtor, is buying up property in Athens. For Kachmazov, the sales pitch is clear: buying property in Greece can give an investor a so-called golden visa to the country -- and with it an entree into much of Europe.

## 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