

The Daily Dispatch

February 14, 2017
TODAY'S TOP NEWS

COMP assures Duterte of mine rehabilitation

The Chamber of Mines said it agrees with President Duterte that responsible mining is vital to national development and the administration's 10-point socioeconomic agenda. In a statement, the mining lobby group said its members are ISO 14001 certified, a seal of excellence in environmental management, which is being upheld nationwide.

Globe supports telecom proposals

Globe Telecom Inc. is supporting bills filed in the Senate, especially those that refer to the adoption of a nationwide mobile number portability and streamlining of the permitting process for cell sites to improve efficiency of telecommuting.

BDO, Cemex ink \$280-M loan deal

BDO inked a \$280M peso equivalent term loan agreement with Cemex Holdings Philippines Inc. (CHP) to refinance an outstanding obligation amid its expansion program in the country. Walter Wassmer, senior EVP of BDO, said the signing of the loan agreement is an indication of support for the business prospects of CHP.

PayMaya, GCash interconnection looms in Q1

Telco players PLDT Inc. and Globe Telecom Inc. expect to be able to interconnect their respective mobile money services PayMaya and GCash within the first quarter of the year to allow seamless transactions and promote greater access to financial services.

Maynilad spends P19-b to reduce water leaks

Maynilad Water Services Inc. said it spent P18.95 billion to replace old pipes since 2008 to reduce water leaks. The west zone concessionaire said under its non-revenue water reduction program, it recovered 923 million liters per day of water since 2008. The recovered volume is enough to fill up 370 Olympic-size pools every day.

Philippine Stock Market Update



Previous Close:

7,252.66

1 Yr Return:

11.28%

Open:

7,257.72

YTD Return:

5.96%

52-Week Range:

7,248.27 - 7,265.52

Source:

Bloomberg

Foreign Exchange

As of February 13, 2017

US Dollar	Philippine Peso
1	49.907

PDST-R2 Rates

As of February 13, 2017

Tenor	Rate
1Y	2.5526
3Y	3.4662
5Y	3.8002
7Y	4.0020
10Y	4.2409
20Y	5.2321

Daily Quote

"It takes a strong fish to swim against the current.
Even a dead one can float with it."

-John Crowe

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MORE LOCAL NEWS

Ayala supports tax reform, vehicle excise tax

The Ayala Group has expressed full support to the government's tax reform program, including the planned excise tax hike on automobiles, despite concerns this would dampen the vehicle industry's growth. AC serves as the official distributor of Volkswagen and has distributorship stakes in the Honda and Isuzu brands.

Mighty mulls IPO

Mighty Corp., the Bulacan-based cigarette company owned and operated by Filipino-Chinese businessmen Cesar and Alex Wongchuking, is considering embarking on an IPO. Aside from a possible IPO, Mighty is also open to partnering with British American Tobacco through contracting in case one of them needs additional capacity.

Okada Manila grand opening moved to March

The grand opening of Okada Manila, the \$2-billion integrated resort casino of Japanese billionaire Kazuo Okada, has been moved to March 2017 instead of the end-February date earlier announced.

PLDT eyes P70-B revenue this year

Revenue of PLDT Inc. from its home and enterprise businesses may reach P70 billion this year amid growing demand for digital offerings and solutions by households and firms. PLDT chief revenue officer Eric Alberto told reporters yesterday the telco is "targeting double-digit growth...for the home and enterprise business."

Insurers eye infra. as alternative inv. option

Life insurers are seeking clarification from the government on how they can pursue infrastructure investments. The Philippine Life Insurance Assoc. had forwarded last year to the Finance Sec. the key concerns of the life insurance industry regarding taxation and its need for alternative long-term investment medium via the PPP.

US risk to BPO fails to tarnish property sheen

Property developers continue to bet big on the office market in this period of uncertainty, as US President Trump brings to life his anti-outsourcing talk. A total of 1.3 million sqm of office space will be completed this year, 460,000 sqm of which has been taken up to date, Leechiu Property Consultants CEO David Leechiu said.

Cebu airport targets 12% hike in passenger arrival

The operator of the Mactan-Cebu International Airport (MCIA) is aiming for a 12 percent increase in passenger arrivals at the airport this year amid efforts to promote the opening of new routes. MCIA is targeting to hit 10 million passenger arrivals this year, up from the 8.9 million passengers handled last year.

Peso slips as market seeks leads

The Peso slid against the dollar yesterday as investors were on a wait-and-see mode for the US administration's revelation of its "phenomenal" tax reform plan amid a lack of leads. The local unit closed at P49.92 versus the greenback on Monday, six centavos weaker from last Friday's P49.86-per-dollar finish.

Almendras ahead of senior Ayala execs in stock award

The year of the rooster has crowed off to an auspicious start for Jose Rene Almendras. Half a year since rejoining the Ayala Corporation from serving the PNoy administration in various cabinet positions, Almendras has already surged ahead of his more senior colleagues in the stock options race within the Zobel holding company.

BIR sees P15B cigarette stamp revenue

The BIR expects to generate up to P15-b in revenue from cigarette tax stamps to meet its P1.82-t collection goal this year. "We are estimating it at P10-P15-b and, with proper enforcement, maybe we can increase the collection, especially when we have to meet the demands of the P1.8-t target," BIR Deputy Commissioner Jesus Aranas said.

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TODAY'S TOP ASIAN NEWS

Steel rebound cools as CH property market slows

Steelmakers aren't out of the woods yet. A year-long resurgence risks fading as a slowdown in China's property market deepens, exposing bullish sentiment as overblown, according to a U.S.-based hedge fund manager and former Citigroup Inc. analyst.

Singapore remains a top FDI destination globally

The Economic Development Board reported just over a week ago that foreign investment commitments in Singapore slipped in 2016 to their lowest level in recent years. Estimates on global direct investments released over the weekend by the United Nations Conference on Trade and Development show that it wasn't all bad for Singapore.

Asean economies evading Trump's glare

India, Indonesia, Malaysia and Vietnam have largely escaped US President Donald J. Trump's glare on trade, but he may yet come looking. The US runs trade deficits with all of them, in some cases, quite big ones. Countries that the US runs trade deficits with may be particularly vulnerable to attack.

Kuwait to Meet Investors Ahead of \$9.5-B Bond

Kuwait will meet investors in the U.S. and U.K. next month as part of plans to raise as much as \$9.5-b in its first international debt sale, according to a person familiar with the matter. Kuwait is selling bonds as the country expects a budget deficit of 7.9-b dinars (\$26-b) in 2017/18, according to deputy Prime Minister Anas Al Saleh.

Saudi Is Turning to Wind and Solar

The nation most identified with its massive oil reserves is turning to wind and solar to generate power at home and help extend the life of its crucial crude franchise. Starting this year, Saudi Arabia plans to develop almost 10 GW of renewable energy by 2023, starting with wind and solar plants in its vast northwestern desert.

TODAY'S TOP GLOBAL NEWS

Stada Gets \$3.7-B Takeover Offer

A.P. Moller-Maersk A/S, the owner of the world's biggest container shipping line, is paying particular attention to noises coming from the US that suggest the new administration is moving closer to a trade war with China.

IMF's Lagarde 'optimistic' about U.S. economy

International Monetary Fund (IMF) chief Christine Lagarde on Sunday, February 12, voiced optimism for US economic growth under President Donald Trump but warned it could herald trouble for the rest of the world.

Trump expects only tweaking of trade with Canada

President Donald Trump said the United States would be "tweaking" its trade relationship with Canada, stopping short of calling for a major realignment in a development likely to please visiting Canadian Prime Minister Justin Trudeau. Trump has pledged to renegotiate the NAFTA linking to make terms more favorable to Americans.

Verizon move to unli data ups ante in wireless war

Verizon Communications Inc's (VZ.N) announcement that it will once again offer an unlimited pricing plan marks a shift in its thinking as a price war among the four biggest U.S. wireless carriers accelerates. The biggest wireless carrier in the US said that it will offer an unlimited data plan for the first time in five years.

Economic Calendar

Date	Release
02.07.2017	PH: Foreign Reserves
02.09.2017	PH: Ex-Im Trade Balance
02.15.2017	PH: Overseas Remittance
02.27.2017	PH: Bank Lending YoY
02.28.2017	PH: Nikkei Philippines PMI Mfg

Source: Bloomberg Economic Calendar