

The Daily Dispatch

February 16, 2017
TODAY'S TOP NEWS

Remittances top forecast

MONEY sent home by overseas Filipino workers (OFWs) hit a record high in December, spurring the full-year tally beyond the central bank's forecast, the Bangko Sentral ng Pilipinas (BSP) reported yesterday.

San Miguel offering P20B in retail bonds

Conglomerate San Miguel Corp. has launched a new offering of retail bonds worth as much as P20 billion, raising fresh funds to refinance debt and fund massive capital outlays.

SMC proposes P699-B int'l airport in Bulacan

San Miguel Corp. (SMC) plans to spend P699B for its proposed international airport in Bulacan, which is currently being reviewed by the Department of Transportation. Transportation Undersecretary Roberto Lim bared yesterday details on SMC's unsolicited proposal seen as a potential alternative to the heavily-congested NAIA.

Basic Energy sells 9% stake to Thai company

Basic Energy Corp. will sell unissued shares to Thailand-based Vintage Engineering Public Co. Ltd. (VTE) in line with their strategic partnership to pursue the exploration, development and production of renewable energy resources, in the Philippines and abroad.

Ayala unit spending P15 B for 9 new Seda hotels

The hotel and resorts arm of Ayala Land Inc. is spending P15B over the next two years for the development of nine hotels under its Seda brand. The nine hotels, when completed, would add around 2,464 hotel rooms to its current portfolio. This would boost the group's room inventory to 3,281 by 2019.

Philippine Stock Market Update



Previous Close:

7,174.30
500

Open:

7,176.64

52-Week Range:

7,176.64 - 7,291.32

1 Yr Return:

10.11%

YTD Return:

6.59%

Source:

Bloomberg

Foreign Exchange

As of February 15, 2017

US Dollar	Philippine Peso
1	49.924

PDST-R2 Rates

As of February 15, 2017

Tenor	Rate
1Y	2.2631
3Y	3.5410
5Y	3.8991
7Y	4.8571
10Y	4.8625
20Y	5.3661

Daily Quote

"Following is one of the most underrated aspects of leadership....

--Admiral Bill McRaven

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MORE LOCAL NEWS

Megaworld to expand San Antonio Residence project

Megaworld Corp. is expanding San Antonio Residence, its upscale residential project in Makati City. The company will add 478 additional units that will comprise the development's "East Wing." Sizes range from 26 square meters for the studio units and 93 square meters for the three-bedroom units.

Alsons Power strategizing on diesel plants

Amid oversupply condition in Mindanao grid, Alsons Power is stepping up on cornering contracts for "peaking capacity utilization" of its diesel-fired power facilities. The longer-term market succor for Mindanao though, according to Alcantara, will be the establishment of a spot market (WESM) in the grid.

PLDT putting up P1-B Mindanao fiber optic link

PLDT Inc. is set to complete this year the nearly P1B fiber optic cable link that directly connects the provinces of Agusan to Davao, providing reliable connectivity to more homes and businesses in Mindanao. Spanning nearly 320km, the fiber infrastructure will run through four provinces in Mindanao.

CH telcos, US tech co eye entering PH telco market

Three Chinese telecommunications firms and an American technology company expressed interest in entering the Philippine telecommunications market through the regulators' planned auction of surrendered and recalled spectrum frequencies this year.

SC awards Naga plant to Aboitiz Power

The Supreme Court reinstated the notice of award to Aboitiz Power's subsidiary Therma Power Visayas Inc. for the 153 MW Naga power plant complex in Naga. Aboitiz Power said in a disclosure to the stock exchange Wednesday it received the latest order from the high tribunal on the case filed by former senator Sergio Osmeña III.

BSP keeping tabs on impact of tax reforms

The Philippine central bank will try to determine the impact of the proposed tax reforms on the country's inflation path, especially since the US Federal Reserve is also wary of how the Trump administration's fiscal policies would impact the US economy.

Mining exec: Taxpayers might shoulder cost

In a roundtable discussion at Lido Cocina Tsina, Global Ferronickel Holdings Inc. President Dante Bravo said the Filipino people would eventually foot the bill, which could easily reach billions of dollars, should the government lose an arbitration case to be filed by miners affected by the cancellation of contracts.

TODAY'S TOP ASIAN NEWS

CH holdings of US treasuries sink to prop up yuan

China's holdings of US Treasuries declined by the most on record last year, as the world's second-largest economy dipped into its foreign-exchange reserves to buttress the yuan. Japan, America's largest foreign creditor, trimmed its holdings for a second straight year.

China inflation picks up but threats on hold

Consumer inflation raced to its highest level in China in nearly three years last month, but the world's second-biggest economy is not facing a major inflationary threat – at least for now, analysts say. The National Bureau of Statistics said that the consumer price index jumped 2.5 per cent last month – its highest level since May 2014.

China Gas to benefit with new users from the north

China Gas, one of the country's largest natural gas distributors, expects its annual sales to reach 30 billion cubic metres in five years, thanks to the government's effort to replace coal with natural gas consumption in northern China in a bid to improve air quality.

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MORE ASIAN NEWS

SEA startup mClinica raises \$6.3M for expansion

Southeast Asian healthcare data startup mClinica raised \$6.3 million for global expansion, in one of the largest Series A financings for a digital health company in Southeast Asia. The firm maintains a large presence in the Philippines, where it first launched before expanding to the rest of Southeast Asia.

China's casino crackdown infects Sydney

China's clampdown on overseas casino operators is being felt in Sydney as Star Entertainment Group Ltd. reported a slump in its international high-rollers business after the detention of employees at rival Crown Resorts Ltd.

Faster access to SG market soon for VC funds

Venture Capital (VC) funds looking to set up shop here can soon get approval in a matter of weeks and without capital requirements, as the Monetary Authority of Singapore (MAS) proposed on Wednesday to relax some rules for VC managers.

TODAY'S TOP GLOBAL NEWS

Verizon close to Yahoo deal, price cut of \$350 mn

Verizon Communications Inc is close to a revised deal to buy Yahoo Inc's core internet business for \$250 million to \$350 million less than the original agreed price of \$4.83 billion. Verizon hopes to combine Yahoo's search, email and messenger assets, as well as advertising technology tools, with its AOL unit.

EU Parliament backs landmark Canada trade deal

The European Parliament backed a contested EU-Canada free trade deal on Wednesday, February 15, facing down protests by activists and Trump-inspired calls for protectionism. MEPs hailed the deal as a rare victory for an imperiled global trade system that is under threat from POTUS Trump who opposes far-reaching trade deals.

World's richest still cautious on equities

Rich investors are shunning equities because of concerns about the political impact from Donald Trump's administration and Brexit, according to Christian Nolting, chief investment officer at Deutsche Bank AG's wealth management unit.

Bankers alarmed by trade barriers

Officially concerned only with monetary policy, central bankers the world over are weighing in on political debates as fears of economic damage from protectionism mount. "Protectionism will only lead to a loss of prosperity for all," warned European Central Bank board member Yves Mersch on Friday.

Och-Ziff Suffered \$13-B in Withdrawals

Och-Ziff Capital Management Group LLC, one of the world's biggest hedge fund firms, suffered withdrawals of about \$13 billion over the last 13 months as the company settled a five-year bribery probe and saw its founder Dan Och singled out by regulators for ignoring red flags and corruption risks.

South Africa Considers a Minimum Wage

Faced with rising discontent over the economy among black voters, the government is weighing something more common in developed economies: a national minimum wage.

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