

The Daily Dispatch

February 27, 2017
TODAY'S TOP NEWS

BSP liberalizes bank licensing regulations

The BSP approved new regulations for granting licenses to banks and other financial institutions, after years of restrictions. The enhanced Licensing Policy sets the BSP's criteria for granting licenses or authority to BSP-Supervised Financial Institutions, as well as the right to reject applications and take other action.

China funding eyed for Agus-Pulangui rehab

The PH government, with the endorsement of the National Economic and Development Authority (NEDA), is eyeing official development assistance (ODA) and other forms of funding from the Chinese government to bankroll the proposed rehabilitation as well as the expansion projects for the Agus-Pulangui hydropower complex in Mindanao.

Royal Cargo expands solar rooftop

Logistics firm Royal Cargo Inc. has expanded its solar rooftop installation in its cold storage warehouses in Laguna to realize more savings. The decision to increase its solar installation by another 225-kwp came after it booked a significant drop in its electricity cost from its initial 245-kwp solar rooftop project.

RSA eyes partnership with China on ind'l parks

The group of businessman Ramon S. Ang is eyeing a team up with China for the establishment of an industrial park in the country for Chinese companies. International Chamber of Commerce PH chairman Francis Chua said Ang is offering a 2,000ha property in Bulacan and another 1,000ha site in Mindanao.

Semirara to supply power to Mindoro

Consunji-led Semirara Mining and Power Corp. is building a submarine cable that would supply 50MW to Mindoro from its planned mine-mouth coal plant in Semirara Island in Antique. The project will be done at the request of the Department of Energy (DOE) to provide surrounding island provinces with cheaper and baseload power.

Philippine Stock Market Update



Previous Close:

7,258.99
JU

Open:

7,266.78

52-Week Range:

7,266.78 - 7,296.00

1 Yr Return:

9.54%

YTD Return:

6.50%

Source:

Bloomberg

Foreign Exchange

As of February 24, 2017

US Dollar	Philippine Peso
1	50.194

PDST-R2 Rates

As of February 24, 2017

Tenor	Rate
1Y	2.5602
3Y	3.6554
5Y	3.9697
7Y	4.7464
10Y	4.3287
20Y	5.2375

Daily Quote

"Every truth passes through three stages before it is recognized. In the first, it is ridiculed. In the second, it is opposed. In the third, it is regarded as self-evident." --Arthur Schopenhauer

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MORE LOCAL NEWS

Trump's 'America First' has impact on PH property

In a report, real estate services firm JLL Philippines said the Trump effect could “potentially be a consequential impact on the real estate market in the Phil.” “In the context of Trump’s protectionist leanings, the future of the Philippine property market remains uncertain,” said Claro Cordero Jr., head of Research for JLL PH.

SMC may launch own airline – CAPA

San Miguel Corp (SMC) may launch its own airline operations to cater to int'l routes as well as domestic points from Caticlan Airport, according to Center for Aviation (CAPA). CAPA said SMC is considering the possibility of establishing its airline and acquiring aircraft which are capable of operating longer int'l routes.

Landbank pushes rural bank consolidation

The state-owned Land Bank of the Philippines (Landbank) has proposed to consolidate a critical mass of the country’s small rural banks into one big entity that can rival universal banks in terms of capitalization.

DoE to issue new rules for contestable customers

THE Department of Energy (DoE) is looking to issue a new circular that will ease the rules for 750-kilowatt “contestable” consumers who are mandated to contract their power supply with licensed retail electricity suppliers (RES) by June 26, 2017.

BSP urges passage of Islamic banking bill

The central bank is pushing for legislation of an Islamic banking system that would promote financial inclusion and trigger inflows of foreign investments for Muslims all over the Philippines, the BSP said.

New Chinese minister to sign 40 postponed projects

On March 7, the new Commerce Minister, Zhong Shan will come and the talks can proceed, and then the signing of the initial projects. It’s like a priority list of those they will choose to fund,” Philippine Ambassador to China Jose Sta. Romana said during the Philippine-China Trade and Investment Forum.

PSE ‘more confident’ of sealing merger with PDS

THE PSE is “more confident” of closing the long-standing proposal to merge with fixed-income trading platform operator PDS within the year given the increasing support of various stakeholders. In March last year, the SEC rejected the PSE’s request for an “exemptive” relief to own more than 20% of PDS.

TODAY'S TOP ASIAN NEWS

Oil giant taps China's vast geothermal reserves

Chinese state-run energy giant Sinopec has drilled hundreds of wells across the country without finding a single drop of oil. But that was precisely the point: instead of black gold, the almost mile deep holes are providing clean heat for local homes.

Hong Kong property market sets new records

Hong Kong’s property market is setting new records, quashing attempts by the city’s leaders to tame surging home prices. Existing home prices reached an all-time high in the week ended Feb. 19, according to the Centaline Property Centa-City Leading Index, which tracks sales of secondary homes.

Solar deal shows how Trump-CH trade war may fail

For a cautionary tale on how a trade war with China could backfire against the U.S. under Trump, talk to REC Silicon ASA CEO Tore Torvund. After the U.S. slapped duties on Chinese solar panel exports in 2011, China shot back about a year later with measures against the American polysilicon exports used to make those units.

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MORE ASIAN NEWS

AIA, Manu to bid for Siam Comm's life ins. unit

AIA GROUP Ltd. and Manulife Financial Corp. are among bidders for Siam Commercial Bank Plc's (SCB) life insurance operations in what could be the biggest-ever acquisition of a Southeast Asian insurer, people with knowledge of the matter said.

Asian pension industry set to get further boost

The pension industry in Asia has enjoyed a bull run over the past decade on the back of an ageing population and growing wealth, and the good times are likely to continue as mainland China and Hong Kong are still at the early stage of their pension reforms, according to Principal Financial Group's Asia chairman Rex Auyeung Pak-kuen.

The day of reckoning is nigh for fintech startups

A stark realisation has set in on the limits of what fintech can actually accomplish. What started as a venture capital-driven, primal scream against the perceived backwardness of traditional banks and financial institutions has run into problems that no other new technology has faced.

Has mining giant Freeport had enough with IDN?

After years of skirmishing with the Indonesian government, American mining giant Freeport McMoRan Copper & Gold has finally issued a 120-day ultimatum, saying it will go to arbitration over violations to the Contract of Work (CoW) it signed with President Suharto's New Order regime 26 years ago.

SG: Finance firms eyeing bigger slice of SME pie

Singapore's three listed finance firms are poised to reap benefits from regulatory changes that will boost their customer reach and capacity to lend. Already, Hong Leong Finance, Sing Investments & Finance and Singapura Finance have enjoyed hefty run-ups in their share prices.

TODAY'S TOP GLOBAL NEWS

Buffett riffs on airlines, wealthy, and others

Warren Buffett knows how to make a serious point fun. On Saturday, he showed off his wit again, with an annual letter to Berkshire Hathaway Inc. shareholders that built on some of his favorite themes and added new ones.

Ways Saudi Aramco IPO can impact markets

The exact dollar value of Saudi Aramco may be up for debate, but the listing of the world's biggest company will be priceless for the kingdom's markets. The highly-anticipated share sale has become emblematic of Saudi Arabia's push to transform its economy and open its doors to more foreign capital.

Economic headwinds: Housing bubbles popping up

It seems counter-intuitive that a real-estate development tycoon would cause a housing bubble collapse, but consider the following: While high-priced homes are already starting to slide in some major metropolitan areas, Trump's immigration restrictions are likely to impact the lower and mid segments of the housing market.

Dutch parliament to debate leaving the eurozone

The Netherlands' future relationship with the euro will be comprehensively debated by its parliament following elections in March after lawmakers commissioned a report on the currency's future. The motion approving the investigation by the Council of State, the government's legal advisor, coincides with a rising tide of euroscepticism.

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