

# The Daily Dispatch

March 09, 2017  
TODAY'S TOP NEWS

## PSALM defers sale of Malaya thermal plant

State-run Power Sector Assets and Liabilities Management Corp. has deferred the sale of the 650 MW Malaya Thermal Power Plant in Rizal after the Department of Energy proposed to convert the facility into a liquefied natural gas plant. PSALM is awaiting the instruction of the DOE regarding the privatization of the power plant.

## China commits \$1B agri imports from PH

China has committed to significantly boost its imports from the Philippines as it seeks to buy \$1 billion worth of local agriculture products following a recent meeting between the trade ministers of the two countries.

## ERC cuts FiT rates for hydro and biomass projects

The Energy Regulatory Commission (ERC) has lowered the Feed-in-Tariff (FiT) rates for hydro and biomass power projects that are scheduled for commercial operations this year. The approved rates are lower compared to the July 2012 FiT rates of P5.90 per kWh for hydro and P6.63 per kWh for biomass.

## AEV income up 27% in 2016

Cebu-based conglomerate Aboitiz Equity Ventures Inc. boosted its net income over a fifth in 2016, with the bulk still coming from its power business. Power accounted for 65 percent of total net income, followed by the banking and financial services at 21 percent.

## Alveo eyes P45 B from new projects

Alveo Land Inc., which caters to the upper middle market, is eyeing P45 billion in sales from 16 new projects. The projects comprise 5,000 residential and office units, she said. Of the 5,000 units, about 11 percent will comprise office buildings while the balance will be residential projects.

## Philippine Stock Market Update



**Previous Close:**

7,294.56

**1 Yr Return:**

6.89%

**Open:**

7,298.10

**YTD Return:**

6.81%

**Day Range:**

7298.10 - 7326.83

**Source:**

Bloomberg

## Foreign Exchange

As of March 8, 2017

US Dollar	Philippine Peso
1	50.370

## PDST-R2 Rates

As of March 8, 2017

Tenor	Rate
1Y	2.5568
3Y	3.8591
5Y	4.0778
7Y	4.9286
10Y	4.9679
20Y	4.9500

## Daily Quote

"As you start your journey, the first thing you should do is throw away that store-bought map and begin to draw your own."

-Michael Dell

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## MORE LOCAL NEWS

### 1st rubber manufacturing plant to rise in Mindanao

The government and the private sector inked an agreement to put up the first-ever rubber manufacturing plant in the country. The Department of Agriculture, Philippine Rubber Farmers Association and Phoenix Petroleum Philippines Inc. signed a memorandum of understanding to jointly build Pilipinas Agila Tyre Manufacturing.

### MEG's Binondo mall hosts 1st PH Chinatown Museum

Property giant Megaworld and global payment network UnionPay International (UPI) have signed an exclusive sponsorship agreement for the development of the Philippines' first Chinatown Museum which is set to open this year at Lucky Chinatown, Megaworld's lifestyle mall in Binondo, Manila.

### Thrift banks remain bullish

Thrift banks expect sustained growth this year amid the robust domestic economy and the government's plan to bring development to the countryside, an official of the Chamber of Thrift Banks said Wednesday.

### NLEx extension to open December

Manila North Tollways Corp. pushed back the completion date of an elevated highway linking Mac Arthur Highway in Valenzuela City and C3 Road in Caloocan City because of right-of-way issues.

### BSP to forge deals in 2 e-payments schemes

The central bank is setting up two electronic payment schemes under the National Retail Payment System (NRPS), a policy and regulatory framework on the principles of electronic retail payment governance in the country.

### PH, Japan to prioritize RE projects in Mindanao

The Mindanao Development Authority (MinDA) and Japan's Ministry of Economy, Trade and Industry (METI) have identified priority areas of collaboration in renewable energy in the southern Philippines.

### NFA wants to import 800,000 tons of rice

The National Food Authority plans to import 800,000 metric tons of rice to augment stock for the lean season, administrator Jason Laureano Aquino said Wednesday. Aquino said in a news briefing NFA's buffer stocks by the end of June would be three days short of the required 15-day buffer stock.

## TODAY'S TOP ASIAN NEWS

### Myanmar wants to modernize its banking system

Myanmar is embarking on the first comprehensive audit of state-owned banks in decades, part of a push to modernize the financial system and tackle risks to the nation's rapid economic growth. The World Bank is working with its government on the project and the results will help to clarify options for restructuring the sector.

### Beijing's still years away from blue skies

As Chinese Premier Li Keqiang welcomed delegates to Beijing for the annual meeting of the legislature this week, he vowed to "make our skies blue again," raising hopes for residents who started the year under a blanket of smog and have wheezed through periodic bouts of pollution since then.

### KOR companies vulnerable to CH Thaad backlash

While the Kospi Index of equities, along with South Korea's won and its bond market, have all shown stability, some companies' shares have tumbled as China takes steps to demonstrate its displeasure with its neighbor's moves to install an American missile-defense shield known as Thaad.

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## MORE ASIAN NEWS

### SoftBank to put \$8B ARM stake into its Vision Fund

Japan's SoftBank is to place a roughly US\$8 billion (\$11.2 billion) stake in ARM, the British chip designer it bought last year, into a technology investment fund it has created with Saudi Arabia, the Financial Times reported on Wednesday.

### China 'trying to curry favour with Trump'

China's preliminary approval of dozens of new trademarks for businesses and products owned by President Donald Trump and his family raises fresh questions about potential conflicts of interest with foreign governments, several Senate Democrats say.

## TODAY'S TOP GLOBAL NEWS

### As world's wealth rises, AUS is biggest winner

They're all going to the land Down Under. Australia is luring increasing numbers of global millionaires, helping make it one of the fastest growing wealthy nations in the world, according to reports from New World Wealth.

### US review finds deliberate tax fraud at Caterpillar

A US government-commissioned review concluded Caterpillar intentionally committed tax and financial reporting fraud, the New York Times reported. Federal agents last week raided the Illinois headquarters of the US industrial giant, which failed to account for \$7.9 billion in overseas income for tax purposes, according to a report.

### Lawmakers quiz Merkel over role in VW's dieselgate

German Chancellor Angela Merkel faces a grilling by lawmakers investigating if her government shielded Volkswagen from regulators despite knowing the auto giant was carrying out emissions cheating. VW admitted to fitting vehicles with software that temporarily reduces harmful emissions when undergoing regulatory tests.

### SEC Said To Decide On Bitcoin ETF By Friday

Among the big drivers behind the recent move higher in the price of bitcoin - in addition to the traditional "capital outflow" demand out of China - has been widespread hope that the SEC will approve the first bitcoin ETF.

### S'pore, EU committed to free trade pact

Amid a rising tide of protectionism globally, SG and the EU have affirmed their commitment to a free trade agreement between the two parties. European Commissioner for Trade Cecilia Malmstrom, here on a two-day visit, said the EU-Singapore Free Trade Agreement "is a key element in the EU's pursuit to further strengthen our trade relations with

### K2 to Seek \$200M After Backing Uber, Spotify

The investment firm, led by Ozi Amanat, will start seeking more money in the second quarter after raising \$183m from investors last year, according to an investor presentation obtained by Bloomberg News. The new fund will focus on technology, Internet and software firms, according to the presentation.

### California grants Uber permit: self-driving cars

Uber Technologies Inc [UBER.UL] can legally put its self-driving cars back on California streets after securing the necessary permit from state regulators, the company said on Wednesday, although passengers will not immediately be allowed in the backseat.

## Economic Calendar

Date	Release
03.06.2017	PH: CPI Core YoY
03.09.2017	PH: Ex-Im Trade Balance
03.13.2017	PH: Unemployment Rate
03.14.2017	PH: Overseas Remittance YoY
03.15.2017	US: FOMC Rate Decision

Source: Bloomberg Economic Calendar