

# The Daily Dispatch

March 10, 2017  
TODAY'S TOP NEWS

## New US immigration rules put remittances at risk

In a report titled "Asia: US Immigration – Tighter border, lower remittances," Credit Suisse said the Philippines would experience the second biggest reduction in remittance flows next to Vietnam as the new US administration takes steps to tighten border and immigration policies.

## Tax reform to ramp up infra spending – Fitch

The research arm of the Fitch Group said the proposed tax reform program would allow the Duterte administration to ramp up infrastructure spending without risking macroeconomic instability. BMI Research said the first out of four proposed tax reform packages introduced by the DOF would be positive for revenue growth.

## Metrobank triples capex to P5B

Listed Metropolitan Bank & Trust Co. (Metrobank) has more than tripled its capital expenditures budget as it intends to beef up the listed bank's information technology. Metrobank said it is spending P5B for capital expenditures this year, P3.36B higher than the P1.64B it spent last year.

## 80 insurance firms comply with capital req'ts

Insurance Commissioner Dennis Funa said 26 life insurance companies and 47 non-life insurance firms have reported net worths of P550M and above, while seven mutual benefit associations (MBAs) have already posted fund balances of at least P550M.

## DICT open to entry of new telcos

The Department of Information and Communications Technology (DICT) wants to promote more competition in the telco industry by encouraging the entry of new players with foreign partners through the assignment of frequencies on a per need basis instead of holding an auction.

## Philippine Stock Market Update



Previous Close:

7,295.45

1 Yr Return:

5.04%

Open:

7,298.18

YTD Return:

6.45%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

## Foreign Exchange

As of March 9, 2017

US Dollar	Philippine Peso
1	50.380

## PDST-R2 Rates

As of March 9, 2017

Tenor	Rate
1Y	2.5583
3Y	3.8779
5Y	4.0739
7Y	4.9379
10Y	4.9443
20Y	4.9499

## Daily Quote

"Simplicity is the ultimate sophistication." -Leonardo da Vinci

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## MORE LOCAL NEWS

### 7-Eleven sets aside P3.5B for new stores

Philippine Seven Corp. (PSC), the local licensee of leading convenience store chain 7-Eleven, is pouring in P3.5B this year for the construction of 412 new stores. PSC president Jose Victor Paterno said the company plans to add 300 to 400 new stores a year or a growth of 20 percent.

### SEC oks Bermaz Auto's P1.24B IPO

The Securities and Exchange Commission has approved a plan by Mazda car dealer Bermaz Auto Philippines Inc., an affiliate of Malaysian conglomerate Berjaya, to raise as much as P1.24B from a local stock market debut.

### Lack of crucial cell sites blamed

Telco giants PLDT Inc. and Globe Telecom said a key reason for poor mobile network quality was the lack of crucial cell sites, a situation hobbled by bureaucratic red tape on releasing permits and uncooperative gated villages.

### Bizz Buzz: Philweb consolidation

Despite a tumultuous regulatory environment under the Duterte administration—which its founder and former chair Roberto V. Ongpin likened to being “struck by lightning”—gaming technology provider Philweb Corp. has been buying e-games stations from independent operators using its own shares as currency.

### BSP readies circular on money laundering

The Bangko Sentral ng Pilipinas will soon issue a circular that will strengthen regulations on anti-money laundering. Bangko Sentral Deputy Governor Nestor Espenilla Jr. said the new circular would be issued in the next couple of days.

## BIR sues companies for unpaid taxes

The Bureau of Internal Revenue (BIR) filed separate criminal complaints with the Department of Justice against delinquent corporate taxpayers for not paying taxes, a violation of the Tax Code. A criminal complaint was filed against Master Sports Corp. Also charged were Aeroflite Aviation Corp. and Chow Master Corp.

## TODAY'S TOP ASIAN NEWS

### DBS ties up w/cloud firm to help SMEs manage cash

DBS will connect the accounts of SME customers to Xero's online accounting software, allowing customers to access a consolidated, real-time view of their financial accounts, including cash in the bank, at any time.

### Country Garden halts Malaysian housing sales

CH developer Country Garden Holdings has closed all sales centres in mainland China for its flagship Malaysian housing project amid Beijing's intensified crackdown on capital flight. The development had been successful in attracting Chinese buyers by offering affordable prices to Malaysia's visa programme for long-term stays.

### Judgement day arrives for KOR president Park

In a matter of hours, South Koreans will see whether suspended President Park Geun-hye gets booted from office. Eight judges in the Constitutional Court of Korea will rule at 11 a.m. on the validity of a motion to impeach Park, who has been suspended since parliament voted to oust her in December.

### Millennial movers bring life to JAP mountain towns

High-speed broadband. An award-winning brew pub built with recycled materials as part of a "zero waste" mission. An artist-in-residence program. Organic pizza from a wood-fired oven. There is new life in the mountains of Tokushima prefecture, even as depopulation afflicts most of rural Japan with rot.

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## MORE ASIAN NEWS

### 5 key threats to China's 'solid' Yuan this year

Chinese policy makers made it clear this week that they don't want any surprises when it comes to the yuan. Three-month implied volatility on the currency is the lowest among emerging markets, as capital controls quell demand for foreign exchange. Analysts, however, see 5 potential risks to that outlook.

### India lost 11 billionaires last year

India's clampdown on cash lost the economy a few billionaires last year though the richest hardly saw their fortunes hit. India dropped one spot to No. 4 on the Hurun Global Rich List as the nation lost 11 billionaires in 2016 while the world added 69. However, the 18 Indians among the top 500 saw their wealth drop just 1.5%.

### Coca Cola to invest additional \$285M in Vietnam

Coca-Cola Co is planning to invest an additional US\$285 million in Vietnam, state media reported, quoting the company's general director for the country. The beverage maker's decision highlights its interest in the Vietnam market and may put pressure on its competitors.

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## TODAY'S TOP GLOBAL NEWS

### Airbnb valued at US\$31B in new funding round

Airbnb raised more than a billion dollars in a fresh funding round that valued the home-sharing startup at US\$31B (\$\$44.05B), a source close to the company told AFP on Thursday (March 9).

### Asia stocks edge higher, USD up before payrolls

Asian stocks edged up and the dollar rose to 1-1/2-month highs versus the yen on Friday ahead of the U.S. non-farm payrolls report due later in the day. MSCI's broadest index of Asia-Pacific shares outside Japan .MIAPJ0000PUS added 0.1 percent, taking cues from a modest bounce in Wall Street overnight.

### Shell Cuts Debt With \$7.25B Sale of Oil Sands

Royal Dutch Shell Plc will sell almost all of its production assets in Canada's oil sands in a \$7.25B deal that cuts debt and reduces involvement in one of the most environmentally damaging forms of fossil-fuel extraction.

### Fewer Insiders Are Buying Their Own Stocks

If 'everything is awesome' then someone will have to explain to us why corporate executives are buying their own firms' shares at the slowest pace in at least 29 years. According to the Washington Service, there were a total of 279 insider buyers in January, the lowest since 1988.

### The OPEC deal is facing its biggest test

The producer group is aiming to revamp the market by eroding a crude inventory surplus that's depressed prices since 2014. A deal to cut output announced at the end of November had the side-effect of triggering a surge in U.S. production and a jump in the nation's inventories to an all-time high.

## 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