

The Daily Dispatch

March 30, 2017
TODAY'S TOP NEWS

PAL approves equity restructuring

The board of directors of the parent firm of Philippine Airlines (PAL) has approved an equity restructuring to remove both existing and additional deficit to be incurred after the acquisition of Zuma Holdings and Management Corp. and subsidiary Air Philippines.

MetroPac hikes stake in toll road company

The tollway unit of Metro Pacific Investments Corp. acquired another 7-percent stake held by France's Egis Projects SA in Tollways Management Corp. for P442.3 million. Metro Pacific Tollways Development Corp. signed a share purchase agreement with Egis, which is expected to be completed by April 4 this year.

PSALM cancels Malaya auction

Power Sector Assets and Liabilities Management Corp. canceled the bidding of the 650-megawatt Malaya thermal power plant in Pililla, Rizal. "Bidding is deferred until further notice," PSALM officer-in-charge Lourdes Alzona said. PSALM was supposed to conduct the bidding for the Malaya power plant on March 30.

Maynilad building 6 sewage facilities

Maynilad Water Services Inc., the water concessionaire in the western part of Metro Manila, is constructing six new sewage treatment plants to expedite the provision of sewerage and sanitation services to customers. Maynilad said the facilities would have a combined treatment capacity of 269 million liters per day.

Ayala Group eyeing 2nd offshore energy expansion

AC Energy Holdings, Inc. is setting its sights on Vietnam as the second regional expansion for its offshore investments. AC Energy President and CEO Eric T. Francia said there is no particular technology yet that they are looking at – whether that would be hydro, gas or renewable energy development opportunities.

Philippine Stock Market Update



Previous Close:

7,324.00

1 Yr Return:

2.19%

Open:

7,327.38

YTD Return:

7.20%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of March 29, 2017

US Dollar	Philippine Peso
1	50.146

PDST-R2 Rates

As of March 29, 2017

Tenor	Rate
1Y	2.6966
3Y	4.1638
5Y	4.3491
7Y	5.1464
10Y	5.3536
20Y	5.6732

Daily Quote

"There are no traffic jams along the extra mile."

-Roger Staubach

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MORE LOCAL NEWS

EastWest prepares succession plan

East West Banking Corp. is strengthening its executive bench as part of a succession plan in case its president is picked as the successor of outgoing BSP Governor Tetangco. EastWest president and CEO Antonio Moncupa Jr., one of the frontrunners for the BSP post, said the listed bank continues to strengthen its management team.

Asean energy ministers to meet in Manila

The Department of Energy is preparing for the annual meeting in Manila of 10 Asean energy ministers aiming to accelerate the integration of Asean energy development strategies to assure that energy policies are aligned with the needs of economic growth and sustainability of the environment.

Ayala to consolidate mfg, vehicle distribution subs

A subsidiary of Ayala Corp. will transfer its 50.6% ownership in Integrated Micro-Electronics Inc. to AC Industrial Technology Holdings Inc., a move aimed at consolidating the group's interests in manufacturing and automotive dealership under one company. The transaction will be done through a special block sale of IMI shares.

PCC to impose hefty fines versus violators

The Philippine Competition Commission (PCC) can impose a penalty of P100M in fine for first offense and P250M for the second offense against the cement industry if it is proven engaged in anti-competition activities. PCC Chairman Arsenio Balisacan said these penalties are provided under the Philippine Competition Act.

Cebu Pac links with KLM AFI for expanding fleet

Gokongwei-led budget airline Cebu Pacific has chosen Air France Industries KLM Engineering and Maintenance to provide maintenance support for its expected new fleet of Airbus A320s. The selection of AFI KLM E&M came following a call for tenders by CEB in September last year for the carrier's expanding fleet of Airbus passenger jets.

JFC to continue stinging McDo despite labor issues

Jollibee Foods Corporation's largest brand has been experiencing some financial challenges since July 2016 due to rising cost of raw materials and contractualization issues. Despite this, the homegrown fast-food chain expects to maintain its lead against rival McDonald's PH driven by its network expansion and product innovation.

AC Energy eyes opportunities in SE Asia

The move comes after AC Energy signed in January 2017 investment agreements with UPC Renewables Indonesia for the development, construction and operation of a 75-megawatt (MW) wind farm project in Sidrap, South Sulawesi, Indonesia.

Global Ferronickel secures follow-on offering

GLOBAL FERRONICKEL Holdings, Inc. has obtained a long-awaited regulatory approval to launch a follow-on offering -- albeit at a smaller size -- with the Philippines' no. 3 nickel producer by output keen on braving the equity market despite regulatory uncertainties in the mining industry.

Cemex unit, Chinese firm ink plant deal

A unit of cement-maker Cemex Holdings Philippines Inc. has signed an agreement with Sinoma Energy Conservation Ltd. of China to build and operate a 4.5-megawatt (MW) waste-heat-to-energy (WHITE) facility in Naga, Cebu.

TODAY'S TOP ASIAN NEWS

Evergrande climbs on plan to raise up to \$2.9B

China Evergrande Group, the nation's most indebted property developer, advanced in Hong Kong trading after announcing a plan to introduce as much as 20 billion yuan (\$2.9 billion) from strategic investors ahead of a back-door listing on the mainland.

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MORE ASIAN NEWS

URA to revitalise Kallang River precinct

The Urban Redevelopment Authority is looking to revitalise areas along Kallang River, and wants the public's and private sector's ideas on how the 10-km stretch from Lower Peirce Reservoir to Kallang Basin can be transformed. This excited property developers and consultants, who began to envisage the possibilities this presents.

World's 1st Asia ex-Japan REIT ETF lists on SGX

The NikkoAM-StraitsTrading Asia ex-Japan REIT Exchange Traded Fund (ETF) was listed on the Singapore Exchange (SGX) on Wednesday. The basket of REITs covers properties including financial hubs, tech hubs, hospitals, residential and industrial properties, malls and hotels located across Asia ex-Japan.

Standard Life Asia sold to Chinese joint venture

British insurer Standard Life has agreed to sell its Hong Kong arm, Standard Life Asia, to its Chinese joint venture, Heng An Standard Life Insurance Company. The move makes Heng An the second mainland enterprise to buy a Hong Kong-based insurance company in the space of two weeks.

Polarising investment trend in CH's TMT sector

Private equity (PE) and venture capital (VC) investments in mainland China's technology, media and telecommunications sector are polarising even as the segment maintains its popularity among investors, global professional services firm PwC said on Wednesday.

TODAY'S TOP GLOBAL NEWS

Mexico gets \$17B windfall on peso drop

Mexico's Finance Ministry got a 321.7 billion peso (\$17.1 billion) windfall from the central bank after Donald Trump triggered a plunge in the peso last year, boosting foreign currency reserves. The surplus, announced on Banxico's website on Wednesday, is almost \$4 billion more than last year's and is a record.

MORE GLOBAL NEWS

EU blocks Deutsche boerse's \$14B takeover of LSE

European Union regulators dealt a final blow to Deutsche Boerse AG's planned takeover of London Stock Exchange Group Plc, a symbolic block on EU-U.K. integration on the same day Britain formally serves notice of its decision to quit the EU.

Asia shares creep up to 2 yr. peak, dollar firms

Asian shares edged up to near their highest in two years on Thursday, while the dollar benefited from waning expectations that the European Central Bank was poised to end its easy policy. MSCI's broadest index of Asia-Pacific shares outside Japan was 0.2% higher in early trade, pushing against its loftiest levels since June 2015.

Trump to unveil \$1 trillion infra plan in 2017

U.S. Transportation Secretary Elaine Chao said the Trump administration would unveil a \$1 trillion infrastructure plan later this year, but she did not offer details of funding for projects. The proposal will cover more than transportation infrastructure - it will include energy, water and potentially broadband and veterans hospitals.

London banks tell staff to keep cool as Brexit looms

Banks in Britain have tried to reassure their London staff over possible Brexit disruption, including a shift in jobs to continental Europe, as Prime Minister Theresa May triggered formal EU divorce proceedings on Wednesday.

Economic Calendar

Date	Release
03.20.2017	PH: BoP Overall
03.23.2017	PH: BSP Overnight Borrowing Rate
03.30.2017	US: GDP Annualized QoQ
03.31.2017	PH: Money Supply M3 SRF YoY
03.31.2017	PH: Bank Lending YoY

Source: Bloomberg Economic Calendar