

The Daily Dispatch

April 03, 2017
TODAY'S TOP NEWS

Housing prices outside Metro Manila still rising

Rates to purchase houses in the Philippines continued to rise in the last quarter of 2016, latest data from the BSP showed, with costs outside the NCR outweighing the decline in prices in the metro. Data showed housing prices slightly increased by 0.3% nationwide in October-December 2016 compared to the year before that.

Ayala, SM team up for alternate to EDSA

Rival conglomerates Ayala Corporation and SM Investments Corporation (SMIC) have teamed up to propose a new elevated expressway that will provide a much faster alternative to EDSA. The elevated toll road would run 8.6 kilometers and start in Sta. Mesa, Manila and go all the way to Pasay City via Makati.

PH AirAsia plans to go public in 2017 for expansion

Philippines AirAsia is moving forward with its plan to be listed on the PSE this year, as it starts talks with several foreign banks to study the terms of its IPO. The initial plan of the local unit of Asia's biggest budget carrier AirAsia Berhad was to raise around \$200M, but their CEO said this has yet to be finalized.

SM enters logistics through stake in 2GO

Sy family-led SM Investments Corporation (SMIC) is moving into the logistics industry by buying into the country's largest integrated supply chain operator, 2GO Group Incorporated. In a disclosure to the PSE, SMIC said it has completed the acquisition of a minority stake in 2GO Group through a 34.5% stake in its parent company.

PCC to look into DTI's proposal on retail prices

The Philippine Competition Commission (PCC) will look into the proposal of the Department of Trade and Industry (DTI) to give companies the freedom to decide on the pricing and necessary cost adjustments of basic necessities and prime commodities.

Philippine Stock Market Update



Previous Close:

7,311.72

1 Yr Return:

2.88%

Open:

7,323.74

YTD Return:

7.02%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of March 31, 2017

US Dollar	Philippine Peso
1	50.200

PDST-R2 Rates

As of March 31, 2017

Tenor	Rate
1Y	2.6708
3Y	4.0988
5Y	4.2577
7Y	5.0625
10Y	5.0554
20Y	5.0302

Daily Quote

“The secret of getting ahead is getting started. The secret of getting started is breaking your complex, overwhelming tasks into smaller manageable tasks, and then starting on the first one.” --Mark Twain

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MORE LOCAL NEWS

SMC to invest in Vietnam beer makers

San Miguel Corp. is eyeing multi-billion-dollar investments in the country, and is joining an upcoming auction of Vietnam's prized beer companies, in a bid to fortify its position. SMC has indicated they will be joining the public bidding of the Vietnamese government for the sale of Saigon brewery.

BoC bringing in new batch of investors to Phl

Bank of China (BOC), the fourth largest bank in the world, continues to serve as a bridge between Chinese and Philippine enterprises as it brings in a new batch of firms to the country this month. The BOC is set to bring 150 Chinese investors to the 12th ASEAN Finance Ministers' Investors Seminar scheduled this month.

Investors await Eagle Cement listing

Investors are shying away from listed cement companies with foreign funds, dumping shares ahead of the planned market debut of Eagle Cement Corp. Traders said investors are keenly awaiting the listing of the Ang family's cement company, which they may find more attractive.

NEDA shrugs off mine closure risks

The NEDA is not worried about the potential impact of possible mine closures to the government's plan to develop downstream industries in the mineral sector. NEDA would still push for the construction of more mineral processing plants in the country even if more than half of the country's mining operations are facing suspension.

US investors in Clark unfazed by Trump's policy

American investors in Clark are unfazed by Trump's American First policy, and the latter's pronouncement that he will cut regulations and taxes to make it more attractive for business to operate in the US. Michael Russell, president of GGDC, said that they will continue and fulfill their vision in the Clark Freeport.

Del Monte completes fund-raising

Campos-led food and beverage conglomerate Del Monte Pacific Ltd. (DMPL) has completed a \$200-million fund-raising from a pioneering offering of preferred shares that also became the curtain-raiser for the dollar-denominated securities platform of the Philippine Stock Exchange.

Power supply seen stable in next two months

The power supply situation in Luzon will be "stable" in the next eight weeks with a gross reserve of at least 1,350 megawatts in generating capacity available at the time of the year when demand peaks, according to the National Grid Corporation of the Philippines.

MPIC wooing airport operators

Infra conglomerate MPIC is in advanced talks with several foreign airport operators to bid for unbundled regional airport projects this year. MPIC vice president for business development Karim Garcia said the group was now talking to several foreign operators, after its French partner Aeroports de Paris Management SA pulled out.

Hyundai investing P2b in PH assembly facility

South Korean vehicle distributor Hyundai Asia Resources Inc. is investing P2 billion in its first Philippine assembly facility as a part of its goal to join the country's Comprehensive Automotive Resurgence Strategy or Cars program.

TODAY'S TOP ASIAN NEWS

Singapore property developers have a new headache

Singapore's recent unwinding of some property curbs, which initially appeared to boost prospects for developers, may instead be creating new problems. Many of the city's builders now face an unpalatable choice: discount unsold luxury homes or pay stiff penalties for missing government-mandated sales deadlines.

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MORE ASIAN NEWS

PAG poised to win Yingde takeover

PAG Asia is poised to win the takeover battle for Yingde Gases Group as two more of its major and founding shareholders have joined former chairman Zhao Xiangti to tender their shares to the buyout fund.

Gas bidding terms near completion

The bidding process for the new concessions for the Erawan and Bankot gas blocks in the Gulf of Thailand, which are due to expire in 2022 and 2023, respectively, is expected to progress by June, according to Energy Minister Anantaporn Kanjanarat.

CH new bond quotas add up to lower debt risks

Beijing has unveiled a complex formula to calculate the size of each local government's share of the bond quota pie. The Ministry of Finance said on Saturday that the formula was designed to regulate quota management of new bond issues by local governments and prevent fiscal and financial risks.

KKR woos state funds on deal for \$12B tower firm

A consortium led by KKR & Co. has approached sovereign funds about joining a potential deal to take over Indus Towers Ltd., which could value India's largest wireless infrastructure company at more than \$12 billion, people with knowledge of the matter said.

Abu Dhabi's \$180B lender: First Abu Dhabi Bank

First Gulf Bank PJSC and National Bank of Abu Dhabi PJSC completed a merger to create the United Arab Emirates' biggest bank with assets of \$180 billion, with the new entity to be called First Abu Dhabi Bank. The lender began trading on the Abu Dhabi Securities Exchange on Sunday under the ticker NBAD.

Chinese firms lure top talent from Silicon Valley

"Chinese companies are obsessed with hiring Silicon Valley talent because winning talent here is like reaching the commanding heights of the AI battlefield," said Ren, founder of TalentSeer, a San Francisco-based headhunting company focused on AI expert recruitment.

TODAY'S TOP GLOBAL NEWS

Australia home prices rise most in 7 years

Australian house prices rose the most in almost seven years in March as the country's housing boom accelerated. Average home values in Australia's eight state and territory capitals rose 12.9 percent in the 12 months through March, the fastest pace since May 2010.

ISPs say will not sell customer browsing histories

Comcast Corp, Verizon Communications Inc and AT&T Inc said Friday they would not sell customers' individual internet browsing information, days after the U.S. Congress approved legislation reversing Obama administration era internet privacy rules.

U.K. raises \$14.7B in Blackstone-Prudential deal

The U.K. will raise 11.8b pounds selling mortgages to Blackstone Group LP funds and Prudential Plc, as it takes another step toward clearing assets acquired from lenders that failed in the financial crisis.

Economic Calendar

Date	Release
04.04.2017	PH: CPI YoY
04.05.2017	US: FOMC Meeting Minutes
04.06.2017	PH: Foreign Reserves
04.10.2017	PH: Ex-Im Trade Balance
04.16.2017	PH: Overseas Remittances YoY

Source: Bloomberg Economic Calendar