

The Daily Dispatch

April 24, 2017
TODAY'S TOP NEWS

SM completes acquisition of MyTown

The country's leading conglomerate SM Investments Corp. has completed its acquisition of a 61.2% stake in Philippines Urban Living Solutions Inc. (PULS), the company that operates a growing chain of dormitory buildings under the "MyTown" brand. The total acquisition price was less than 10% of its net book value, SMIC added.

BSP shuts rural bank in CamSur

The Bangko Sentral ng Pilipinas has shuttered another rural bank in Camarines Sur due to insolvency, the fourth so far this year. In a statement, state-run Philippine Deposit Insurance Corp. (PDIC) said the Monetary Board on April 20 had prohibited Rural Bank of Ragay (Camarines Sur) Inc. from doing business.

Private economists hike inflation forecasts

Economists polled by the Bangko Sentral ng Pilipinas (BSP) raised their inflation forecasts for this year to an average 3.4 percent from 3 percent previously on the back of the peso's depreciation during the first quarter as well as rising oil prices.

Ayala earmarks P185B for capex this year

Conglomerate Ayala Corp. plans to scale up its social and hard infrastructure businesses as part its thrust to align its corporate goals to the development needs of the country. For this year, the group has planned P185 billion in combined capital expenditure across its portfolio of businesses.

Canada export bank eyes PH

As offers of development funding from China and Japan pour in, Canada also wants a bigger piece of the Philippine growth story as its export credit agency Export Development Canada (EDC) seeks more opportunities to fund infrastructure projects and other key industries.

Philippine Stock Market Update



Previous Close:

7,578.16

1 Yr Return:

6.33%

Open:

7,585.36

YTD Return:

10.68%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of April 23, 2017

US Dollar	Philippine Peso
1	49.790

PDST-R2 Rates

As of April 23, 2017

Tenor	Rate
1Y	3.0071
3Y	4.1392
5Y	4.2911
7Y	4.8325
10Y	5.3018
20Y	5.0987

Daily Quote

"Power means happiness; power means hard work and sacrifice."

-Beyonce Knowles

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MORE LOCAL NEWS

PE firm launches digitalization platform in SEA

A new private equity platform Altus Digital Capital (ADC) formally made its debut in the Philippines focused on investing in native digital companies in emerging markets in Southeast Asia. ADC is a division of Altus Capital Partners, a partner company of International Finance Corp (IFC).

IMF sees Phl GDP growth at close to 7%

The Philippine economy is capable of growing by around 7% over the next two years on the back of robust domestic demand as well as a strong recovery in exports, according to the IMF. Economic growth is expected to remain robust at around 7% this year and next year led primarily by domestic demand and a recovery in exports.

Tighter credit standards for comm'l RE loans

Banks continued to tighten their credit standards for real estate loans to companies, while maintained those for housing loans of individuals during the first quarter. The tighter overall credit standards for commercial real estate loans reflected respondent bank's wider loan margins, and reduced credit line sizes.

PEZA closes its doors to online gaming firms

PEZA is shutting its doors to online gaming firms amid the approval given by the Office of the President to accommodate the legal ones. PEZA director general Charito Plaza said the agency has firmed up its position to not allow online gaming firms to operate anywhere within its accredited sites across the country.

Basic Energy mulls solar projects abroad

Basic Energy Corp. and its partner are scouting for solar power investments overseas since government announced it will nix the expansion of the FIT scheme. The company will pursue solar ventures with Vintage Engineering Public Co. Ltd. (VTE) in Asia, Basic Energy SVP and general manager Anthony Cuaycong said in a text message.

Telcos to comply with labor laws

Telcos have committed to comply with labor laws and regulations in line with the government's push to stop job contractualization. In support of the campaign of the DOLE, Globe said it is currently in talks with its accredited third-party vendor partners on the regularization of all contractual employees.

8990 to launch P7-B Mactan, Cebu, projects

Mass-housing builder 8990 Holdings Inc. said it plans to launch two bigger projects in Mactan, Cebu province, with a combined cost of about P7 billion. The company said it will launch Deca Homes Mactan Prime and Urban Deca Homes Mactan.

TODAY'S TOP ASIAN NEWS

Tryb Capital: fintech infra an immense opportunity

Tryb Capital, formed by the team of Magnus Bocker, Nels Friets, Markus Gnirck and Veiverne Yuen, sees an immense opportunity to invest in the businesses developing, maintaining and operating the financial infrastructure of Southeast Asia as the regional economy and its emerging markets grow.

Raffles Medical Q1 profit climbs despite lower rev

Raffles Medical Group recorded S\$15.5 million net profit in its first quarter, up 0.1 per cent from the same period a year ago, the group said in a Singapore Exchange filing on Monday morning. For the three months ended March 31, revenue dipped 1.7 per cent to S\$114.9 million from the year-ago period.

Citi gains from Asean's rapid urbanization

Citi's Asean business continues to grow nicely as the bank plays well into the region's rapid urbanisation propelled by an expanding middle class. "We are seeing great traction in the main businesses of wealth management, cards, flows in corporate and investment banking, and M&A advisory," Citi's head of Asean said.

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MORE ASIAN NEWS

Robust deal flow' in S-E Asia's private equity market

South-east Asia's private equity and venture capital market saw robust deal flow last year after a subdued 2015, thanks to strong interest in Internet and consumer-related sectors. Experts at Bain & Company and the SVCA, which jointly released the report, said this year is likely to be another good one for the industry.

Security firms in race along China's 'Silk Road'

Global security companies and their smaller Chinese rivals are jostling for business along Beijing's modern-day "Silk Road", the grandiose plan for land and sea routes connecting the world's second largest economy with the rest of Asia and beyond. The project is seen boosting economic growth at home.

Malaysia Reaches Deal on \$2.5 Billion of 1MDB Bonds

The battle over the repayment of 1MDB bonds may be coming to an end. Malaysia has reached an agreement to pay Abu Dhabi \$2.5 billion as partial debt settlement for embattled government fund 1Malaysia Development Bhd., according to a person familiar with the matter.

TODAY'S TOP GLOBAL NEWS

Gold tumbles most in more than seven weeks

Gold sank the most in more than seven weeks as investors returned to riskier assets on speculation pro-growth centrist Emmanuel Macron will become France's next president after the first round of voting, potentially removing a threat to the euro zone from one of the region's top economies.

Jack Ma sees decades of internet disruption

Alibaba Group Holding Ltd. Chairman Jack Ma said society should prepare for decades of pain as the internet disrupts the economy. The world must change education systems and establish how to work with robots to help soften the blow caused by automation and the internet economy, Ma said in a speech.

KKR, INCJ submit joint offer for Toshiba chip unit

U.S. private equity (PE) firm KKR & Co LP and Japanese government-backed fund, Innovation Network Corp of Japan (INCJ), will submit a joint offer for Toshiba Corp's (6502.T) memory chip unit. The Nikkei business daily reported on Friday.

IMF drops anti-protectionist pledge in nod to Trump

Global policy makers dropped another pledge to resist protectionism on trade, as Trump's election win continues to shake up the consensus at gatherings of finance ministers and CB governors. A communique from the IMF's steering committee, said that officials "are working to strengthen the contribution of trade to our economies."

Merkel encouraged US will consider free trade deal

German Chancellor Angela Merkel fueled expectations of a future EU-U.S trade deal on Sunday, saying she was "very encouraged" talks were being looked at. Merkel said Germany was opposed to protectionism and trade barriers, and would continue to work for trade agreements like the one signed between the European Union and Canada.

Euro jumps on French election relief

The euro vaulted to five-month peaks in choppy Asian trading on Monday (April 24) after the market's favoured candidate won through the first round of the French election, reducing the risk of a Brexit-like shock and sparking a mass unwinding of safe-haven trades.

Economic Calendar

Date	Release
04.16.2017	PH: Overseas Remittances YoY
04.18.2017	PH: BoP Overall
04.25.2017	PH: Budget Balance PHP
04.27.2017	PH: Bank Lending YoY
04.27.2017	PH: Money Supply M3 SRF YoY

Source: Bloomberg Economic Calendar