

# The Daily Dispatch

April 25, 2017  
TODAY'S TOP NEWS

## DOE takes mandatory stance for RCOA

The Department of Energy (DOE) has taken a mandatory stance on the enforcement of retail competition and open access (RCOA) for the restructured electricity sector in the motion for reconsideration it filed with the Supreme Court on an earlier temporary restraining order (TRO) handed down against the policy.

## MPIC interested in tollway opportunities abroad

Metro Pacific Investments Corp. remains interested in tollway opportunities in Indonesia and Malaysia, even as deals being eyed earlier did not push through. While the deals in Malaysia and Indonesia did not materialize, the company is still looking at opportunities available in the two countries.

## Belle eyes 2nd Philippines casino

Belle Corp. and partner Melco Crown Philippines are looking for a second site to expand their casino venture following the success of City of Dreams Manila. Belle Corp. vice chairman Willy Ocier told reporters they were applying for approval from gaming regulator Pagcor to open a second integrated resort.

## Coca-Cola decries boycott over products

The Coca-Cola System is deeply concerned that the misunderstanding on the importation of High Fructose Corn Syrup has affected its relationship with the sugar industry and the people it serves in the Negros region. "The call to boycott our products affects many more workers and consumers along the economic value chain," it said.

## UK's £4.5B export-import facility available to PH

The United Kingdom's trade department is urging the Phil. government to tap its £4.5B export-import facility to help fund the administration's unprecedented public investment program. The UK's Secretary of State for Int'l Trade Liam Fox and Finance Sec. Dominguez met recently to discuss ways to expand PH exports to the UK.

## Philippine Stock Market Update



**Previous Close:**

7,588.88

**1 Yr Return:**

7.80%

**Open:**

7,599.90

**YTD Return:**

12.15%

**52-Week Range:**

6,499.00 - 8,118.44

**Source:**

Bloomberg

## Foreign Exchange

As of April 24, 2017

US Dollar	Philippine Peso
1	49.783

## PDST-R2 Rates

As of April 24, 2017

Tenor	Rate
1Y	2.7664
3Y	4.1147
5Y	4.2887
7Y	4.8268
10Y	5.2289
20Y	5.1356

## Daily Quote

"Death is something inevitable. When a man has done what he considers to be his duty to his people and his country, he can rest in peace."

--Nelson Mandela

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## MORE LOCAL NEWS

### Multilateral banks to attract private capital

Multilateral development banks (MDBs) – including Manila-based Asian Development Bank (ADB) – have agreed to strengthen their collaboration to attract private sector capital for funding vital infrastructure that will help countries worldwide attain inclusive growth and fulfill their commitments to the Paris climate change pact.

### Meralco's profit remains flat in first quarter

Meralco posted flat quarterly earnings on Monday, April 24, as inflation, currency effects, and cooler temperature continued to impact the Philippines' largest distributor of electrical power. The operating and business conditions for the first quarter of 2017 proved to be more challenging for Meralco compared with 2016.

### Artificial intelligence reinventing banking in PH

Artificial intelligence (AI) – or as some call robotics – will become an alternative way for banks and even brokerage firms here to interact with their customers soon. BPI, BDO, and brokerage firm BDO Nomura Securities are driving investments into chatbots and AI to augment customer service and streamline backroom processes.

### Filinvest Land sets 2017 capex at P20 B

FILINVEST Land, Inc. (FLI) has allotted P20 billion to fund residential and office development projects in 2017, in an effort to hike the firm's recurring income. FLI plans to launch 16 residential projects spread out across the country in 2017.

### MVP: Atmosphere for new CNOOC talks is better

PXP ENERGY Corp. is hoping that positive developments in the country's relationship with China will “in due course” lead to the resumption of talks with China National Offshore Oil Corp. (CNOOC) to jointly explore an area in the South China Sea for natural gas.

### Global remittances on the decline

Cash sent by migrants to their home countries declined for the second straight year in 2016, but the Philippines bucked the trend and enjoyed strong remittance flows, the World Bank said.

### First Gen Sources \$500 mn debt facility

Philippine-listed power generation firm First Gen Corp said that it has completed its refinancing-raising a \$500 million debt facility- from six banks. First Gen made the transaction through its subsidiary First Gas Power Corp, which signed the term loan facility with Bank of Commerce, BPI, BDO, PNB, SCB and Sumitomo Mitsui Banking Corp.

## TODAY'S TOP ASIAN NEWS

### Nippon Fruehauf invests P3.7B in Bulacan

Japan's number one tailgate lift manufacturer and seller, Nippon Fruehauf Co. Ltd., is investing P3.7 billion for the plant expansion of its local licensed builder, Centro Manufacturing Corporation, in Marilao, Bulacan, a top trade official said on Monday.

### China's hidden debt stirs investor angst

Rising defaults in China are unearthing hidden debt at companies across the country. Small firms that can't get loans by themselves have been winning banks over by getting other companies to guarantee their borrowings. The companies making those pledges exclude them from their balance sheets, leaving creditors in the dark.

### Inside China's plans for world robot domination

China is embracing robotics with the same full-on intensity that's made it a force in high-speed rail and renewable energy. Beijing economic planners view it as a stepping stone to a broader strategic goal: dominating emerging markets for artificial intelligence, driver-less vehicles and digitally-connected appliances and homes.

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## MORE ASIAN NEWS

### Luxury shoe brand Jimmy Choo put up for sale

British luxury retailer Jimmy Choo has put itself up for sale to try to maximise shareholder value as majority investor JAB increases its focus on consumer goods. JAB Luxury also said that it was reviewing its ownership of Bally International, clearing the way for a possible sale of that business, too.

### HSBC to advise on record-breaking Saudi Aramco IPO

HSBC has been formally appointed as an adviser on the initial public offering of Saudi Arabia's national oil giant Aramco, predicted to be the biggest listing debut in history, chief executive Stuart Gulliver confirmed on Monday.

### Malaysia to pay Abu Dhabi \$1.2B

Malaysia reached an agreement to pay Abu Dhabi about \$1.2 billion as settlement over the debt of embattled government fund 1MDB. Abu Dhabi sovereign wealth fund International Petroleum Investment Co. will get half the amount by the end of July and the rest by the end of this year, according to an IPIC statement on the London Stock Exchange on

### Banks are backing out of \$1.7T in CH investments

A \$1.7T source of inflows into Chinese markets has suddenly switched into reverse, roiling the nation's money management industry and sending local bonds and stocks to their biggest losses of the year. The turbulence has centered on so-called entrusted investments -- funds that Chinese banks farm out to external asset managers.

### Saudi Arabia to offer 1GW of RE contracts in 2017

Saudi Arabia will offer as much as 1 gigawatt of contracts to buy renewable electricity by the fourth quarter of this year, a government official said, putting more detail on a program designed to stimulate the kingdom's wind and solar industry.

### Abraaj said to plan \$4.5B in first close for fund

Buyout firm Abraaj Group is planning a first close of as much as \$4.5 billion by the end of June for what will be its largest-ever investment fund, according to people familiar with the matter.

## TODAY'S TOP GLOBAL NEWS

### Trump looks to Australia as infrastructure guide

As he seeks models for his planned \$1 trillion infrastructure program, President Donald Trump is looking halfway around the world for inspiration: Australia. The Trump administration is looking "very carefully" at Australia's model for financing roads, bridges and other public projects, Steven Roth said.

### Tesla doubles superchargers with huge solar stations

Tesla is going to need more chargers. Lots of them. This year, the number of Superchargers available for public use will double—from 5,000 to 10,000, according to a blog post Tesla published Monday. That's 39 percent more Superchargers than CEO Elon Musk promised for 2017.

### Google market cap hits an all time high \$600B

Even as the US "brick and mortar" retail industry is in a tailspin of historic proportions, its ad spending must be better than ever, because on Monday Google parent Alphabet closed up 2.3%, hitting a new record high, and as Bloomberg pointed out first, the company's market value crossed above \$600b for the first time ever.

## 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