

The Daily Dispatch

April 05, 2017
TODAY'S TOP NEWS

AEV eyes bond market to raise \$600 million this year

The Aboitiz Group may tap the debt market this year, as it plans to refinance the bridge financing it used to acquire the \$1.2B (P60.26B) GNPowr Mariveles Coal Plant Ltd. in Bataan last year. The company may raise around \$600M (P30.13B), though the company has yet to finalize which of the options it will take.

SMC Global Power eyes IPO by Q3

SMC Global Power Holdings Corp. (SMC Global), the power unit of the San Miguel Group, may go forward with its IPO by the third quarter of this year, San Miguel Corporation (SMC) President and COO Ramon Ang said. "We are setting the IPO of San Miguel Power by the third quarter this year," Ang said in an interview on Tuesday.

Aboitiz set to start P12b water project

Aboitiz Equity Ventures Inc. is set to start the construction of a P12-billion bulk water project in Davao City in July this year. AEV chief finance officer Manuel Lozano said the company already secured funding for the project and was just waiting to for the permits needed to start its implementation.

How SM Investments acquired stake in 2GO

The country's most valuable listed company, SM Investments Corporation (SMIC), revealed how it acquired a substantial stake in the Philippines' largest logistics provider 2GO Group Incorporated. The Sy family-led conglomerate disclosed that it paid \$124.50 million for a 34.5% stake in 2GO's parent company, Negros Navigation Company.

Food processors back deregulation of SRP

A group of food manufacturers has expressed support for the Department of Trade and Industry (DTI)'s plan to remove its approval process in setting the suggested retail prices (SRP) of basic necessities and prime commodities to reduce bureaucratic procedures.

Philippine Stock Market Update



Previous Close:

7,446.49

1 Yr Return:

6.69%

Open:

7,478.50

YTD Return:

10.68%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of April 4, 2017

US Dollar	Philippine Peso
1	50.183

PDST-R2 Rates

As of April 4, 2017

Tenor	Rate
1Y	2.7836
3Y	4.0536
5Y	4.2173
7Y	5.1196
10Y	5.1893
20Y	5.3317

Daily Quote

"There are two kinds of failures: those who thought and never did, and those who did and never thought."

-Laurence J. Peter

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MORE LOCAL NEWS

New HMO products need prior IC approval

All HMO products must be approved by regulators first before they can be offered and sold to the public, according to new regulations by the Insurance Commission (IC). The new guidelines lay down the minimum provisions which must be contained in an HMO agreement.

Atok infuses additional \$2 million into Forum

Listed mining firm Atok-Big Wedge Co. Inc. has infused an additional \$2M capital in London-listed Forum Energy Ltd. to remain as the second biggest shareholder in the oil and gas exploration firm. Atok said its wholly-owned subsidiary Tidemark Holdings Ltd. subscribed to 6,666,667 new shares of Forum at \$0.30 per share.

Congress wants casinos under AMLA coverage

Congress will most likely include casinos in the coverage of the Anti-Money Laundering Law (AMLA). There is consensus in the Senate and the House of Representatives to include casinos among institutions covered by the law in the wake of the recent cyber theft of \$81M in Bangladeshi funds, Eastern Samar Rep. Ben Evardone said.

SM sees more growth opportunities in the provinces

SM Retail still sees more opportunities for expansion across the country — especially in northern and southern Philippines which have not been reached by organized retail. “Store penetration in the Philippines remains one of the lowest in Asia, presenting tremendous opportunities for growth and diversification,” the firm said.

Banks’ managed assets now total P2.84 trillion

Banks’ trust and investment mgmt. units have assets amounting to P2.843T at the end of 2016, up 11.18% from the previous year. The 41 universal and commercial banks control most of these assets or P2.803T of total, of which P1.494T are net financial assets, P715.6B are deposits in banks and P284.396B are cash and due from banks.

LandBank buying Postbank

State-run Land Bank of the Philippines is firming up its acquisition of Philippine Postal Savings Bank (Postbank) alongside plans to pilot its first overseas Filipino worker (OFW) center in Dubai. Land Bank president Alex Buenaventura said LandBank’s acquisition of Postbank would be completed by the end of September.

TODAY’S TOP ASIAN NEWS

ChemChina wins approval for \$43B takeover

China National Chemical Corp. won U.S. antitrust approval for its \$43 billion takeover of Swiss pesticide maker Syngenta AG, bringing China’s largest foreign acquisition one step closer to the finish line. The U.S. Federal Trade Commission said Tuesday that it was requiring the companies to divest three types of pesticides in the U.S. as a

Ailing Toshiba 'asks creditor banks for new loan'

Toshiba asked creditor banks for a new loan and offered as collateral a stake in its memory chip unit that is being split off, sources said, underlining the firm's growing financial woes as it braces itself for a multibillion-dollar loss.

CH stock market is becoming a strong dividend play

To get in on the hottest equity trade in China right now, you’ll have to be quick. Dividends are emerging as a key lure for investors in the world’s second-largest share market, with stocks of companies that consistently hand out the most cash outperforming the Shanghai Composite Index by the most since 2013.

Asia investors are flocking to infrastructure

Record low yields and negative interest rates are pushing investors from Japan to China into funding infrastructure projects across the globe to bolster ailing income, according to Australia’s biggest listed wealth manager AMP Ltd.

The Daily Dispatch

MORE ASIAN NEWS

CH's Big Four banks cut jobs for tech

Just a few years ago the four lenders – Industrial and Commercial Bank of China, China Construction Bank, Agricultural Bank of China and Bank of China – were seen as “gold rice bowl” employers for their job stability and decent pay, but slowing economic growth and competition from emerging technology have made many jobs redundant.

CH Singyes to expand solar capacity in Guangdong

China Singyes Solar Technologies plans to spend up to 700 million yuan to raise its solar farms generation capacity by 37 per cent this year by finishing projects in its home province of Guangdong.

GGC expects to raise B3bn from second quarter IPO

Global Green Chemical Plc (GGC), a subsidiary of Thailand's largest petrochemical manufacturer, PTT Global Chemical Plc (PTTGC), expects to raise 3 billion baht from its IPO scheduled for the second quarter.

TODAY'S TOP GLOBAL NEWS

Argentina rakes in \$116.8B from hidden assets amnesty

Argentina attracted almost six times more than it expected from an amnesty on unregistered funds held abroad, boosting fiscal revenue that might help it meet the budget deficit target for a second consecutive year.

AOL and Yahoo to be combined into 'Oath'

AOL and Yahoo will be combined into a unit called Oath after telecom titan Verizon buys the pioneering internet firm, according to a tweet Monday, April 3, US time, by the AOL chief. Confirmation of a new name for what the world has long known as Yahoo was tweeted from a verified account after reports of the new name leaked.

Dimon warns 'something is wrong with the US'

JPMorgan Chase & Co. Chief Executive Officer Jamie Dimon has two big pronouncements as the Trump administration starts reshaping the government: “The United States of America is truly an exceptional country,” and “it is clear that something is wrong.”

Deutsche loses senior executives after bonus slash

Deutsche Bank AG, which slashed bonuses for a second straight year, saw several senior employees leave after paying out deferred compensation for previous years. At least 3 executives - Kevin Burke, Neil Hosie and Patrick Kelly - departed from the lender's trading unit in Asia, and one, Holger Knittel, took a new job in Frankfurt.

New York, Hong Kong IPO rivalry set to intensify

The rivalry between Hong Kong and New York for global IPO supremacy may be set to intensify. Hong Kong lost its crown as the world's No. 1 destination for initial public offerings in the first quarter as a dearth of mega-listings saw the city drop to fourth place, behind New York in first, Shanghai in second and Shenzhen in third.

Fed's Lacker leaves central bank

Richmond Federal Reserve President Jeffrey Lacker abruptly left the U.S. central bank on Tuesday after admitting that a conversation he had with a Wall Street analyst in 2012 may have disclosed confidential information about Fed policy options.

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