

The Daily Dispatch

May 04, 2017
TODAY'S TOP NEWS

Study: Gov. should be 3rd player in telco industry

Unless the government steps in and establishes a state-owned telecommunications firm, the prospect of a third player in the industry is low, a study finds. The only viable third player is the government who has the money to build infrastructure in remote and difficult-to-reach areas and to complement existing networks.

Smart franchise extended

Duterte has approved the extension of the franchise granted to PLDT Inc.'s wireless unit Smart Communications Inc. for 25 years or until 2042. In a statement yesterday, PLDT said the "franchise granted to Smart has been extended for 25 years under Republic Act 10926 which was signed into law by President Duterte on April 21."

VLL raises additional P4.85B from sales of notes

Vista Land & Lifescapes, Inc. (VLL), one of the country's leading integrated property developers, has raised an additional P4.85B from the issuance of more corporate notes due 2026, at a fixed interest of 6.2255 percent per annum. The Additional Notes were issued to RCBC and China Banking Corporation.

Mining stocks surge on CA rejection of Gina Lopez

Mining shares at the PSE surged yesterday on news of the rejection by the Commission on Appointments of the appointment of controversial Environment Secretary Gina Lopez. The announcement was made by the CA committee chairman Sen. Manny Pacquiao on television while trading at the Philippine Stock Exchange was still open.

Chelsea Logistics embarks on refueling program

Chelsea Logistics Corp. (CLC), the logistics and shipping company of businessman Dennis Uy, will embark on a major refueling and modernization program in line with its goal to become the top player in the industry. In an interview Tuesday night, Uy said CLC would focus on increasing its fleet routes.

Philippine Stock Market Update



Previous Close:

7,682.26

1 Yr Return:

11.40%

Open:

7,696.22

YTD Return:

13.33%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of May 3, 2017

US Dollar	Philippine Peso
1	49.984

PDST-R2 Rates

As of May 3, 2017

Tenor	Rate
1Y	2.9202
3Y	4.0179
5Y	4.2697
7Y	4.9957
10Y	5.1457
20Y	5.3982

Daily Quote

"The greatest crime in the world is not developing your potential. When you do what you do best, you are helping not only yourself, but the world."

-Roger Williams

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MORE LOCAL NEWS

Funding escalation may snag power interconnection

The bloated project funding of P52 billion set forth by the National Grid Corporation of the Philippines (NGCP) may eternally snag the long-awaited Visayas-Mindanao Interconnection Project (VMIP) because this will impact adversely on Filipino electricity consumers' pockets.

Nido abandons Palawan well

Nido Petroleum Ltd. has abandoned an appraisal oil well in Palawan dubbed Galoc-7ST-1, saying it has let go of the drilling contractor and the rig demobilized after an inconclusive finding on whether the area has commercial quantity of petroleum.

SM Prime to raise P20B from retail bond issue

Property giant SM Prime Holdings is raising as much as P20 billion from a fresh offering of seven-year retail bonds this May, boosting funds for the group's expansion program.

Demand for BSP auction declines

Weak demand from investors resulted again in the undersubscription of the month-long term deposits offered by Bangko Sentral ng Pilipinas in its weekly auction on Wednesday. Data showed the 28-day P140 billion worth of term deposits attracted bids of just P113.97 billion and fetched a weighted average accepted yield of 3.45%.

Maynilad set to unload 10% stake for P12b

Maynilad Water Services Inc., the water concessionaire for the west zone of Metro Manila, is set to get a new minority investor, an executive said Wednesday. Maynilad's parent company Metro Pacific Investments Corp. is in talks with an Asian company for the sale of roughly 10-percent in the water company for P12 billion.

Govt seeks to revive National Steel

The government is pushing for the revival of National Steel Corp. in line with the administration's push for infrastructure and is looking for new sites like Phividec Industrial Authority in Misamis Oriental, Ramon "RJ" Jacinto, presidential adviser on Economic Affairs and Information Technology Communications, said on

MPIC more investments in logistics and infra

METRO PACIFIC Investments Corp. (MPIC) announced plans to infuse more capital into its logistics business and submit more unsolicited proposals after sustaining a double-digit growth in core net income in the first three months of 2017 despite delays in implementing tariff adjustment.

FWD Life books higher premium income in 2016

THE LOCAL unit of Hong Kong-based insurer FWD Life Insurance Corp. (FWD Life) booked double-digit growth in its total premiums last year on the back of robust sales and expansion, with the firm to continue increasing its presence nationwide this year.

\$770-M water, sanitation projects in ADB pipeline

Up to \$770 million worth of Philippine water- and sanitation-related projects for implementation in 2017-2019 are up for Asian Development Bank (ADB) approval, according to a table the regional lender distributed to visiting journalists here by e-mail.

China high rollers: phoning in big bets to Manila

In a VIP room reserved for high-spending gamblers at City of Dreams Manila casino, many of the players are nowhere to be seen. They're not even in the country. Instead, they're placing bets by telephone, a practice banned in other gaming centers such as Singapore, Australia and Macau, but legal in the Philippines.

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TODAY'S TOP ASIAN NEWS

China's Hawaii plans a \$3B medical tourism hotspot

On the hilly and tropical island of Hainan, local officials and companies are investing billions of dollars to transform a string of riverside villages into a medical tourism destination. They aim to lure wealthy Chinese patients, who might otherwise venture overseas, to this province.

China's answer to Airbus, Boeing due to take off

After a three year delay the long-awaited maiden flight of China's 158-seat C919 passenger aircraft is scheduled for Friday, the latest step by the country to break the duopoly of Western giants Airbus and Boeing.

Vietnam SCIC partners Thai Kasikornbank

Vietnam's government investment arm SCIC, the state investor in the country's biggest Vinamilk, has inked a deal with Thai Kasikorn Bank to unlock more investment opportunities in Vietnam. SCIC said the collaboration will help woo foreign investors into the country as well as improve its investment climate.

HK firm snaps up London skyscraper in \$1.47b deal

A Hong Kong property developer has confirmed the near completion of its almost US\$1.5 billion (\$2.09 billion) purchase of London's "Cheesegrater" tower, as it takes advantage of the pound's slump to snap up addresses in the British capital.

TODAY'S TOP GLOBAL NEWS

Fed keeps rates unchanged and shrugs off weak Q1

The US. Federal Reserve kept interest rates unchanged on Wednesday but downplayed weak first-quarter economic growth and emphasised the strength of the labour market, in a sign it could tighten monetary policy as early as June.

This time Alitalia will struggle to find rescuer

After its second bankruptcy filing in a decade, Alitalia SpAs survival hinges once again on attracting a buyer prepared to put the attractions of the Italian travel market ahead of the risk of pouring money into one of Europe's most notoriously unprofitable

Treasury to sell debt, studies ultra-long bonds

The U.S. Treasury is studying the "costs and benefits" of ultra-long bonds, even as the department's borrowing advisory panel said it prefers boosting sales of debt with maturities of 30 years or less. Treasury Secretary Steven Mnuchin has formed an internal working group to study ultra-long bonds, a department official told reporters

Puerto Rico files for U.S. local gov't bankruptcy

Puerto Rico announced a historic restructuring of its public debt on Wednesday, touching off what may be the biggest bankruptcy ever in the \$3.8 trillion U.S. municipal bond market. While it was not immediately clear just how much of Puerto Rico's \$70 billion of debt would be included in the bankruptcy filing, the case is sure to dwarf Detroit's

Tesla plugs Model S as new buyers turn to Model 3

Electric-car maker Tesla Inc (TSLA.O) on Wednesday reported first-quarter revenue that more than doubled, and while saying the upcoming Model 3 was on schedule for July, it downplayed the mass-market vehicle to give a sales pitch for its more expensive Model S.

Economic Calendar

Date	Release
05.01.2017	PH: Nikkei Philippines PMI Manufacturing
05.04.2017	PH: CPI YoY
05.04.2017	PH: Foreign Reserves
05.10.2017	PH: Trade Balance
05.14.2017	PH: Overseas Remittances

Source: Bloomberg Economic Calendar