

The Daily Dispatch

May 11, 2017
TODAY'S TOP NEWS

SSI sets P200M share buyback

Specialty retailer SSSI Group has earmarked P200 million to buy back shares from the open market amid a downturn in share prices. The budget for the buyback program was approved by SSI's board, the retailer disclosed to the Philippine Stock Exchange on Wednesday.

GT Capital gears up for rapid expansion

GT Capital has committed to continuously grow its businesses as it reaps the benefits of its strategic move to shift to infrastructure from power generation as well as the consolidation of its life and non-life insurance businesses. The conglomerate is engaged in banking, automotive, insurance, property and infra. and utilities.

Globe raising P20B for capex

Globe Telecom Inc. is planning to raise up to P20B either through a bank loan or issuance of retail bonds within the year to support capital expenditures and prepare for requirements next year. Globe CFO Rizza Maniego-Eala said the telco may raise P10B-P20B by the end of the year to support its capex requirements this year.

DOJ merges raps vs Mighty

The DOJ is set to consolidate the two multibillion-peso tax evasion cases filed by the BIR against tobacco firm Mighty Corp. and its executives. DOJ Secretary Aguirre II said the new complaint will be handled by the same panel of prosecutors conducting investigation on the bureau's earlier P9.56B tax evasion complaint.

Alsons secures P10.5B loan

A power project corporate vehicle of Alsons Consolidated Resources, Inc. will be securing R10.5B peso-denominated syndicated loan to bankroll the second phase of its 210MW Sarangani coal-fired power project in Mindanao grid. The credit facility, it was noted, will be funneled through ACR subsidiary Sarangani Energy Corporation.

Philippine Stock Market Update



Previous Close:

7,794.17

1 Yr Return:

8.11%

Open:

7,798.81

YTD Return:

14.86%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of May 10, 2017

US Dollar	Philippine Peso
1	49.961

PDST-R2 Rates

As of May 10, 2017

Tenor	Rate
1Y	2.8704
3Y	3.9652
5Y	4.2470
7Y	4.9393
10Y	5.0500
20Y	5.2682

Daily Quote

"If you aren't going all the way, why go at all?"

-Joe Namath

The Daily Dispatch

MORE LOCAL NEWS

Congress includes P10 levy on sugary drinks

The House ways and means committee has revised anew its substitute tax reform measure to include the proposed tax on sugar-sweetened beverages. Finance Undersecretary Karl Chua said that lawmakers have approved the inclusion of the proposed R10 levy on sugary drinks in the Comprehensive Tax Reform Program (CTRP) bill.

PSE approves Eagle Cement, Cebu Landmasters IPOs

The board of the PSE on May 10 approved the IPO applications of cement maker Eagle Cement and property developer Cebu Landmasters. Eagle Cement will be offering 500 million primary shares at a maximum price of P16/sh. Cebu Landmasters will be offering a total of 505 million shares at a maximum price of P6.56/sh.

SC asked to stop NGCP acquisition of SSS Pasay lot

The Supreme Court was asked to stop the expropriation of a portion of SSS property in Pasay City to the NGCP. The lot in question is worth P1.4 billion. It is located at the Financial Center area in Pasay City, where NGCP wants to build a substation to accommodate increasing demand for electricity in the Greater Manila Area.

AirAsia, Puregold team up

Tycoon Lucio Co's Puregold Price Club Inc. has signed a branding and marketing deal with the Philippine unit of Southeast Asia's largest budget carrier to further expand its market reach. In partnership with AirAsia, Puregold unveiled its first two plane liveries featuring its official name and logo prominently displayed on both sides of the body of

Foreign investments up by 11% in two months

Net inflows of FDI grew 7 percent in February to \$366 million from \$342 million a year ago, on sustained investors confidence in the Philippine economy, the Bangko Sentral ng Pilipinas said Wednesday. Data showed that on a month-on-month basis, the February net inflows were lower than \$685 million registered in January 2017.

UnionBank expects boost from bancassurance

UNION BANK of the Philippines (UnionBank) expects its bancassurance partnership with Insular Life Assurance Co. Ltd. (Insular Life) to contribute "significantly" in its bottom line for this year, the lender's chief executive said.

ERC set to confirm Meralco refund order

THE Energy Regulatory Commission (ERC) is set to "confirm" an order requiring distribution utility Manila Electric Co. (Meralco) to refund to electricity consumers P6.9 billion in over-recoveries for the past three years.

SECB, Japanese partner ink cross-banking deal

Security Bank Corp. and Bank of Tokyo Mitsubishi UFJ Ltd. have signed a deal to allow their respective customers to conduct certain cross-banking transactions without worrying about the remittance costs and tedious transfer process.

CEB hauls in P16B revenues

Cebu Pacific (CEB) generated more revenues from ancillary businesses than from passengers or cargo in the first three months of this year although its net earnings plummeted 68.2% from P4.037 billion to P1.283 billion as its expenses ballooned.

TODAY'S TOP ASIAN NEWS

Puma Energy to enter new Asian markets this year

Puma Energy, the Singapore-head quartered fuel retail and storage company backed by commodity trader Trafigura, is planning to enter new markets in Asia this year, as it looks to take advantage of the nearly limitless opportunities it sees.

The Daily Dispatch

MORE ASIAN NEWS

Saudi Olayan family to IPO bottled water business

Saudi Arabia's billionaire Olayan family, which runs one of the nation's biggest conglomerates, is planning an initial public offering of its bottled water business in the kingdom, people familiar with the matter said.

China's \$246B foreign buying spree is unraveling

China's biggest-ever foreign acquisition frenzy is ending almost as dramatically as it began. After stunning the world with a record \$246 billion of announced outbound takeovers in 2016, Chinese dealmakers are now struggling to cope with tighter capital controls and increasingly wary counterparties.

China cement giant sees opportunity in Silk Road

China National Building Material Group, the nation's biggest cement maker, aims to capitalize on a surge in business opportunities from President Xi Jinping's "Belt and Road" initiative as projects spur an infrastructure boom in the region, according to its chairman, Song Zhiping.

China Tower Corp listing looks on track

China Tower Corp, the state-backed telecommunications infrastructure-sharing joint venture, looks on track for its initial public offering between the last quarter of this year and the first half of 2018, according to a senior industry executive.

TODAY'S TOP GLOBAL NEWS

Trump Named As "Risk Factor" In Company Filings

According to the research firm Sentieo, which spent hours and hours of time scouring the "Risk Factor" sections of 10-Ks and 10-Qs, Trump has been about 3x more likely to be cited by a publicly traded company in the U.S. as a "Risk Factor" in his first 100 days in office than was Obama.

This is what can kill the emerging market rally

Dissenters in the face of the relentless emerging-market rally are speaking out. A drop in oil prices and China's crackdown on leverage -- spurring this month's rout in industrial metals and iron ore -- is setting the stage for a correction in developing-country assets, according to a growing chorus of investors and analysts.

Snapchat co-founders just lost over \$1B each

Snap Inc. co-founders Evan Spiegel and Bobby Murphy lost more than \$1 billion each after the company reported earnings for the first time Wednesday afternoon. Shares fell 25 percent to a low of \$17.12 at 4:38 p.m. before rebounding slightly when the social media company reported first-quarter revenue that was below analyst estimates.

Zimbabwe Gets Loan for \$1.7B AFDB, WB

Zimbabwe has secured a syndicated loan put together by the African Export-Import Bank that will enable it to clear \$1.7 billion of arrears with the World Bank and African Development Bank.

CH textile firm investing US\$410 mn in Arkansas

A Chinese textile company announced plans Wednesday to transform a former television factory in east Arkansas into its first North American facility, a \$410 million project that's expected to create up to 800 new jobs in the struggling Mississippi Delta region.

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