

The Daily Dispatch

May 23, 2017
TODAY'S TOP NEWS

MVP Group seeks potential Russia deals

The MVP Group will scout for possible partnerships in Russia to further grow its various businesses, a ranking group official said. MVP Group spokesperson Michael Toledo, who is part of the Philippine business delegation to Russia, said he is tasked to look for possible partners for their different businesses.

Dennis Uy sells 25% Phoenix stake for P4B

Dennis Uy sold a 25% stake in Phoenix Petroleum Philippines Inc. for P4B in a bid to finance a \$300M resort and casino in Cebu province. Phoenix Petroleum said in a filing with the stock exchange major shareholders, two companies led by the Uy family, sold a combined 25% ownership in Phoenix Petroleum to ES Consultancy Group

Partners Group to acquire PLDT's SPi for \$330M

A Switzerland-based private markets investment manager is acquiring Pangilinan-led BPO company SPi Global for \$330 million, PLDT Inc. said in a statement on Monday. The company is being acquired from CVC Capital Partners Asia III and PLDT Global Investments Corp., an indirect subsidiary of PLDT Inc.

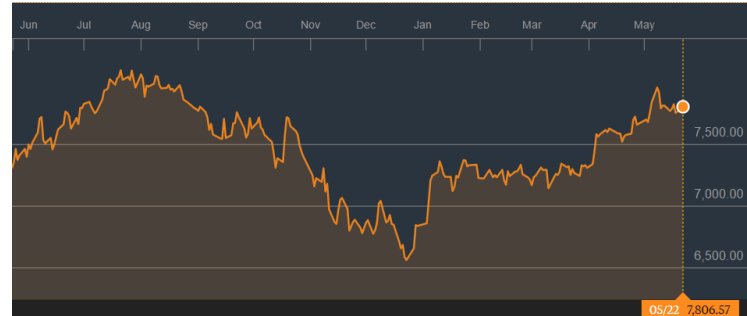
BOI streamlines reporting requirement for firms

In an effort to further streamline its processes and transactions, the BOI has issued a Memorandum simplifying reporting requirement for its registered enterprises (RBEs). The new circular has revised S-1 Form requiring RBEs to submit only an Annual Report on Actual Operations.

Toyota allots P3.8B for 2017 capex

Toyota Motor Philippines Corp. (TMP) has earmarked P3.8 billion for capital expenditures this year as it seeks to further cement its dominance in the local automotive industry. TMP, the local unit of Japanese automotive giant Toyota Motors Corp., intends to use the amount for model upgrades and logistics expansion.

Philippine Stock Market Update



Previous Close:

7,806.57

1 Yr Return:

9.04%

Open:

7,823.03

YTD Return:

14.39%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of May 22, 2017

US Dollar	Philippine Peso
1	49.750

PDST-R2 Rates

As of May 22, 2017

Tenor	Rate
1Y	2.8947
3Y	3.8548
5Y	4.1896
7Y	5.0071
10Y	4.7250
20Y	5.1917

Daily Quote

"The true test of character is not how much we know how to do, but how we behave when we don't know what to do."

—John Holt

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MORE LOCAL NEWS

Tampakan miner denies links to DOF chief

Sagittarius Mines Inc. (SMI), the operator of the \$5.9-billion Tampakan project, has denied any linkage with Finance Secretary Carlos Dominguez who is being questioned for his pro-mining stance. SMI is reacting to recent reports that urge President Duterte to investigate Dominguez's mining interests, one of which is SMI.

Rice import quota extended for 3 yrs

President Rodrigo Duterte has signed an order extending the quota on imported rice for three more years, heeding the recommendation of the National Economic and Development Authority and the Agriculture department despite longstanding calls to remove quantitative restrictions (QR) on the staple.

Robinsons Bank cleared to raise P3B

The Bangko Sentral ng Pilipinas approved Robinsons Bank Corp.'s application to issue long-term negotiable certificates of deposit worth at least P3 billion. The Monetary Board, the policy-making body of Bangko Sentral, issued MB Resolution No. 717 approving Robinsons Bank's plan.

Tax eyed on rent, remittances

The Duterte administration will tax apartment and housing rentals and money remittances like pera padala, Rep. Carlos Zarate of party-list group Bayan Muna said. Dwelling rentals and remittances will be covered by the 12% VAT under the so-called tax reform bill the House will tackle in plenary session this week, he said.

PH still welcomes EU grant but no strings attached

The Phil. hopes the EU revives an offer to provide development grants – but this time without conditions linked to the country's human rights record, according to Trade Secretary Lopez. The Philippines has told the EU it will no longer accept new development grants, which could mean foregoing around 250mn Euros in assistance.

E-money transactions hit all-time high in 2016

Electronic Money transactions breached the P1-trillion mark in 2016, with the bulk still largely coursed through formal banking channels, the Bangko Sentral ng Pilipinas (BSP) said in a report.

DFNN, Excel Century ink \$12.4m deal

Philippine IT company DFNN Inc has raised up to \$12.4 million (P624.4 million) in a private placement deal with UK-based Excel Centruy Investment Ltd. DFNN aims to use the raised capital to provide funds for general corporate purposes and funding requirements in relation to its business plans.

TODAY'S TOP ASIAN NEWS

Asia's central banks still have the X-factor

When Janet Yellen pulls the trigger on a rate hike, markets usually take the decision in their stride. In Asia, things are different. Central banks in the region often surprise markets with their policy decisions, with the People's Bank of China and the Monetary Authority of Singapore leading the list of head turners.

Chinese companies wary of political risks

As the global limelight fades from President Xi Jinping's "Belt and Road" summit, the main actors -- Chinese state-owned companies -- are warning about the political risks they face along the route. Earlier this month Xi outlined plans to direct as much as \$122B to build roads, railways, ports and pipelines across Asia and beyond.

Investor moods are brightening on Indonesian stocks

The decision by S&P Global Ratings to raise Indonesia to investment grade has the potential to boost inflows and support the record rally in its benchmark index as corporate valuations improve. S&P Global Ratings raised the credit rating to BBB- from BB+ with a stable outlook.

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MORE ASIAN NEWS

Goldman Sachs to invest \$1b in India in 3-4 years

US investment bank Goldman Sachs is looking to invest close to \$1 billion in India over the next three to four years through its private equity business. The firm's primary strategy is to set up businesses from scratch with a professional entrepreneurial team or acquire a large stake in small businesses.

CPPIB's Asia PE portfolio rises 24%

Canada Pension Plan Investment Board (CPPIB)'s Asian private equity portfolio increased by nearly a quarter to \$9.9 billion (C\$13.4 billion) for the 12-month period ended March 2017. The portfolio rose on the back of five direct investments and five fund commitments made by the country's largest pension fund manager in the one-year

TODAY'S TOP GLOBAL NEWS

Temer's defense falls flat: Brazil selloff resumes

Brazilian assets resumed a selloff Monday as investors fled what had been one of the most popular trades in emerging markets. The real and local stocks were among the world's worst performers as President Michel Temer's support deteriorated further over the weekend.

Greek debt relief deal founders as talks stretch

Euro-area finance ministers gathering in Brussels on Monday (May 22) failed to break an impasse on debt relief for Greece, delaying the completion of the country's bailout review and the disbursement of about 7 billion euros (\$10.9 billion) in fresh loans.

Bitcoin options exchange raises \$11.4M in funding

Ledger Holdings, the New York-based parent company of bitcoin options exchange LedgerX, said on Monday it closed US\$11.4 million in funding led by Miami International Holdings and China's Huiyin Blockchain Venture Investments. The funding supports LedgerX's plan to operate a regulated exchange and clearing house for digital

Pound falls versus yen after Manchester blast

The British pound sagged against the yen on Tuesday after a blast at a concert in the city of Manchester killed at least 19 people. The euro hovered near a six-month high after German Chancellor Angela Merkel said the currency was "too weak". The pound shed 0.45 per cent to 144.07 yen, but was steady against others.

Trump seeks \$3.6T in cuts to reshape gov't

President Donald Trump would dramatically reduce the U.S. government's role in society with \$3.6 trillion in spending cuts over the next 10 years in a budget plan that shrinks the safety net for the poor, recent college graduates and farmers. Trump's proposal, to be released Tuesday, claims to balance the budget within a decade.

Blackstone sees end of property's 'great run'

Blackstone Group, the world's biggest private equity fund, has told investors to scale back their expectations for property returns as the "great run" of the past five years becomes harder to replicate.

Ford fires CEO Mark Fields

It's a stunning turnabout for Fields, a Ford insider who rose to the top only to lose the confidence of the board and investors over what has become one of the most pressing issues in the auto industry: how to navigate a new era of electrified, connected and self-driving cars.

Economic Calendar

Date	Release
05.17.2017	PH: GDP YoY
05.18.2017	PH: BoP Overall
05.18.2017	PH: Budget Balance PHP
05.30.2017	PH: Bank Lending YoY
05.31.2017	PH: Nikkei Philippines PMI Manufacturing

Source: Bloomberg Economic Calendar