

# The Daily Dispatch

May 05, 2017  
TODAY'S TOP NEWS

## IC establishes suretyship unit

The Insurance Commission (IC) has set up its own regulatory body to oversee the country's surety industry in a bid to address concerns in the sector and among insurance firms. The Insurance Commissioner announced last week that they have established the IC's first suretyship unit, but with the regulatory framework yet to be formulated.

## Uy's Udenna gets permit for \$300-mn Cebu casino

Philippine Amusement and Gaming Corp. (PAGCOR) has awarded a gaming license to a group led by Davao-based businessman Dennis A. Uy for the development of the country's first integrated resort and casino outside Metro Manila seen to further improve tourism and expand the gaming market.

## Eastern Visayas GRDP growth tops nation at 12.4%

The economy of the Eastern Visayas grew the fastest among the 17 regions in the Philippines in 2016, exceeding the growth rate posted by the capital as well as the national average.

## MVP eyes pioneering project to rid QC of garbage

A consortium led by infrastructure holding firm Metro Pacific Investments Corp. (MPIC) expects to invest over P16 billion on a project that seeks to convert the solid waste of Quezon City, one of the most populous cities in the metropolis, into renewable energy.

## New BSP chief to be named soon

In the next few days," the new central bank chief who will succeed outgoing Bangko Sentral ng Pilipinas Governor Amando M. Tetangco Jr. will be made public, the head of the Duterte administration's economic team said Thursday.

## Philippine Stock Market Update



**Previous Close:**

7,755.75

**1 Yr Return:**

13.42%

**Open:**

7,753.06

**YTD Return:**

14.15%

**52-Week Range:**

6,499.00 - 8,118.44

**Source:**

Bloomberg

## Foreign Exchange

As of May 4, 2017

US Dollar	Philippine Peso
1	49.879

## PDST-R2 Rates

As of May 4, 2017

Tenor	Rate
1Y	2.8951
3Y	3.9741
5Y	4.2528
7Y	5.0336
10Y	5.1600
20Y	5.4067

## Daily Quote

"There are no secrets to success. It is the result of preparation, hard work, and learning from failure."

-Colin Powell

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## MORE LOCAL NEWS

### DoF reviews impact of CTRP substitute bill

The Department of Finance (DoF) said it is now estimating the revenue and deficit impact of the substitute measure to the Comprehensive Tax Reform Program (CTRP) bill approved by the House Committee on Ways and Means.

### PEZA allays fears over crackdown on online gambling

Building owners in Manila have expressed alarm over the planned policy of the PEZA to close its doors to online gambling firms. PEZA accredited building owners said they will lose clients because they will have to ask existing locators to move out says PEZA director general Charito Plaza.

### ADB wrestles with relevance

The Asian Development Bank's (ADB) 50th annual meeting is supposed to be a celebration of Japan's economic leadership in Asia over the half-century – instead, it takes place in the shadow of China's bid to increasingly assert itself as the regional powerhouse.

### Economic managers laud positive Philippine ratings

Finance Secretary Dominguez said in a statement the continued positive assessment of debt watchers on the Philippines is one more incentive for the government to “go ahead full throttle” on its “Dutertenomics” agenda to sustain the growth momentum and achieve economic inclusion in the medium term.

### Two new rice varieties to cut farmers' yield loss

The Philippine Rice Research Institute (PhilRice) said it has successfully bred two new pest-resistant rice hybrid varieties that could increase farmer's income by reducing their yield loss. It has bred two rice hybrid lines have shown outstanding yield and resistance to bacterial leaf blight (BLB) disease.

### DOF expects House to pass CTRP by June

The DOF) expects the Comprehensive Tax Reform Program (CTRP) to overcome hurdles in the House of Representatives before it adjourns in June this year. Finance Undersecretary Karl Kendrick Chua is now hopeful the substitute CTRP drafted by the Technical Working Group will be approved on or before June 2.

### TransCo threatens to end NGCP deal

The government may “rescind” NGCP's concession contract after the latter set up its own communication facilities, state-run National Transmission Corp. said Thursday. TransCo president Melvin Matibag said NGCP engaged in the act of “concealment” when the company did not inform the government of the communication facilities it set up.

### LRT Cavite starts construction

Light Rail Manila Corp., a consortium led by Ayala Corp. and Metro Pacific Investments Corp., on Thursday broke ground on the P35-billion Light Rail Transit Line 1 Cavite extension project, six years after the project was approved by the National Economic and Development Authority.

### Gov't may remove Davao Airport from PPP line-up

The government may remove the Davao Airport from the regional airports project under the PPP program and pursue its development instead. Transport Secretary Tugade told reporters the government wants to study if the Davao Airport should no longer be included in the regional airports projects given the latest developments there.

## TODAY'S TOP ASIAN NEWS

### Lippo to build \$29b industrial centre near Jakarta

Indonesian conglomerate Lippo Group said on Thursday (May 4) it will lead the construction of a 278 trillion rupiah (\$29 billion) industrial centre, which will include automotive and electronic factories.

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## MORE ASIAN NEWS

### Bocom International to raise up to \$304M in HK IPO

Bocom International will offer 666.68 million shares, where 10 per cent will be Hong Kong public shares and the remainder to be offered to international investors. Based on an offer price of HK\$2.85 - the mid-point of the offer price range of HK\$2.60 to HK\$3.10 - the net proceeds from the IPO will be about HK\$1.794 billion.

### ADB chief seeks to cooperate with OBOR, AIIB

The Japanese-led Asian Development Bank is willing to cooperate, rather than compete, with China's development finance and infrastructure plans under its "One Belt, One Road" initiative, the bank's head said on Thursday (May 4).

### Indonesia's still a darling for investors

Two thirds of Indonesia's major companies missed earnings estimates in the first quarter, but that's done little to stop investors from pouring into this enduring emerging-market darling. Overseas funds pumped the most money into the market in April for any month since mid-2014.

### India, PH to lead Asian growth as workforce rises

For a vivid illustration of why demographics matter so much for economic growth, take a look at the diverging trends in Asia. India and the Philippines are likely to post Asia's fastest economic growth rates in coming years as their working-age population keeps expanding through 2020, in contrast with shrinking workforces across North Asia.

### Investment, infra, digital to drive Asean prospects

A new EY report has given an upbeat reading of Asean's prospects: investment interest in the region in the next five years will be high, as will be infrastructure spending on regional transport connectivity, energy security and digital connectivity.

## TODAY'S TOP GLOBAL NEWS

### French poll jitters hit Belgium's \$2.2B BNP Sale

The Belgian government's move to sell stock in BNP Paribas SA days before a crucial election in France took the market by surprise and resulted in the banks managing the sale being left with unsold stock worth hundreds of millions of euros, according to people familiar with the matter.

### Buffett sells a third of Berkshire's IBM holding

Warren Buffett, the billionaire chairman of Berkshire Hathaway Inc., sold about a third of his company's investment in computer-services giant IBM, CNBC reported. Berkshire started building its IBM stake in 2011, eventually becoming the company's largest shareholder.

### Apple buys more company debt than bond funds

If Apple Inc. were a bond fund, it would dwarf the competition. The iPhone-maker has \$148 billion of its record \$257 billion cash pile invested in corporate debt alone, according to a company filing from Wednesday. That's enough to buy all the assets in the world's largest fixed-income mutual fund.

### IMF: still need 'credible' debt relief for Greece

Despite an agreement reached on Tuesday on a reform package, Europe still needs to provide "credible" debt relief to Greece before the IMF can provide more financing, an IMF official said. Greece and its creditors closed a troubled chapter in the negotiations with a preliminary deal on pension and tax cuts after many months of talks.

## 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