

# The Daily Dispatch

June 13, 2017  
TODAY'S TOP NEWS

## NEDA expects PH economy to grow faster in Q2

The Philippine economy in the 2nd quarter of 2017 is expected to expand faster than the 1st quarter's 6.4% growth, and could even hit close to 7%, thanks to robust growth in exports and agriculture, according to Socioeconomic Planning Secretary Ernesto Pernia.

## MVP group still keen on GMA-7 stake

The group of telecommunications and infrastructure tycoon Manuel V. Pangilinan is still keen on acquiring a stake in broadcast giant GMA Network Incorporated. "We are open anytime, but the offer must be acceptable to us," Pangilinan told reporters on the sidelines of an event in Taguig City last Friday, June 9.

## Eton taps Aboitiz for power supply

Eton Properties of the Lucio Tan Group tapped Aboitiz Power Corporation to supply 5.2 megawatts (MW) to power the operations of its Cyberpod office buildings at Eton Centris in Quezon City. Aboitiz Power subsidiary AP Renewables Incorporated (APRI) signed a power supply agreement with Eton Properties last month.

## MWIDE group proposes Cebu airport expansion

Megawide Construction Corporation and its Bangalore-based partner GMR Infrastructure Limited submitted a P208-billion, 50-year unsolicited proposal for a more comprehensive expansion of the Mactan-Cebu International Airport, which includes building a 2nd parallel runway.

## MCC mulls second aid package to Philippines

The Millennium Challenge Corp (MCC) is still planning to give the Phil. fresh funding for its development projects, the Department of Finance (DOF) said yesterday. In an interview, Finance Sec. Dominguez said MCC has approached the government for a second compact or grant, but has yet to make a final decision on the matter.

## Philippine Stock Market Update



**Previous Close:**

7,990.24  
18 2000

**Open:**

7,995.98

**52-Week Range:**

6,499.00 - 8,118.44

**1 Yr Return:**

7.17%

**YTD Return:**

16.34%

**Source:**

Bloomberg

## Foreign Exchange

As of June 12, 2017

US Dollar	Philippine Peso
1	49.592

## PDST-R2 Rates

As of June 9, 2017

Tenor	Rate
1Y	2.8452
3Y	3.8501
5Y	4.0745
7Y	4.7643
10Y	4.9375
20Y	5.3500

## Daily Quote

"I don't look to jump over 7-foot bars-I look for 1-foot bars that I can step over."

-Warren Buffet

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## MORE LOCAL NEWS

### PEZA agrees: compromise on hosting online gambling

The Philippine Economic Zone Authority is not closing its doors completely to online gambling firms wanting to locate in PEZA-accredited buildings and sites, agreeing to a compromise that will enforce much stricter rules for locators in accordance with President Duterte's war against illegal gambling.

### Dearth of IPOs seen to end

The PSEi has recently been flirting with new all time highs, breaching the 8,000 mark which industry observers say may finally put an end to the dearth of IPO. The stock market has yet to see the return of the IPO fever of the 1990s or even prior to the 2008 global financial crisis when there were double-digit listings.

### Tetangco receives Lifetime Achievement Award

BSP Gov. Amando Tetangco was bestowed the "Lifetime Leadership Achievement Award" by The Asian Banker, which cited the positive contributions of the BSP to the country's financial services industry and the economy at large under his guidance. BSP was also awarded the "Best Macroeconomic Regulator in Asia-Pacific" last June 8.

### GE sees PH saving P10B in power cost in 25 years

Officials of American giant GE said last week the Philippines could potentially achieve \$10 billion (P495.45 billion) in savings over a 25-year power-plant life cycle and an estimated 16 million tons in carbon-dioxide reduction annually if it maximizes the efficiency of existing and new power-generation assets.

### Solaire adds more rooms, expands gaming area

Solaire Resort & Casino, the integrated casino resort of ports tycoon Razon in Entertainment City, will add more rooms and expand its gaming area. Razon said the company is on track with its second phase expansion, which he said would be done when other players such as Okada Manila has fully opened in order to gauge the market.

## TODAY'S TOP ASIAN NEWS

### India Inc. caught in war of the Mandarins

First they conveniently lost their voice; then they miraculously got it back. But now that the pundits of India's economic establishment are talking again, all investors hear is discord. The biggest casualty of the war of words between the finance ministry in New Delhi and the central bank in Mumbai is India Inc.

### US bears return to China with shorts circling ETFs

U.S. traders are turning more bearish on China after a rebound in the past month drove a multitude of its equity indexes to their 2015 highs. Short interest for three of the biggest exchange-traded funds tracking the country's shares, which together hold about \$6.1 billion in assets, has climbed since hitting lows in March.

### SG bus maker SC Auto to set up facility in Myanmar

Singaporean bus manufacturer SC Auto is setting up a S\$30 million facility in Yangon, Myanmar - its first foray overseas after focusing on operations in Singapore for over 20 years. The 16,000 square metre facility is slated to start production in the fourth quarter of 2018.

### SG expected to benefit from regional uplift

Singapore and China pledged to cooperate on China's infrastructural project of the century, but the city state is likely to catch only a few droplets from the flood of monies. However, Singapore should still try to position itself to catch the rising tide of opportunities that China's "Belt and Road" initiative can bring to Asean.

### Trump to meet Indian Prime Minister Modi

Indian Prime Minister Modi will hold talks with Trump in Washington on June 26, the Indian Foreign Ministry said on Monday (June 12), the first meeting between the leaders. Ties between the two big democracies grew rapidly under the Obama administration, which saw India as a partner to balance China's growing weight in Asia.

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## MORE ASIAN NEWS

### SG, CN to work together on Belt and Road projects

Singapore's Foreign Minister Vivian Balakrishnan said Singapore-China relations are in "good working order" and that both countries have agreed to work together on the Belt and Road Initiative (BRI). "(Ties are) very strong, based on a very solid foundation that goes back four decades," he said in Beijing yesterday.

### Abe has to run to keep up with childcare demand

Four years after promising to fix Japan's childcare shortage, PM Abe is warning that he may need another 3 years to cut daycare waiting lists to zero. Abe has sought to draw more women into the labor force yet one of the biggest barriers facing women who want to return to work after giving birth is a lack of daycare facilities.

### CN new bond link faces hurdles for wary foreigners

China is about to broaden foreign access to its \$10T debt market - but international investors are likely to be wary. The bond connect with Hong Kong is in the final stages of preparation. Overseas money managers own less than 2% of Chinese debt, leaving plenty of scope for increased inflows.

## TODAY'S TOP GLOBAL NEWS

### GE announces retirement of CEO Jeff Immelt

General Electric on Monday, June 12, announced the departure of chief executive Jeff Immelt, who had made the risky bet of refocusing the American conglomerate on its industrial roots, particularly energy. Immelt, 61, who has served in the role since 2001, will hand his chief executive position over to John Flannery on August 1.

### Marissa Mayer fades out as Yahoo ends its run

Marissa Mayer was hailed as Yahoo's savior when she took charge of the pioneering internet firm 5 years ago. But Mayer was unable to stem the decline of the iconic Silicon Valley company, which is set to close a deal on Tuesday, June 13, selling its core internet operations to telecom giant Verizon.

### 5 stocks account for nearly 75% of NASDAQ plunge

When it comes to the ongoing technology beat-down in the stock market, it appears not all shares are created equal. Indeed, just five names account for nearly 75 percent of the drop in the Nasdaq Composite Index, which has fallen more than 2.1 percent since June 7.

### Aldi and Lidl take supermarket battle to the US

A decades-long supermarket battle in Europe is moving to the U.S., adding to the competitive pressure in an industry embroiled in a deflation-fueled price war. The U.S. expansion by the German private-label giants could put more pressure on conventional retailers like Wal-Mart Stores Inc. and Kroger Co. to lower their prices.

### Ivanka Trump brand wins more China trademarks

The Ivanka Trump brand is pushing to protect intellectual property in China, winning approvals for four more trademarks since April 20 despite repeated questions from lawmakers about whether she is using her position in the White House to help her company.

### Sudden tech tumble continues as stocks fall further

U.S. stock indexes slipped again Monday as technology companies, which were near record highs last week, suffered a second day of sharp losses. Investors are changing course and selling some of the best-performing stocks of the year while buying companies that have struggled.

## Economic Calendar

Date	Release
06.05.2017	PH: CPI YoY
06.07.2017	PH: Foreign Reserves
06.08.2017	PH: Unemployment Rate
06.08.2017	PH: Trade Balance
06.14.2017	PH: Overseas Remittances YoY

Source: Bloomberg Economic Calendar