

The Daily Dispatch

June 02, 2017
TODAY'S TOP NEWS

Moody's retains 6.5% Philippine growth forecast

Debt watcher Moody's Investors Services has retained the country's economic growth forecast for this year despite the ongoing siege in Marawi City that paved the way for the declaration of martial law by President Duterte. Moody's has maintained its 2017 GDP growth forecast of 6.5% for the Philippines.

Philippines nears fresh ratings upgrade, says Tetangco

Bangko Sentral ng Pilipinas Governor Amando Tetangco Jr. said the country could get the long overdue rating upgrade from Fitch Ratings with the implementation of structural reforms such as the Comprehensive Tax Reform Program (CTRP).

Property market unperturbed by martial law in Min

The Phil. property market is not seen to be negatively impacted by the martial law declaration in Mindanao, as foreign companies continue to express interest in the robust BPO sector. Santos Knight Frank described the implementation of martial law in Mindanao as a temporary measure to take out some of the lawlessness.

Domestic liquidity barely changed in April

The financial system barely changed in April in liquidity terms, a development readily cited by the Bangko Sentral ng Pilipinas (BSP) as proof that prevailing conditions remain supportive of continued economic growth. Domestic liquidity, broadly measured as M3, rose to P9.5 trillion during the month.

Vista Land retains triple 'A' rating

Credit Rating and Investors Services Philippines, Inc. - recently affirmed Vista Land & Lifescapes' triple "A" issuer rating with a stable outlook. CRISP noted the company's sustained leadership in the low-cost and affordable housing market, strong financial performance, strong management team and a successful operating model.

Philippine Stock Market Update



Previous Close:

7,927.49

1 Yr Return:

8.62%

Open:

7,921.40

YTD Return:

16.52%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of June 1, 2017

US Dollar	Philippine Peso
1	49.739

PDST-R2 Rates

As of June 1, 2017

Tenor	Rate
1Y	2.8592
3Y	3.8645
5Y	4.5446
7Y	4.5614
10Y	5.0061
20Y	5.1218

Daily Quote

"The only person you should try to be better than is the person you were yesterday."

-Anonymous

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MORE LOCAL NEWS

DOE endorses Shell's plan to sell electricity to WESM

“We are favorably endorsing to the Securities and Exchange Commission the attached Amended Articles of Incorporation of Shell with the statement that this agency interposes no objection to amending the Second Article of the Articles of Incorporation,” the DOE said.

Ayala joins St. Luke's in new Davao hospital

Aviana Development Corp., a joint venture company of ALI and the Alcantara Group, teamed up with St. Luke's Medical Center Inc. to develop a world-class hospital within Azuela Cove, Lanang, Davao City. Ayala Land said in a statement on its website the joint venture partners signed a MoA with SLMC for the development of a hospital in Azuela Cove.

PSEi up 1.15% on House approval of reform package

The Philippine stock market rebounded by more than 1 percent on Thursday after the House of Representatives approved on third and final reading the government's tax reform package, fueling the investing public's optimism.

Rockwell Land eyes more commercial developments

Rockwell Land, the property arm of the Lopez family, is looking to increase its presence in commercial leasing in a bid to counter the cyclical nature of selling residential properties. Rockwell Land has just come through such a cycle, as its president Nestor Padilla pointed out to stockholders during the meeting.

Telcos beta test all in one digital card in Makati

Makati City is the first local government in the country to be beta tested by PLDT Incorporated and Globe Telecom Incorporated for an all-in-one digital citizen card and application, providing residents easy access to financial services, payments, and e-commerce, among others.

2 new P2P bus routes connect Alabang, Cavite

The Premium Point-to-Point Bus Service introduced two new routes on Thursday, one connecting Starmall Alabang to Vista Mall Daang Hari in Bacoor, Cavite, and another connecting the latter to Dasmariñas, Cavite.

PLDT's Voyager keen to expand overseas

PLDT, Inc. is keen on expanding the local offerings and partnerships of Voyager Innovations, Inc., ahead of its digital innovations unit's plan to enter at least two overseas markets this year. Manuel V. Pangilinan said that while the possibility of establishing Voyager's presence abroad remains, the current focus is to grow the business here.

IC looking to put up suretyship unit by yearend

THE Insurance Commission (IC) is hoping to put up the insurance sector's own suretyship unit by yearend, as applications for the regulatory body are already with the government. Insurance Commissioner Dennis B. Funa told reporters in a recent interview they want that their proposed suretyship unit to be set up “within this year, hopefully.”

Review of REIT rules focused on PHL reinvestment

FINANCE Secretary Carlos G. Dominguez III said perks given to Real Estate Investment Trusts (REIT) may not be generating an adequate return for the government, and added that the incentives given to the sector are under review.

Biz Buzz: New triumvirate

CIMB plans to own 60% of the investment house that it will set up and that talks are underway for businessman Manuel V. Pangilinan aka MVP—who heads the First Pacific—to take a 20% interest in the proposed entity (most likely as a personal investment) while the remaining 20% will be owned by the group of Malaysian tycoon Robert Kuok.

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TODAY'S TOP ASIAN NEWS

CH's largest Bitcoin exchange allows withdrawals

China's three biggest bitcoin exchanges are ending a self-imposed moratorium on withdrawals, helping the cryptocurrency to resume its record-breaking rally. The exchanges suspended withdrawals almost four months ago following increased scrutiny from Chinese authorities amid concerns of capital flight and money laundering.

Li Ka-Shing's 'diamond' deal looks more like coal

Two years after Hong Kong's richest man reorganized his business empire, promising the new structure would make his shareholders wealthier, it seems they would have been better off cashing out. Anyone holding \$1,000 in shares of billionaire Li Ka-shing's two main companies in June 2015 would see that investment shrink to about \$830 today.

The rise and fall of Asia's commodities giant

Based in Hong Kong, Noble was once Asia's largest commodity trader, with a market value of more than \$10 billion, greasing the wheels of the global trade in metals, minerals, oil, and agricultural goods. It's currently worth \$336 million. "Noble is fighting for its life now," an analyst said.

Beijing's hand seen as Yuan hits near 7 mo. high

China's yuan jumped to a near seven-month high on Thursday, fuelling speculation that the government was pulling strings to prop up the beleaguered currency in response to last week's credit rating downgrade by Moody's.

Morgan Stanley stays bullish on China

China will continue to clean up its interbank activities and curb credit expansion to bring financial risks under control, applying good "counter cyclical" measures that are unlikely to derail growth, Morgan Stanley said in a research report released during its China Summit in Beijing.

TODAY'S TOP GLOBAL NEWS

Musk off Trump train in wake of Paris decision

Elon Musk finally pulled the plug on Donald Trump. Musk, who has become the American icon of clean-energy by leading electric-car maker Tesla Inc., said Thursday he'd leave two White House advisory councils after the president's decision to withdraw from the landmark Paris climate accord.

PPG walks away from S\$41B bid for Akzo Nobel

PPG Industries has dropped its pursuit of paintmaking rival Akzo Nobel after the Dutch maker of chemicals and coatings refused to discuss last-ditch sweeteners to a US\$29.5 billion (S\$40.7 billion) offer.

Deere to buy Wirtgen for \$5.2B cash

Deere & Co. plans to buy Wirtgen Group, a German maker of road-construction equipment, for 4.6 billion euros (\$5.2 billion). The deal will be in cash and establish Deere's "leadership position" in the road building industry and expand the reach of John Deere construction equipment, according to a statement from the company.

Oracle set to expand cloud reach with Tencent

Oracle Corp, the world's largest seller of enterprise software, may look to its partnership with Tencent Holdings to distribute its NetSuite portfolio of online business applications in mainland China's software-as-a-service (SaaS) market, an industry segment projected for total sales of up to US\$1.6 billion this year.

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