

The Daily Dispatch

June 27, 2017
TODAY'S TOP NEWS

PH's longest railway to get funding from JPN, CH

The Chinese government is seen to fund the P285-billion, 653-kilometer railway that will connect Manila to Sorsogon in Bicol, said Sec. Tugade. If realized, this would form part of the longest railway project in the country so far. Its first two phases will be funded by the Japan International Cooperation Agency (JICA).

Government hits P33.4-B budget deficit in May

The government slid back into a deficit in May after a hitting a surplus of P52.8 billion in April because of higher government spending, particularly on interest payments. Data released by the Bureau of Treasury (BTr) on Friday, June 23, showed that the government recorded a deficit of P33.4 billion.

New San Vicente airport to boost local tourism

The rising tourism town of San Vicente in northern Palawan expects more visitors in the future with its newly-opened airport. After almost 8 years since construction began in 2009, the Civil Aviation Authority of the Philippines officially opened the airport "for general aviation" at 8 am Thursday, June 22.

500 Startups-backed Acudeen bags \$6m deal

Early-stage fintech firm Acudeen Technologies has sealed a \$6m financing deal with Rizal Microbank, a unit of Philippine-listed Rizal Commercial Banking Corp (RCBC). The money will finance the invoices and receivables to the startup's network of small and medium enterprises (SMEs), as well as micro-SMEs (MSMEs) in the Philippines.

Peza seeks retention of VAT-free incentives

The PEZA said about P24 billion worth of local purchases maybe lost to imports if the government will lift the exemption of small enterprises from value added tax. Peza director-general Charito Plaza said suppliers of locally-manufactured raw materials for economic zone locators would face difficult challenges if subjected to a 12-percent

Philippine Stock Market Update



Previous Close:

7,814.17

1 Yr Return:

3.76%

Open:

7,851.93

YTD Return:

15.10%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of June 23, 2017

US Dollar	Philippine Peso
1	50.170

PDST-R2 Rates

As of June 23, 2017

Tenor	Rate
1Y	2.8463
3Y	3.8375
5Y	4.0493
7Y	4.4690
10Y	4.6033
20Y	5.3321

Daily Quote

"Life is not measured by the number of breaths we take, but by the moments that take our breath away."

--Maya Angelou

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MORE LOCAL NEWS

Villar infusing P3b in bank unit

The Villar Group is investing P3 billion to roll out at least 20 branches of thrift banking unit Optimum Bank. Former senator and Vista Land & Lifescapes Inc. chairman Manuel Villar said in an interview Optimum Bank would primarily service the needs of the Villar Group and its customers.

Primex unveils four new projects

Listed real estate developer Primex Corp. unveiled four new projects, including a 50-story tower along Edsa in San Juan City. Primex president Ernesto Ang said Primex Tower would rise at the corner of Edsa and Connecticut Street at a cost of P3.6 billion.

Bank of Commerce eyes unibank status

In a statement on Monday, Bank of Commerce President and Chief Executive Officer Roberto Benares said the bank will have to beef up its capital to enable it to ride out stiffer competition as the Association of Southeast Asian Nations (Asean) gets increasingly integrated.

BSP eyes discussions with MAS for ABIF

THE BANGKO SENTRAL ng Pilipinas (BSP) is eyeing to start discussions for bilateral deals with its counterpart in Singapore this year as its next move towards regional banking integration, the outgoing central bank chief said.

Rising demand pushes Vestas to Mideast, ASPAC

THE CHIEF EXECUTIVE officer of Vestas Wind Systems A/S says the world's biggest wind turbine maker wants to expand in the Middle East and the Asia-Pacific region as it taps into growing demand for renewable energy in new markets.

RLC starts China property project

Gokongwei-led property developer Robinsons Land Corp. expects to bring 1.8 billion Chinese renminbi (P13.2 billion) worth of new residential property inventory to Chengdu—its first venture in mainland China—by the first quarter of next year.

Air Asia unit expects record revenue

Budget airline Philippines Air Asia hopes to breach a new revenue record this year on expectations that people will fly more and avail themselves of add-on services such as onboard meals and extra luggage space.

CTA grants P128-M tax refund to SG sovereign fund

The Court of Tax Appeals (CTA) has ordered the Bureau of Internal Revenue (BIR) to issue a P127.67-million tax refund on interest income earned from the Treasury bond investments of Singapore's sovereign wealth fund.

DMCI sees delay in P900-M Palawan power project

Off-grid energy producer DMCI Power Corp. (DPC) anticipates a delay in the completion of its P900-million bunker-fired power plant in Irawan, Puerto Princesa City due to site issues. The power project was targeted to start commercial operations by the last quarter of 2017 but encountered problems in location.

TODAY'S TOP ASIAN NEWS

Li says China to meet growth goals, vows support

Premier Li Keqiang said China remains on track to meet its main economic goals for this year while warning of rising geopolitical risk and threats to the global upswing. Li's speech was a robust defense of globalization and a thinly veiled rebuttal of the narrative adopted by U.S. President Donald Trump.

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MORE ASIAN NEWS

Indians pushing Chinese brands to 51% of market

Chinese smartphones are conquering India, with Lenovo, Oppo, Vivo and Xiaomi together making up more than half of the country's sales in the first three months of the year, a tremendous jump from a mere 15 per cent a year earlier, according to a report by India Ratings & Research (Ind-Ra).

China's Hainan Air pursues acquisitions overseas

The nation's fourth-largest carrier is exploring airlines and companies along the industry's "value chain." As part of its growth strategy, Hainan Air will double down on international flights from the nation's second-tier cities where a travel boom is under way as it takes on bigger state-owned rivals.

Japan's Takata files for bankruptcy protection

Japan's crisis-hit car parts maker Takata said it filed for bankruptcy protection on Monday, after deadly faults in its airbags triggered the auto industry's biggest ever safety recall. The Tokyo-based car parts giant is facing lawsuits and huge costs over the defect linked to at least 16 deaths and scores of injuries globally.

Noble sells 3 units as its credit ratings dip

Embattled trader Noble Group has sold three small subsidiaries for a total of US\$4.7 million as it suffered a fresh downgrade from a ratings agency. In a statement to the Singapore Exchange yesterday, Noble said the three firms were Worldwide Warehouse Solutions UK, Worldwide Warehouse Solutions Singapore and Worldwide Warehouse

TODAY'S TOP GLOBAL NEWS

Gold drops after 1.8M oz. were traded in a minute

Gold traders shaken awake by Monday's rapid price plunge said the move probably won't mean an end to the sleepy pace that's characterized the market in recent months. Bullion sank at 9 a.m. in London on Monday after a huge spike in volume in New York futures that traders said may have been the result of a "fat finger."

Disruption looms for property sector due to tech

Real estate has been a spectator to technology disruption for years, but all that could be changing as the traditionally tech-laggard sector moves into the epicentre of a technology revolution. This leveraging of technology to improve property services ranges from an increased use of big data to blockchain technology.

Yanzhou outbids Glencore for Rio Tinto

Yanzhou Coal Mining, the listed flagship of China's fourth largest coal miner Yankuang Group, has won a takeover battle after sweetening its offer at the eleventh hour. The acquisition will add 556m tonnes of 'marketable' coal reserves on top of Yancoal's current reserve of 274m tonnes, and more than double its output.

Rusal plans to power its smelters wholly on hydro

Rusal, the world's second-largest aluminium producer, will stick to its goal to source all of its electricity needs from clean energy by 2020 despite the United States' withdrawal from the Paris agreement on climate change mitigation, according to its deputy chief executive.

Russian billionaire to buy Holland & Barrett

Russian billionaire Mikhail Fridman's investment vehicle agreed to buy Holland & Barrett for about \$2.3b, gaining one of Europe's largest health-food retail chains in its first retailing acquisition. Fridman's L1 Retail will acquire the business from private equity owner Carlyle Group LP.

Economic Calendar

Date	Release
06.15.2017	PH: Overseas Remittances YoY
06.19.2017	PH: BoP Overall
06.22.2017	PH: Overnight Borrowing Rate
06.29.2017	PH: Money Supply M3 SRF YoY
06.30.2017	PH: Bank Lending YoY

Source: Bloomberg Economic Calendar