

The Daily Dispatch

July 06, 2017
TODAY'S TOP NEWS

Dennis Uy's Udenna Corp. buys Enderun Colleges

Udenna Corporation, the holding company of businessman Dennis Uy, fully acquired Enderun Colleges Incorporated for an undisclosed price – a move seen to support its aggressive expansion in various industries. "Our acquisition of Enderun Colleges comes at an opportune time," Uy said.

First Metro, UA&P lower PH GDP growth forecast

Seeing a slower buildup of government spending, First Metro Investment Corporation and the University of Asia and the Pacific (UA&P) have lowered their Philippine economic growth forecast to 6.5% to 7% this year, from an earlier projection of 7% to 7.5%.

AXA bullish on PH market, plans new IT center

Global insurance giant AXA is expanding its health product lines as well as its digital and IT presence in the country ahead of what it sees as great time for a rapidly changing local insurance environment. AXA is also set to move its regional IT shared services center to the Philippines, with the facility expected to open in 2H2017.

Allianz PNB Life Insurance partners with HSBC

Allianz PNB Life Insurance teamed up with a unit of HSBC Philippines in a tie-up that brings together two of the largest financial services in the world. The agreement will allow Allianz to offer insurance products and services to HSBC customers and is part of Allianz's move to delve deeper into the Philippine market.

PPA plans to upgrade Davao's Malalag port

PPA said Wednesday it plans to upgrade the Malalag port in Davao del Sur to meet international standards after it took over the management and operations of the port terminal. The PPA and the local government of Malalag formalized the transfer through a MoA signed by mayor Peter Paul Valentin and PPA general manager Jay Daniel Santiago in

Philippine Stock Market Update



Previous Close:

7,788.06

Open:

7,774.91

52-Week Range:

6,499.00 - 8,118.44

1 Yr Return:

1.04%

YTD Return:

13.31%

Source:

Bloomberg

Foreign Exchange

As of July 05, 2017

| US Dollar | Philippine Peso |
|-----------|-----------------|
| 1 | 50.652 |

PDST-R2 Rates

As of July 05, 2017

| Tenor | Rate |
|-------|--------|
| 1Y | 2.8953 |
| 3Y | 3.9605 |
| 5Y | 4.1561 |
| 7Y | 4.7946 |
| 10Y | 4.6608 |
| 20Y | 5.0651 |

Daily Quote

"Life is a series of problem-solving opportunities. The problems you face will either defeat you or develop you depending on how you respond to them."

--Rick Warren

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MORE LOCAL NEWS

Phinma to develop 45-MW solar plant

Phinma said it plans to develop a 45 MW solar power plant in Bugallon, Pangasinan that will further diversify the company's portfolio. Phinma Energy said in a disclosure to the stock exchange it received a service contract from the DOE granting it exclusive right to explore, develop and utilize the solar energy resource in a 648-ha area in

Citicore wins contracts to build hydro projects

Citicore Power Inc. has secured service contracts for five hydro projects in Luzon with a combined capacity of 2,300 megawatts. The Energy Department awarded service contracts for Citicore's five pumped-storage hydro power projects that will help secure the country's long term energy requirement.

SMC finalizing entry in BMW distributor

San Miguel Corp. (SMC) expects to conclude talks with Asian Carmakers Corp. (ACC) for the diversified conglomerate's investment in the distributor of BMW vehicles this month. SMC president and chief operating officer Ramon Ang told reporters talks are ongoing for the firm's investment in ACC.

Tax reform seen to hit residential market hard

The residential market is likely to take a hit once the country's tax reform plan as approved by the House of Representatives is implemented, real estate consultancy firm Colliers International Philippines warned.

China automaker mulls entry into PUV program

Chinese vehicle manufacturer Foton Motor is looking to ramp up its investments in the Philippines, encouraged by the government's foreign policy shift that includes stronger relations with China. Foton intends to participate in the government's new program that would encourage and support the use of eco-friendly public utility vehicles (PUV).

New EO prioritizes energy projects

Energy projects of national significance will now proceed on schedule after President Duterte signed an executive order (EO) backing the critical projects, the Department of Energy (DOE) said. The Energy Investment Coordinating Council (EICC) was created after the President issued EO 30 last June 30.

New Cebu port project in line for Korea financing

In an interview, Finance Assistant Secretary Maria Edita Tan said the Export-Import Bank of Korea (KEXIM) has already approved the P9.2 billion New Cebu International Container Port as one of the projects it would finance through official development assistance (ODA).

TODAY'S TOP ASIAN NEWS

Baidu forms global alliance to accelerate AI

Baidu, the operator of China's largest search engine, said it has formed what it claims to be one of the world's largest and diversified open autonomous driving alliances with more than 50 partners as the company ramps up its efforts to accelerate the commercialisation of artificial intelligence.

Tencent aims to hook more online users

Tencent Holdings, the largest social network operator in China, aims to expand coverage of its content products, such as videos and games, from mobile devices to television screens after teaming up with China's major TV manufacturers.

Digital Domain aims for global lead in VR

Digital Domain Holdings, operator of the world's largest independent visual-effects studio, plans to sharpen its focus on virtual reality technology initiatives after beefing up its senior management and recently raising fresh funding.

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MORE ASIAN NEWS

Mason Financial buys 75% in infant formula maker

Hong Kong-listed Mason Financial Holdings Ltd is investing over \$60.7 million (A\$80 million) to acquire a 75 per cent controlling interest in Blend and Pack Pty Ltd, a leading infant formula and nutritional products manufacturer incorporated in Australia.

VIG Partners acquire facial mask maker

South Korean private equity (PE) firm VIG Partners, which specialises in mid-market buyouts, has acquired a 73 per cent stake in Press & Converting (P&C Co.), a facial pack manufacturer that reportedly occupies 70 per cent of the local market.

Alibaba challenges Google, Amazon

The competition in digital speaker-assistants is getting more intense, as Alibaba Group Holding unfurled an Amazon Echo-like device and fellow Chinese internet giants Tencent and Baidu prepare to develop their own.

SPI tender offer claimed below value

SET-listed Saha Pathana Inter-Holding's (SPI) plan to acquire three food companies under the Saha Group may hit a snag after the company's independent financial adviser recommends that shareholders reject the tender offer, saying the price offering of 53.15 baht per share is undervalued.

TODAY'S TOP GLOBAL NEWS

AUS bets \$68B navy spend on global export industry

Australia wants more from its \$68 billion investment in new ships and submarines than just a more capable navy. With final bids due this month on a A\$35 billion (\$27 billion) contract for nine anti-submarine frigates, Defence Industry Minister Christopher Pyne said Australia is seeking a bigger role in naval shipbuilding.

ANZ narrows bidders in \$3B sale of wealth business

Australia & New Zealand Banking Group Ltd. has narrowed the list of bidders for its wealth unit, which could fetch more than A\$4 billion (\$3 billion), people with knowledge of the matter said.

EU approves bailout of world's oldest bank

The EU competition commission has approved a 5.4B euro bailout of Italy's troubled Monte dei Paschi di Siena (BMPS) as part of a major overhaul. The decision, announced in a statement Tuesday, comes days after Brussels accepted that Italy could inject up to 17B euros (\$19B) to break up two insolvent Venetian banks.

Vantiv agrees to buy Worldpay for \$9.9B

Traditional retailers aren't the only businesses feeling the squeeze from Amazon.com Inc. Payment processors are too. Vantiv, the largest U.S. merchant acquirer, agreed Wednesday to buy London's Worldpay Group Plc for 7.7 billion pounds (\$9.9 billion) to gain greater exposure to e-commerce retailers and small businesses.

Xiaomi snaps up Nokia patents to boost expansion

The Chinese smartphone maker is getting its hands on a trove of intellectual property from the Finnish company that once led the world in phone sales before Apple, Inc. ushered in the smartphone era. The deal expands a portfolio augmented last year by the purchase of some 1,500 patents from Microsoft Corp.

Economic Calendar

| Date | Release |
|------------|------------------------------------------|
| 07.02.2017 | PH: Nikkei Philippines PMI Manufacturing |
| 07.04.2017 | PH: CPI YoY |
| 07.06.2017 | PH: Foreign Reserves |
| 07.10.2017 | PH: Trade Balance |
| 07.16.2017 | PH: Overseas Remittances YoY |

Source: Bloomberg Economic Calendar