

The Daily Dispatch

July 10, 2017
TODAY'S TOP NEWS

PSE gets majority control of PDS Holdings

The Philippine Stock Exchange (PSE) has achieved majority control in PDS Holdings Corp after acquiring an additional 8 per cent stake in the fixed-income bourse. PSE disclosed the latest development was a result of its share purchase agreement with Whistler Technologies Services Inc (WTSI).

PH, Japan firm up infrastructure partnership

THE COUNTRY'S economic team and its Japanese counterpart moved to streamline infrastructure implementation as they firmed up the list of Japan-funded projects during their second High Level Joint Committee and Infrastructure Development and Economic Cooperation meeting on Friday.

2GO restates financial statements, replaces CFO

2GO GROUP, Inc. has appointed a new chief financial officer after announcing adjustments in reported profits for the last two years following a special audit, the logistics firm told the Philippine Stock Exchange late on Friday. 2GO said it appointed William Charles Howell as CFO to replace Jeremias E. Cruzabra, who resigned.

NGCP testing to power Samar, Leyte from Cebu

NATIONAL GRID Corp. of the Philippines (NGCP) said it had created a "bypass line" that would allow Samar, Leyte and Bohol to receive power from Cebu after an earthquake on Thursday caused blackouts on the three islands.

SMF gets BoI incentives for 2 processing plants

THE Board of Investments (BOI) has granted incentives to a unit of San Miguel Pure Foods Co., Inc. for its proposed meat processing plants in Sta. Cruz, Davao del Sur, and Pagbilao, Quezon. Both projects are scheduled to be operational by January 2018 and are expected to employ 1,127 people.

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 09, 2017

US Dollar	Philippine Peso
1	50.630

PDST-R2 Rates

As of July 09, 2017

Tenor	Rate
1Y	3.2268
3Y	4.0302
5Y	4.5039
7Y	4.8125
10Y	4.6993
20Y	5.1170

Daily Quote

"Happiness is not a goal. It's a by-product of a life well-lived."

-Eleanor Roosevelt

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MORE LOCAL NEWS

Private sector cool to PPP hybrid financing

The private sector remains uncomfortable with the government's hybrid approach for infrastructure projects. First Metro Investment Corp. (FMIC), for instance, has expressed reservations over the government's hybrid mode for big-ticket infrastructure projects, saying that it may entail additional cost for the government.

Voluntary lending preferred over mandated credit

The BSP said major stakeholders in the banking industry should help fix the barriers to lending so the regulator could do away with mandated lending. BSP Governor Espenilla said in his keynote address during the 1st General Membership Meeting and Induction of Officers of the CMAP that he prefers banks to lend on a voluntary basis.

PSE expects 3 more IPOs in 2nd half

The PSE, the operator of the local bourse, expects at least three more initial public offerings in the second half of the year including previous IPO hopefuls and financial technology company ExpressPay. PSE president and CEO Ramon Monzon said next in the pipeline is the P8-billion IPO of Dennis Uy's Chelsea Logistics Corp.

ALI sets P11B for dev't of El Nido estate

Property giant Ayala Land, Inc. (ALI), through subsidiary Ten Knots Development Corporation, is spending P11 billion over the next five years for the five-phase development of its first tourism estate. They have already spent P2 billion for the development of the first phase of Lio Tourism Estate.

Cyberzone sees continued uptrend in BPO take-up

Cyberzone Properties Inc., a unit of publicly listed Filinvest Land Inc., said it sees no slowdown in the take-up of their expansion projects for the business-process outsourcing (BPO) sector despite US President Donald J. Trump's "America First" policy.

Filipino company now manufactures mobile phones

Filipino technology company Star Telecom Alliance Resources Inc., the parent of smartphone brand Starmobile, announced on June 15 the start of its mobile phone production with an initial goal to assemble 20,000 units of UNO B208 featurephones in a facility in Calamba City, Laguna.

SMC still pushing airport in Bulacan

San Miguel Corp. remains keen on building an international airport in Bulacan province and is not interested in the bidding for the operations and maintenance of Clark International Airport under the hybrid public-private partnership model.

Ayala Land begins work on 'The Flats' dorm project

Ayala Land, Inc. (ALI) said over the weekend it has commenced construction of its second dormitory unit, "The Flats Amorsolo" in Makati City, that will cater to working professionals and those working in the business process outsourcing (BPO) industry.

Fix barriers to MSMEs, agri-agra loans

"Mandated lending is basically you require the lender, ready or not, on a quota basis, to lend to a segment that creditor may or may not be ready to serve. So that is where the problem lies," central bank Governor Nestor Espenilla Jr. told reporters in an ambush interview in Makati City over the weekend.

Dominguez backs Sasa project

"Davao port has to be modernized. There is no question about it... The trade is going fast in Davao, in fact they just launched (recently) the Davao-Bitung (Indonesia) fast shipping, and you know Davao has benefited from that and so will Bitung..." Dominguez said.

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TODAY'S TOP ASIAN NEWS

Cathay takes full control of Air Hong Kong

Cathay, which currently owns 60 per cent of the cargo firm, will purchase the remaining 40 per cent from its partner, freight forwarder DHL Group, and turn Air Hong Kong into its wholly-owned subsidiary.

Xiaomi to ship more than 100m phones in 2018

Chinese smartphone maker Xiaomi, once hailed as China's answer to Apple Inc's iPhone, said it's aiming to ship more than 100 million phones in 2018, in a sign that it's found a way out of its sales slump in its home market and abroad.

Toshiba under pressure to consider 'Plan B'

As the \$18 billion sale of Toshiba Corp's memory chip unit to a government-approved consortium falters, some bankers and potential investors are pressing the board to seriously consider alternatives, people with direct knowledge of the sale process said – including picking a new buyer.

Cosco Shipping to acquire Orient Overseas for \$6.3B

Cosco Shipping Holdings Ltd. agreed to buy Orient Overseas International Ltd. for \$6.3 billion in cash, creating the world's third-largest container-shipping company as the industry shrinks after years of losses and overcapacity.

GIC prepares for uncertainty, low returns

At a time of heightened uncertainty and "investor complacency", Singapore's sovereign wealth fund GIC is expecting steady long-term returns, and says it has to be prepared to take underperformance against relative benchmarks, with some stretching into several years.

TODAY'S TOP GLOBAL NEWS

AUS's top performing pension fund eyes more infra

Australia's top-performing pension fund over the past three years wants to invest in more toll roads and airports, betting infrastructure assets will offer among the most reliable returns over coming decades. Sam Sicilia of Melbourne-based Host-Plus Pty Ltd., is looking to invest about 12% of the fund's capital in infrastructure.

Gold buyers fleeing a month after bullish bet

A month ago, money managers were the most optimistic on gold this year. Now, they can't seem to unload bullion fast enough. Hedge funds' net-long positions, or the difference between bets on a price increase and wagers on a decline, fell last week by more than half, the biggest reduction since 2015.

Tesla rolls out its first Model 3, and it's Elon's

It's finally here: The Model 3, Tesla's \$35,000 electric gamechanger. A single black Model 3 rolled off the production line Friday with a serial number all its own, kicking off a company-defining six months.

USD stands tall after US jobs report backs Fed

The US dollar was on solid footing in early Asian trading on Monday, after a bigger-than-expected increase in US jobs suggested the Federal Reserve would stick with its tightening plans for the rest of this year. US job growth surged more than expected in June and employers increased hours for workers.

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