

# The Daily Dispatch

July 18, 2017  
TODAY'S TOP NEWS

## Remittance inflows rebound in May

The amount of cash and personal remittances from overseas Filipinos recovered to hit a two-month high in May after dropping sharply in April, the BSP reported yesterday. BSP Governor Espenilla Jr. said personal remittances climbed 7.1 percent to \$2.59B in May from the \$2.42B recorded in the same month last year.

## Vista Land sets rates for P20-B bonds

Vista Land & Lifescapes Inc. has set the interest rates for the initial tranche of its P20B bond offer. The company told the local bourse yesterday it has set at 5.7512% per annum the interest rate for the seven-year bonds due 2024, while the 10-year bonds due 2027 will be at 6.2255% per annum.

## Foreign firms eye Philippines' pharmaceutical sector

Some of the country's existing pharmaceutical players have expressed interest in participating in the Philippine International Trading Corp.'s plan to set up economic zones all over the country. Chinese, Russian and Indian firms have also signified their interest in participating in the project, PITC president Dave Almarinez said.

## Duterte seeks new guidelines on ECCs

President Rodrigo R. Duterte is requiring the Department of Environment and Natural Resources (DENR) to submit new guidelines on the approval and issuance of environmental compliance certificates (ECCs) to energy projects of 'national significance' (EPNS) as stipulated under the Executive Order No. 30 of Malacañang.

## 4 German firms expanding BPO operations in PH

At least four big German firms – Fresenius Medical Care, Boehringer Ingelheim, Merck, and BMW – have bared plans to expand their IT-business process management operations in the Philippines, according to Trade and Industry Secretary Ramon M. Lopez.

## Philippine Stock Market Update



**Previous Close:**

7,788.06

**1 Yr Return:**

1.04%

**Open:**

7,774.91

**YTD Return:**

13.31%

**52-Week Range:**

6,499.00 - 8,118.44

**Source:**

Bloomberg

## Foreign Exchange

As of July 11, 2017

US Dollar	Philippine Peso
1	50.672

## PDST-R2 Rates

As of July 17, 2017

Tenor	Rate
1Y	3.2232
3Y	3.9127
5Y	4.1902
7Y	4.8629
10Y	5.0732
20Y	5.4729

## Daily Quote

"If I have made a mistake in the design, then I'm the one who should pay for it. I certainly would not ask somebody else to fly a plane if I were afraid to do it myself." --Howard Hughes

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## MORE LOCAL NEWS

### Ramon Ang in talks for majority stake in Inquirer

Ramon Ang, the chief of the country's most diversified conglomerate San Miguel Corporation, is in talks with the owners of the Philippine Daily Inquirer for an acquisition of a majority stake in the daily newspaper. Yes, personal [investment]. [We are] in talks," Ang told Rappler in a mobile phone reply.

### Clark is preferred airport project

AMID unsolicited proposals to establish new and modern airports in Bulacan and Sangley Point in Cavite, the government's chief economic planner still views Clark International Airport as the "superior" option to decongest Ninoy Aquino International Airport (NAIA).

### SMC newest acquisition deal valued at A\$11.5 mn

DIVERSIFIED conglomerate San Miguel Corp. (SMC) disclosed on Friday that it paid 11.5 million Australian dollars (P451.5 million) to acquire Australian wine bottling and packaging facility Barossa Bottling Services Pty Ltd.

### China Bank pays term loan ahead of schedule

CHINA BANKING Corp. (China Bank) has fully paid its \$158-million multi-year syndicated term loan facility, a year ahead of the deal's maturity. In a disclosure to the local bourse on Monday, the Henry Sy-led bank announced it has paid off the loan ahead of its June 2018 deadline.

### PLDT Capital looking at 'interesting' acquisitions

PLDT, Inc.'s investment arm will review its portfolio and make some "interesting" acquisitions next year. This, as gains from PLDT Capital's recent deals to sell its remaining stake in Manila Electric Co. (Meralco) and SPi Global Holdings, Inc will be used to manage debt and partly fund its capital expenditures this year.

### More BPO companies seen locating in PH

Trade and Industry Secretary Ramon M. Lopez said that a number of IT-BPM companies had shared plans to expand their operations here in the Philippines, eventually generating a total of at least 1,100 jobs.

### Ayala to offer P5b more in notes

Property giant Ayala Land Inc. plans to raise another P3 billion to P5 billion in short dated-debts after successfully generating P4.3 billion from the issuance of the pioneering short term financial instrument. ALI chief finance officer Augusto Bengzon said in an interview at the sidelines of the listing of P4.3 billion worth of short-dated notes due 2019.

### Industry group opposes sugar tax

The Federation of Philippine Industries Inc. is opposing the proposed tax on sugar-sweetened beverages, saying the bill is "anti-poor." FPI president Jess Arranza said Monday the proposed measure was discriminatory to people who were relying on sugar to boost their energy.

### Ang buys out Prieto of 'Inquirer'

Businessman Ramon Ang said Monday he is acquiring the Prieto family's controlling stake in Inquirer, one of the country's largest newspapers. Ang, who serves as the president and chief operating officer of conglomerate San Miguel Corp. and a campaign contributor in Duterte's 2016 presidential bid.

## TODAY'S TOP ASIAN NEWS

### Wanda deals in jeopardy as CH scrutiny mounts

China plans to cut off some funding for billionaire Wang Jianlin's Dalian Wanda Group Co. after concluding the conglomerate breached restrictions for overseas investments, said people familiar with the decision. The scrutiny could rein in Wang's ambitious attempt to create a global entertainment empire.

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## MORE ASIAN NEWS

### Apple unveils campaign to win Chinese consumers

Apple is launching a large-scale promotion by offering special discounts for consumers who use its mobile payment method in mainland China, where third-party mobile payments are dominated by rival Chinese technology giants Alibaba Group and Tencent Holdings.

### Is China approaching a Lehman moment?

In previous columns, we estimated the excess debt in the Chinese economy to be approximately US\$3.1 trillion and still growing. <sup>[SEP]</sup>This is of course an enormous figure, and represents the largest non performing loan aggregation in the world by far. It obviously constitutes a considerable overhang on the Chinese economy.

### Uber to suspend operations in Macau

Ride-sharing company Uber Technologies Inc said it will suspend operations in the former Portuguese territory of Macau from July 22 as it could “not secure a business environment” to “unlock the full benefits of ride-sharing”.

### Singapore pushes SE Asia’s deal activity in 2017

Pushed by heightened deal making in Singapore, the Southeast Asian region witnessed a 25 per cent on-year rise in the number of deals in the first six months of 2017.

### Why did all 7-eleven in Jakarta disappear

The closure of global convenience chain 7-Eleven in Indonesia underlines the tough economic and regulatory landscape that could deter future investors from taking over the iconic brand’s franchise in Southeast Asia’s biggest economy. The 7-Eleven’s franchise holder in the country said that a lack of resources was the main reason it ceased

## TODAY’S TOP GLOBAL NEWS

### Student debt a reason millennials aren't buying homes

College tuition hikes and the resulting increase in student debt burdens in recent years have caused a significant drop in homeownership among young Americans, according to new research by the Federal Reserve Bank of New York.

### Morgan Stanley doubles down on bullish S&P bet

There’s juice in the equity rally yet. A second-quarter earnings season that’s set to beat the consensus and reinvigorated faith in the Trump Administration’s policy objectives will spur the S&P 500 Index about 10 percent higher to a record 2,700 by the end of the year, according to Morgan Stanley.

### Oil skeptics let a little sunshine in

Oil skeptics are letting a little sunshine in. After the worst June for oil in six years, hedge-fund bets on declining West Texas Intermediate retreated. That made room for futures to rebound more than 5 percent last week on optimism that the summer will finally boost demand for crude and gasoline.

### Citigroup chooses Frankfurt as new trading hub for EU

Citigroup has settled on Frankfurt as its newest trading hub in the European Union and plans to present that option to its board of directors this week for approval, according to a person with knowledge of the decision.

## Economic Calendar

Date	Release
07.17.2017	PH: Overseas Remittances YoY
07.19.2017	PH: BoP Overall
07.30.2017	PH: Money Supply M3 SRF YoY
07.30.2017	PH: Bank Lending YoY
07.31.2017	PH: Nikkei Philippines PMI Mfg

Source: Bloomberg Economic Calendar