

# The Daily Dispatch

July 25, 2017  
TODAY'S TOP NEWS

## AC Energy to expand in IDN, sells Chevron assets

AC Energy, the energy arm and wholly owned subsidiary of Ayala Corporation, has announced it will deepen its presence in Indonesia and that it has sold its stake Chevron's geothermal assets in the Philippines to the SM group. The firm is targeting 2,000 MW of installed capacity by 2020, half of which is set to come from renewable energy.

## Hans Sicat is new ING Bank country manager

Former Philippine Stock Exchange (PSE) chief Hans Sicat will be the new head of the local unit of Dutch giant ING Bank N.V. come mid-August. ING Bank on Monday, July 24 announced that Consuelo "Zondy" Garcia will retire as country manager and head of clients of ING's Manila Branch, effective November 16, 2017.

## Duterte accepts Mighty Corp's tax settlement offer

The government is set to score its largest tax settlement in Philippine history as President Rodrigo Duterte announced on Monday, July 24, that he has ordered finance officials to accept the P25-billion offer of Mighty Corporation as settlement for its tax liabilities.

## BSP to hold rates despite growth in money supply

THE CENTRAL BANK would not have to tighten interest rates amid sustained double-digit growth in money supply and bank lending with the rapid expansion seen unlikely to drive prices higher, a senior official said.

## BoI Cebu OK's first app. from micro/small firm

CEBU-BASED furniture maker Maison Galuchat, Inc. has secured approval for the registration with the Board of Investments (BoI) of its P9.13-million venture that seeks to export 100% of its production. The registration represents the first approval issued by the BoI's Cebu extension office involving a micro or small enterprise.

## 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 24, 2017

US Dollar	Philippine Peso
1	50.668

## PDST-R2 Rates

As of July 24, 2017

Tenor	Rate
1Y	2.8389
3Y	3.8824
5Y	4.4477
7Y	4.8171
10Y	4.9993
20Y	5.1575

## Daily Quote

"There is no security on the Earth, there is only opportunity."

--Douglas MacArthur

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## MORE LOCAL NEWS

### Megaworld adds 7th tower in Iloilo Business Park

In a statement on Monday, Megaworld said it launched the Saint Dominique, a 10-storey building that incorporates Parisian elements inside the 72-hectare Iloilo Business Park in Mandurriao, Iloilo City. The Saint Dominique will rise next to the 10-storey Saint Honore, which has already been sold out four months after its launch.

### Mighty settlement deal may depend on PCC approval

The deal to settle Mighty Corp.'s P25-billion tax liability, accompanied by a takeover of the company by JT International (Philippines), Inc., may require approval from the Philippine Competition Commission (PCC), the Finance department said.

### Metrobank loses over P14B in MV amid fraud issue

Metropolitan Bank & Trust Company (Metrobank), lender owned by business tycoon George Ty, lost P14.63 billion in market value in a day, as the Bangko Sentral ng Pilipinas (BSP) launched its investigation into the alleged P900-million fraud case involving a senior bank official.

### NLEX proposes elevated toll road

NLEX Corp. plans to submit an unsolicited proposal to build a P20-billion elevated expressway connecting Port Area in Manila to the existing Manila-Cavite Expressway. NLEX CEO Rodrigo Franco said his company was finalizing the study for the development of the new expressway that would connect Cavitex to R10 in Tondo,

### SONA 2017: No promises to speed up infra dev't

In his his second State of the Nation Address (SONA) on Monday, July 24, President Rodrigo Duterte made no promise to speed up infrastructure projects, a pledge that investors and commuters would have wanted to hear. Duterte's two-hour address, veered away from the supposed focus of his SONA – economic development.

## TODAY'S TOP ASIAN NEWS

### Grab to raise \$2.5B in new financing

Southeast Asian ride-hailing firm Grab said Monday, July 24, it expects to raise \$2.5 billion in financing, mostly from China's Didi Chuxing and Japan's Softbank, as it strengthens its lead over rival Uber. Didi, China's ride-hailing leader, and mobile giant SoftBank will invest up to \$2.0 billion.

### SG investors stuck as local restructuring drags

Singapore is ranked the second most competitive economy globally by the WEF, and is actually faster than most other countries in resolving insolvencies involving assets of all kinds. But when it comes to the city's bond market in particular, resolutions have been slower than in some other major markets, according to advisers.

### Acquisitive HNA discloses ownership

Conglomerate HNA Group has disclosed its ownership list for the first time following questions over its opaque shareholding structure and the Chinese government clampdown on overseas acquisitions. The company has expanded since its founding in 1993 with just four aircraft to almost 2,000 planes under operation and management.

### Sunac seeks US\$537 million in share placement

Sunac China, one of the country's most indebted developers, is raising up to HK\$4.2 billion (US\$537 million) in a share placement after it agreed to buy Dalian Wanda Group's tourism projects for 43.8 billion yuan last week.

### Tencent banks on original music to become Spotify

The music arm of Chinese internet giant Tencent Holdings is betting big on original music composers and musicians to expand its content offerings to become the Spotify in China, a market historically hindered by piracy.

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## MORE ASIAN NEWS

### Alibaba in talks to pick up stake in PT Tokopedia

China's e-commerce giant Alibaba Group Holding Ltd is in talks to make a significant investment in one of Indonesia's largest online retailers, PT Tokopedia. The Chinese firm is learnt to be in discussions with Tokopedia to lead a funding round that could be worth up to \$500 million.

### Why China's acquisition spree is ending badly

China's overseas acquisition streak seems to be coming to an unhappy end. Outward direct investment fell by 46 per cent in the first half of the year, due partly to tightened capital controls and partly to new restrictions on "irrational investments".

### India: IL&FS plans to raise \$1b infra fund

IL&FS Investment Managers Ltd, the only publicly traded private equity fund manager in India, is looking to raise a \$1-billion infrastructure fund, according to a report in The Economic Times quoting sources. According to the report, the firm has attracted investments from South Korean and Japanese funds.

### Self-driving buses & robots could double SG growth

The rise of the machines is coming. In technology-proficient Singapore, their integration into the economy could help the domestic growth rate to almost double and significantly lift labor productivity, according to a report by consultancy Accenture.

### Deutsche Post DHL searching for mainland partner

Deutsche Post DHL, Europe's biggest mail and express company, is looking to partner with a mainland delivery counterpart to help cope with the surging volume of European goods shipped into China as part of the fulfilment of online shopping.

## TODAY'S TOP GLOBAL NEWS

### Bitcoin options will be available this fall

LedgerX LLC, a cryptocurrency trading platform operator, won approval to operate as a federally-regulated exchange and clearing house for derivatives contracts settling in digital currencies.

### KKR to buy WebMD in \$2.8B deal

Online health publisher WebMD Health Corp said on Monday it agreed to be bought by private equity firm KKR & Co in a deal valued at about US\$2.8 billion. The deal brings together WebMD's websites, such as WebMD.com, Medscape.com and MedicineNet.com, and those owned by KKR unit Internet Brands Inc.

### Banks are scheming to dominate a cashless society

Visa recently announced its new Cashless Challenge program, which offers \$10,000 to restaurants willing to transition into accepting only digital payments. As the largest credit card processor in the U.S., it's no surprise Visa is spearheading this campaign.

### Carlyle said to seek \$15b for US buyout fund

Carlyle Group LP is seeking \$15 billion for its next U.S. fund, according to people familiar with the matter, for what could be the largest pool ever focused on buyouts in the region. The fund, which would be the firm's seventh for the U.S., is part of Washington-based Carlyle's ambition to raise \$100 billion from 2016 to 2019.

## 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