

The Daily Dispatch

July 27, 2017
TODAY'S TOP NEWS

Outlook for PHP gets grimmer

The outlook for the Philippine peso -- Asia's worst-performing currency -- just keeps getting grimmer. Macquarie sees the peso falling to 52 per dollar by year-end, 2.6 percent weaker than current levels. Other analysts are also getting more pessimistic, with the median end-2017 estimate dropping 1.2 percent so far in July to 50.8.

VAT on low-cost housing to worsen backlog

The lifting of the VAT exemptions on low-cost housing as proposed by the tax reform bill would exacerbate the growing backlog for houses, property stakeholders said. Colliers International research manager Joey Roi Bondoc said the removal of the VAT exemption on the sale of low-cost housing would make owning a house more expensive.

PCC clears Federal Land JV deal

The PCC has given its go-signal to the joint venture of Federal Land Inc. and Japanese giants Isetan Mitsukoshi Holdings Ltd. and Nomura Real Estate Development Co. Ltd. In a July 13 decision, the PCC said the joint venture is not likely to lead to anti-competitive behavior because the parties operate in different markets.

8990 ventures into mall development

Mass housing developer 8990 Holdings Inc. is spending P452 million for the construction of its first mall in Tondo. 8990 held yesterday the groundbreaking ceremony for its first mall development called Deca Mall Tondo which is located within its 8.4 hectare Urban Deca Homes Tondo complex in Manila.

RLC putting up deluxe hotel in Tacloban

Robinsons Land Corp. (RLC) of the Gokongwei family is investing P500 million to put up a five-star Summit Hotel in Tacloban City, Leyte. The Board of Investments (BOI) said it recently approved the project's application for incentives after it complied as a tourism project under the 2017 Investment Priorities Plan.

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 25, 2017

US Dollar	Philippine Peso
1	50.650

PDST-R2 Rates

As of July 25, 2017

Tenor	Rate
1Y	2.8166
3Y	3.8999
5Y	4.1241
7Y	4.8175
10Y	5.0318
20Y	5.1713

Daily Quote

"Winners embrace hard work. They love the discipline of it, the trade-off they're making to win. Losers, on the other hand, see it as punishment. And that's the difference." --Lou Holtz

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MORE LOCAL NEWS

RFM plans to acquire food, beverage firms

RFM Corp. is on the lookout for other food and beverage companies it can buy to grow its business. “We’re still looking for potential acquisitions,” RFM president and CEO Jose Concepcion III said during the company’s annual stockholders’ meeting Tuesday.

Sun Group allots P9b to expand hotel link

The Sun Group of Companies, the operator of Hotel 99, said it plans to spend up to P9 billion to build more budget hotels nationwide ahead of its planned initial public offering. SGC president Richard Lim told reporters his company was allocating between P8 billion and P9 billion over the next three to five years to build more budget hotels.

‘The Connor’ generates P3.6-B sales on launch day

MORE than half of the 970 units of the 55-story condominium project “The Connor” were snapped up on its launch day and generated sales of P3.6 billion, property developer Ortigas & Co. said on Wednesday.

BSP renews call for Charter amendment

Since the BSP Charter was enacted, the economic and financial environment in changed in scale, scope, and complexity. There is an urgent need to pass the proposed amendments that will enable the BSP to formulate and implement even better and timelier policies and programs to achieve prices stability and other important objectives.

Fastest-rising properties from sea-reclaimed land

IN MANILA, the crowded Philippine capital of more than 12 mn inhabitants, land that was reclaimed from the sea is selling like hot cakes. Real estate values in the Manila Bay area, home to casinos like City of Dreams Manila and Solaire Resort and Casino, are projected to rise 30% to as much as P250,000 a square meter by year-end.

Citicore Power’s solar plants OKd

The renewable energy firm said in a statement the Energy Regulatory Commission (ERC) issued respective certificates of compliance (COC) to New Generation Power Technology Corp. (NGPTC) for its 18-megawatt (MW) plant in Bataan, and to First Toledo Solar Energy Corp. (FTSEC) for its 60-MW plant in Cebu.

House to probe Del Monte tax issue

The House of Representatives is planning to fast-track the passage of a bill that will put in place a more stringent procedure that the Bureau of Internal Revenue (BIR) must follow when dealing with protested assessment cases.

TODAY’S TOP ASIAN NEWS

World’s longest bull market faces election test

The world’s longest-ruling coalition and the longest bull market could be facing a pivotal moment. Malaysia is set to hold a general election by mid-2018 but there are whispers a vote could be called sooner, between the third quarter and fourth quarter of 2017, setting up a showdown between Prime Minister Najib Razak and his opponents.

SG and HK airport dominance is under threat

For decades, Singapore and Hong Kong have reigned supreme: as key transit points connecting travelers in Asia to and from the rest of the world. But now, a \$1 trillion global airport spree is threatening the status quo. About half that money is due to be spent on upgrading or building new airports in Asia.

JPN doesn’t need fiscal stimulus - econ. adviser

With the Japanese economy growing above its potential rate, the nation needs structural reforms rather than a big dose of government spending, according to Susumu Takahashi, a member of the government’s economic and fiscal policy council.

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MORE ASIAN NEWS

Wanda's tech unit eyes leadership in cloud market

Wanda Internet Technology said it will officially launch its public cloud service in China in the first quarter of next year after it inked a partnership deal with IBM in March.

China's curbs on overseas deals

China's small-cap stocks may drop further as efforts by policymakers to curb the overseas buying spree by domestic corporates are exposing the weakness of their financials, analysts said.

Troubled Noble Group flogs off two units

Noble Group is selling off its global oil liquids business and North American gas and power unit, the beleaguered commodities trader announced on Wednesday (July 26). The move is part of plans to pare debt over the next two years, and follows a strategic review begun in May to turn around its struggling operations and manage liquidity woes.

TODAY'S TOP GLOBAL NEWS

Fed holds rates steady, expects portfolio cuts

The Federal Reserve kept interest rates unchanged on Wednesday and said it expected to start winding down its massive holdings of bonds "relatively soon" in a sign of confidence in the US economy. The Fed kept its benchmark lending rate in a target range of one per cent to 1.25 per cent, as expected.

Imagine Entertainment form US\$100m JV

Television Broadcasts (TVB) is investing US\$100 million in a joint venture with Hollywood film production company Imagine Entertainment to finance development of new TV projects for the United States and international markets.

Foxconn to build plant in Wisconsin

Taiwanese contract electronics manufacturer Foxconn on Wednesday announced plans to build a US\$10 billion liquid crystal display plant in Wisconsin.

US companies most at risk in trade war with China

Here some of the American businesses and industries that could bear the brunt if a trade war were to break out between the US and the world's most populous nation: Hollywood, Boeing, Apple, Starbucks, etc.

CVC considers joining ACS in bid for Abertis

CVC Capital Partners is among firms considering joining forces with ACS to make an offer for Spanish toll-road operator Abertis Infraestructuras SA, according to people familiar with the matter.

Global ransomware attacks on the rise

THE HAGUE -- Global ransomware attacks soared by over 11% in the 12 months to March, Europol reported Tuesday, but specialist tools developed with its partners had helped unlock some 28,000 encrypted devices.

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