

# The Daily Dispatch

July 31, 2017  
TODAY'S TOP NEWS

## Cirtek buying Silicon Valley tech firm Quintel

Cirtek Holdings Philippines Corporation is buying Quintel, a Silicon Valley tech firm engaged in antenna solutions, for \$100 million, giving the publicly-listed firm an additional revenue stream. Cirtek announced the signing of a definitive agreement with Trillium International Funds for 100% acquisition of the Silicon Valley tech firm.

## Remittances, BPO revenues seen to shield peso

The Bank of Tokyo – Mitsubishi UFJ Ltd. (BTMU) said steady remittances and revenues from the BPO sector would continue to stabilize the peso amid the volatile global financial markets. Japan's largest bank said remittances from Filipinos abroad as well as BPO revenues have contributed steadily to the country's growth.

## NEA wants power coops exempted from tax reform--

The NEA is seeking tax exemptions for the 121 electric cooperatives (EC) from the proposed Tax Reform for Acceleration and Inclusion Act. NEA administrator Edgardo Masongsong said they are currently working with rural electrification advocates from both the executive and legislative branches of government for this initiative.

## 'Senate can't pass Duterte's tax package 100%'

The Senate Committee on Ways and Means aims to come up in September with its version of the tax reform package, which will be different from what President Duterte asked Congress last week to pass in full, Sen. Juan Edgardo Angara said yesterday.

## Consumers to bear brunt of higher cement prices

Consumers will bear the brunt of higher cement prices, which will likely be the result of the Department of Trade and Industry's (DTI)'s controversial administrative order that effectively tightens rules on cement importers.

## 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 28, 2017

US Dollar	Philippine Peso
1	50.543

## PDST-R2 Rates

As of July 28, 2017

Tenor	Rate
1Y	3.0254
3Y	3.8988
5Y	4.6286
7Y	4.8089
10Y	5.0218
20Y	5.1720

## Daily Quote

"The road to Easy Street goes through the sewer."  
--John Madden

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## MORE LOCAL NEWS

### RE: Investors seek technology specific bid round

Renewable energy (RE) investors are advancing proposals to government that the bid round to be undertaken within the ambit of Renewable Portfolio Standards (RPS) be done on technology-specific scheme.

### Parallel forex market easily trumps PDS

The Bangko Sentral ng Pilipinas (BSP) is appalled that far more people patronize the so-called parallel market for foreign exchange (forex) than they do the formal forex market known as the PDS, and vowed last Friday to liberalize the rules further to encourage consumers to keep clear of unregulated markets.

### Meralco solicits bids for 85-MW solar deal

Manila Electric Co., the country's largest power retailer, issued an invitation to other renewable energy developers to challenge the price offered by Citicore Power Inc. for the supply of up to 85 megawatts from three solar power plants at P3.50 per kilowatt-hour.

### World's first fully automated container terminal

Victoria International Container Terminal at the Port of Melbourne in Australia is the first fully automated international container terminal in the world. "VICT was designed, and is now fully equipped, to be fully automated, and the most advanced container terminal in the world," says ICTSI chairman and president Enrique Razon Jr.

### Dennis Uy: Next target is tourism

After making significant purchases over just one year, Davao-based businessman Dennis Uy remains on an acquisition mode and bullish about the domestic economy. The 43-year old Uy said in an interview he was interested in businesses related to his group's core businesses like logistics, shipping and petroleum.

### No need for immediate response to US Fed policy

The Bangko Sentral ng Pilipinas (BSP) said it does not need to respond immediately to any United States Federal Reserve policy action as the Philippines' inflation rate outlook proves appropriate at present.

### Gaming service firm eyes listing

After spinning off its gaming services unit HatchAsia Inc., technology provider DFNN Inc. plans to declare some shares as property dividends and list this affiliate on the local stock exchange by way of introduction early next year.

### L&R to build 20 boutique bingo sites this year

The listed retail gaming firm said it is on its way to recovery after a number of its gaming sites were closed last year following Malacañang's order for casino regulator Philippine Amusement and Gaming Corp. (PAGCOR) to stop issuing online gaming licenses.

### Gov't auctions to be limited to single rebidding

THE GOVERNMENT will only allow a maximum of one rebidding in the procurement process, and will shorten the bidding period in public-private partnership (PPP) projects, to reduce delays in the administration's infrastructure buildup, the National Economic and Development Authority (NEDA) said.

### AEV sub to buy out Lafarge Republic's minority

A UNIT of Aboitiz Equity Ventures, Inc. (AEV) is acquiring 11.15% of Republic Cement & Building Materials, Inc. (RCBM) at a price of 0.2178 euros per share, the adjusted price after the companies closed the deal.

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## TODAY'S TOP ASIAN NEWS

### A look under CH's hood reveals econ. divergence

Even as China continues to anchor global growth, a look under the hood reveals a divergence in regional economies that the nation's policy makers should be wary about. Eight provincial-level regions reported slower growth in the first half of this year from the result in the first quarter, while 12 showed a pick up.

### Buybacks are back in HK stocks, giving rally boost

Share buybacks are catching on in Hong Kong. Companies listed in the city have poured an estimated HK\$25 billion (\$3.2 billion) into repurchasing their own shares this year through July 25, the highest for the period since 2008.

### Hutchison sells fixed-line business for US\$1.9b

Hutchison Telecommunications Hong Kong said it would sell its fixed-line business to Asia Cube Global Communications for HK\$14.5 billion (US\$1.86 billion) in cash, raising funds to invest in its mobile business.

### CH asset management sector to shrink

China's asset management sector "is likely to" shrink in scale but would be of improved quality as Chinese regulators step up joint efforts to weed out irregularities, a central bank official told a forum over the weekend in Shanghai.

## TODAY'S TOP GLOBAL NEWS

### Tesla begins to deliver car for the masses

Tesla began delivering on a dream to make an electric car for the masses, rolling out the first of its keenly-awaited "Model 3" cars, aiming to disrupt a world accustomed to automobiles powered by pollution-spewing fossil fuel.

### Oil skeptics pull out as market dispels gloom

As pessimism over oil dissipates and investors flirt with \$50 a barrel again, short-sellers are getting out of the way. "People started to feel they were getting close to the bottom and it was time to close out," Michael Lynch, president of Strategic Energy & Economic Research in Winchester, Massachusetts, said.

### Global travel boom spurs \$1T airport investments

Countries around the world are on a \$1 trillion airport investment spree, with the global travel market estimated by Boeing Co. to be 2.5 times larger in 20 years. About half of that spending will be on upgrading or building new airports in Asia.

### Senate rejects slimmed-down Obamacare repeal

The senate in the early hours of Friday morning rejected a new scaled-down Republican plan to repeal parts of the Affordable Care Act, derailing the Republicans' seven-year campaign to dismantle President Barack Obama's signature health care law and dealing a huge political setback to President Trump.

### Banker is always in: Sweden rolls out the robots

Aida is the perfect employee: always courteous, always learning and, as she says, "always at work, 24/7, 365 days a year." Aida, of course, is not a person but a virtual customer-service representative that SEB, one of Sweden's biggest banks, is rolling out. The goal is to give the actual humans more time to engage in more complex tasks.

## 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