

The Daily Dispatch

August 01, 2017
TODAY'S TOP NEWS

Ban on open pit mining stays — Cimatu

The order banning all prospective open-pit mines in the country will remain in effect and will be taken up at the interagency Mining Industry Coordinating Council (MICC), Environment Secretary Roy Cimatu said. Before she got rejected by the Commission on Appointments, former environment chief Gina Lopez banned the open-pit method.

P15-B T-bill issue awarded in full

The Bureau of the Treasury (BTr) made a full award of P15B in Treasury bills during yesterday's auction amid robust market demand for government securities. During yesterday's auction, the 91-day T-bills fetched an average rate of 2.176 percent, 1.3 basis points lower than the 2.189 percent recorded in the previous auction.

PetroEnergy secures permits for solar power project

PetroEnergy Resources Corp. has secured the necessary environmental clearances to pursue its proposed 10MW solar project in Puerto Princesa. The company said the Department of Environment and Natural Resources – Environmental Management Bureau Region 4B (DENR-EMB 4B) has issued an ECC to its subsidiary PetroGreen

8990 head set to retire in December

8990 president and CEO Januario Jesus Atencio III is set to retire in December, he announced during the company's annual stockholders' meeting yesterday. Atencio, who turns 56 next year, said he had long planned to retire at the age of 55. The company has yet to announce his replacement.

Telus commits to inclusive working environment

Outsourcing firm TELUS International Philippines (TIP) said it is committed to fostering a diverse and inclusive working environment for its employees, which could result to better customer service experience for its clients.

Philippine Stock Market Update



Previous Close:

8,018.05

Open:

8,015.68

52-Week Range:

6,499.00 - 8,106.74

1 Yr Return:

-0.34%

YTD Return:

15.58%

Source:

Bloomberg

Foreign Exchange

As of July 31, 2017

US Dollar	Philippine Peso
1	50.487

PDST-R2 Rates

As of July 31, 2017

Tenor	Rate
1Y	2.8298
3Y	3.8960
5Y	4.7161
7Y	4.7961
10Y	4.6735
20Y	5.1670

Daily Quote

“It wasn’t raining when Noah built the Ark.”

--Howard Ruff

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MORE LOCAL NEWS

PH warned: BPO workers losing IT skills

Filipinos are considered among the best workers in the world, especially in the BPO sector. But their competitive position is in trouble. That is, if they can't need to keep up with the so-called fourth industrial revolution, an industrial era marked by a range of new technologies that fuse both the physical and digital worlds.

BSP urges banks to capitalize on digital tech

The BSP is urging banks and other financial institutions to develop by capitalizing on digital technology, specifically in microfinance. "Digital technology enables efficiencies and scale in financial service delivery. Technology—once only available to the wealthy is now within reach," BSP Governor Nestor Espenilla Jr. said.

DoE pushes Malampaya funding

DOE is still hoping to tap the Malampaya Fund to pay the obligations of state-run PSALM and avoid future electricity rate increases. Energy Undersecretary Felix William Fuentebella said the department was closely coordinating with Congress on the passage of laws that would allow the department to tap the Malampaya Fund.

DoF to include mining fiscal regime in tax reform

The Department of Finance (DoF) said the mining industry's fiscal regime will be part of the government's comprehensive tax reform package (CTRP) after President Rodrigo Duterte reminded all extractive corporations and contractors to pay the right amount of taxes.

Ex-DoF official faces sanction for unauthorized dinner

The DoF said it will impose a sanction on a former official found to have included her personal expenses in the official costs of a recently held technical workshop for the agency funded by the Asian Development Bank (ADB). The Finance department did not identify the person involved but said the official already left the DoF.

BDO nets P13.3B in 1st half of 2017

BDO recorded relatively flat earnings for the 1st half of this year on lower gains from trading and foreign exchange. But BDO noted that excluding the non-recurring items from the consolidation of newly acquired subsidiary BDO Life last year, this represents a strong 16% growth in core earnings.

PH vows to defend its outsourcing empire

The Philippines' \$23 billion outsourcing empire is facing mounting risks: China is rising quickly as a competitor, the government wants to cut some incentives and a siege in the south of the country is worrying investors. "We need to put our act together," Rey Untal, head of the Philippine association of outsourcing companies, said.

June money supply growth fastest in a year

MORE MONEY circulated in the economy in June -- fueled by rising bank lending -- to post the fastest climb in a year, the central bank reported yesterday. Domestic liquidity or M3, which is the broadest measure of money in an economy, grew by 13.2% that month to P9.878 trillion, the BSP said.

Cebu Landmasters to acquire Iloilo property

CEBU LANDMASTERS, Inc. (CLI) said it acquired a 5.07-hectare property in Iloilo which will be developed into an affordable housing project under the Casa Mira brand. The Cebu-based real estate firm said it has signed a memorandum of agreement with various land owners for the purchase of the property.

BIR stops probe into assessment of Del Monte

The Bureau of Internal Revenue has stopped its internal investigation into the alleged irregularities in the assessment of Del Monte Philippines, Inc.'s tax liabilities for the years 2011 to 2013, citing the need for impartiality. Deputy Commissioner for Legal Jesus Clint Aranas disclosed this on Monday.

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TODAY'S TOP ASIAN NEWS

China next debt headache is \$580B of put options

Chinese companies battling to cope with the government-induced tightening in funding markets are bracing themselves for the next shoe to fall: a wave of early bond redemptions. The nation's businesses sold about 65 percent of all corporate bonds with put options worldwide, at 3.9 trillion yuan (\$580 billion).

CH asks Waldorf owner Anbang to sell assets abroad

Chinese authorities have asked Anbang Insurance Group Co., the insurer whose chairman was detained in June, to sell its overseas assets, according to people familiar with the matter. The government has also asked Anbang to bring the proceeds back to China after disposing of holdings abroad.

CH visitors fuel rise in SG tourists and spending

Driven by growth across most categories, tourism spend in Singapore jumped 15 per cent year-on-year in the first quarter of this year to S\$6.4 billion, outpacing a 4 per cent rise in arrivals to 4.3 million. Chinese travellers emerged as both the biggest spenders and leading source of visitors in the first quarter.

Japan's MUFG to spend up to \$9b on acquisitions

Japan's Mitsubishi UFJ Financial Group Inc (MUFG) is ready to spend up to 1 trillion yen (\$9.05 billion) to acquire global asset management firms to double the amount of clients' money that it handles, a top executive told Reuters. Mitsubishi UFJ Trust and Banking Corp. is primarily targeting U.S. and European asset managers.

PTT Venture picks stake in LNG project for \$500m

PTTEP, the exploration and production arm of Thailand's oil and gas giant PTT Group, said on Thursday their liquefied natural gas (LNG) venture had taken a \$500 million stake in a project with Malaysia's Petronas.

TODAY'S TOP GLOBAL NEWS

Aussie dollar turns into villain for central bank

Australia's dollar is now a key stumbling block to the economy emerging as a competitive services-driven exporter, prompting Reserve Bank Governor Lowe to warn on the implications of extending its surge. The markets' response? A collective yawn and a move higher. Traders made it clear that policy makers will not be calling the shots.

Greenspan: No bubble in stocks, but watch bonds

Equity bears hunting for excess in the stock market might be better off worrying about bond prices, Alan Greenspan says. That's where the actual bubble is, and when it pops, it'll be bad for everyone.

Investors are ditching tech stocks at fast pace

Pigs get fat, hogs get slaughtered. Such a risk-averse adage appears to be front of mind for investors, who fled high-flying technology names at the fastest pace in nearly a decade last week. Outflows from PowerShares QQQ Trust Series 1 topped \$3.7B for the five sessions ending July 28, the most since early November 2007.

Nestlé 2017 sales growth to be weakest in 20 yrs.

NESTLÉ SA warned that sales growth this year will be the weakest in at least two decades, giving activist investor Dan Loeb ammunition for his campaign to overhaul the world's largest food company. It was "a semester to forget," wrote Jean-Philippe Bertschy, an analyst at Bank Vontobel AG who added that all the key numbers worsened.

Economic Calendar

Date	Release
08.03.2017	PH: CPI YoY
08.06.2017	PH: Foreign Reserves
08.09.2017	PH: Trade Balance
08.10.2017	PH: BSP Overnight Borrowing Rate
08.14.2017	PH: Overseas Remittances YoY

Source: Bloomberg Economic Calendar