

The Daily Dispatch

August 16, 2017
TODAY'S TOP NEWS

Remittances hit 3-month high

Remittances from overseas Filipinos reached their highest level in three months last June amid the sustained demand for skilled Filipino workers abroad. BSP Gov. Espenilla Jr. said personal remittances climbed 6.8% to \$2.75B in June from \$2.57B in the same month last year, the highest since the record \$2.91B last March.

DMCI Power's first-half net income drops

DMCI Power Corp. on Tuesday reported a 5-percent decline in its net income following the expiration of its income-tax holiday (ITH) for its Masbate operations in September last year. Net income stood at P228 million at end-June this year, from P240 million posted during the same period last year, DMCI Power said.

CPG launching more tourism, affordable housing

Century Properties Group Inc. said its expansion into affordable housing and tourism would make the company more diversified by 2020. The company will launch the second phase of its PHirst Park Homes Tanza project, its first affordable housing development catering to first time homebuyers.

DOF expects stronger GDP performance in Q2

Finance Undersecretary and Chief Economist Gil S. Beltran said the country's Gross Domestic Product (GDP) may have expanded by about 7.0% to 7.2 % in April to June this year, higher compared with the 6.4% growth in the previous quarter. Data from the PSA showed that GDP grew by 7.0% in the same months last year.

Peso drops to 51.34:\$1

The peso continued yesterday to lose more ground against the dollar, shedding 26 centavos to close at its weakest level in almost 11 years. The local currency closed at 51.34 from Monday's 51.08 to \$1. This was the weakest level for the peso since closing at 51.38 to \$1 on Aug. 25, 2006.

Philippine Stock Market Update



Previous Close:

8,018.05

1 Yr Return:

-0.34%

Open:

8,015.68

YTD Return:

15.58%

52-Week Range:

6,499.00 - 8,106.74

Source:

Bloomberg

Foreign Exchange

As of August 15, 2017

US Dollar	Philippine Peso
1	51.406

PDST-R2 Rates

As of August 15, 2017

Tenor	Rate
1Y	2.8339
3Y	3.8667
5Y	4.6589
7Y	4.5081
10Y	5.0839
20Y	5.1838

Daily Quote

"A man who gives you less than what he has to give is telling you what he thinks of you, and telling you what he thinks of himself."

--Pete Carill

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MORE LOCAL NEWS

Philippines regulator denies Uber's appeal

The Philippines' transport regulator on Tuesday denied an appeal by Uber Technologies Inc against its order suspending the ride-hailing firm's services for a month in the Southeast Asian nation. The Philippines suspension is the latest setback this year to Uber.

BSP warns of AMLA sanctions

Financial institutions have again been reminded by the Bangko Sentral ng Pilipinas (BSP) to observe anti-money laundering laws. In an August 7 circular, central bank Deputy Governor Chuchi Fonacier noted that the Anti-Money Laundering Council (AMLC) had earlier in the year approved administrative sanctions under the 2001 Anti-

Stock index returns to 8,000

Stocks climbed for a second day, bringing back the benchmark index above the 8,000-point mark, as Asian markets welcomed the receding tension between the US and North Korea. The Philippine Stock Exchange index, the 30-company bellwether, climbed 47 points, or 0.6 percent to close at 8,009.41, as five of the six major sectors advanced.

Megawide bags P14B contract from 8990

Megawide Construction Corp. said it bagged a P14-billion construction contract from mass housing developer 8990 Holdings Inc. Megawide said in a statement the project would involve the construction of 24 residential buildings with 18,993 units and a mall within 8990 Holding's 13-hectare township development in Pasig City.

Biz Buzz: Power sector politics

It took a while — several months of planning, maneuvering and, finally, execution, to be exact — but Energy Secretary Alfonso Cusi finally has the “clean slate” he's always wanted at Philippine Electricity Market Corp. (PEMC).

Xurpas consolidates

Technology firm Xurpas Inc. expects to be on consolidation mode this year while striving to balance quarter-to-quarter profitability with the need to invest in engineering resources for long-term growth.

MPIC starts NLEX Harbor Link's R10 section

The tollways unit of Metro Pacific Investments Corporation (MPIC) on Tuesday, August 15, broke ground for the P6-billion, 2.5-kilometer elevated expressway passing through Radial Road 10 (R10) and Circumferential Road 3 (C3) in Navotas City. This forms part of the North Luzon Expressway (NLEX) Harbor Link Segment 10.

BoI okays P6.1B air transport project

THE Board of Investments (BoI) has approved an air transport project under the public infrastructure and logistics activity of the 2017 Investment Priorities Plan (IPP). In a statement, the agency identified the project as Cebu Air, Inc.'s P6.1 billion acquisition of one Airbus A330 to add to its current fleet of 58 aircraft.

TODAY'S TOP ASIAN NEWS

China's plan for world domination in AI

Xu runs SenseTime Group Ltd., which makes artificial intelligence software that recognizes objects and faces, and counts China's biggest smartphone brands as customers. In July, SenseTime raised \$410 million. That feat may soon be topped, probably by another startup in China.

Indonesia leads startup markets in global VC deals

Indonesia is ranked the first in a category called “startup frontier markets”. The category counts over 50 countries, which are defined as “hotspots of rising venture capital activity that are the most outside of places where mainstream VC is concentrated, but show at least some measurable disclosed VC activity.”

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MORE ASIAN NEWS

Belt and Road acquisitions surge

Mergers and acquisitions by Chinese companies in countries that are part of the Belt and Road initiative are soaring, even as Beijing cracks down on China's acquisitive conglomerates to restrict capital outflows.

CH reclaims spot as world's biggest treasuries holder

China reclaimed its position as the top foreign owner of U.S. Treasuries after increasing its holdings for the fifth straight month. China's holdings of U.S. bonds, notes and bills rose to \$1.15 trillion in June, up \$44.3 billion from a month earlier.

TODAY'S TOP GLOBAL NEWS

Australia's biggest bank bares further woes

Australia's biggest bank has admitted failures costing staff and customers millions of dollars as the troubled lender faces legal action over alleged breaches of money laundering and terror financing laws. The Commonwealth Bank of Australia (CBA) was thrown into turmoil by a civil case launched earlier this month by financial intelligence agency

Global shipping industry bouncing back

The hulking container ships that transport sneakers, bananas and barbie dolls around the world keep getting bigger. So are the companies that own them. A massive consolidation is underway in the US\$500 billion global industry and the survivors now enjoy big economies of scale and increased demand.

Uber lines up investors including Softbank, Didi

Uber Technologies is in exclusive talks to line up funding from four investors, but a deal, which could reach as much as US\$12 billion, hangs on the outcome of a courtroom brawl between two board members.

U.S. solar sector argues at tariff hearing

A bitterly divided U.S. solar power industry descended on Washington to testify before a government panel that has been asked to impose steep tariffs on imported solar panels. The trade case has created a rift between the sector's struggling U.S. manufacturers and the much bigger domestic industry that installs and develops solar projects.

Wells Fargo changes board, names Duke chair

Wells Fargo & Co Vice Chair Betsy Duke will replace retiring Chair Stephen Sanger next year, one of several changes announced on Tuesday in a board overhaul following a sales practices scandal. Sanger will retire at year-end, earlier than his previous plans to depart in April upon reaching a mandatory retirement age of 72.

Trump, businessman president, loses CEO support

When US President Donald Trump was elected last November, big business rejoiced. But Trump has now lost support from several executives who left an advisory panel on manufacturing over his response to a violent white supremacist rally in Virginia – a sign that big business is disenchanted with the billionaire leader.

BofA warns of an 'ominous' sign for stocks

Money managers who've watched the surge in corporate profits take U.S. equities to records are starting to fret about earnings growth, and that's an "ominous" sign, Bank of America says. Just 33 percent of managers in the bank's latest survey say corporate profits will improve.

Economic Calendar

Date	Release
08.15.2017	PH: Remittances YoY
08.15.2017	PH: OFW Remittances
08.16.2017	PH: GDP YoY
08.18.2017	PH: BOP Overall
08.31.2017	PH: Budget Balance

Source: Bloomberg Economic Calendar