

The Daily Dispatch

August 09, 2017
TODAY'S TOP NEWS

BSP tightens grip on remittance firms, money changers

The BSP has issued tighter guidelines on internal control standards and records maintenance for remittance and transfer companies, money changers as well as foreign exchange dealers. BSP Deputy Gov. Fonacier issued Memorandum M-2017-024 to set the min. internal control standards and lay down the records maintenance for MSB

Manila, Hainan eye tourism, agri-fisheries tie-ups

The Philippines and China's Hainan province are exploring ways to enhance their cooperation in the areas of tourism, agriculture and fisheries, the Department of Finance (DOF) said yesterday. Finance Secretary Carlos G. Dominguez III said that he recently met with officials of the island-province in China, led by CPC Hainan Committee Secretary General

Chelsea shares fail to sail high at debut

Shares of Chelsea Logistics Holdings Corp., controlled by Davao businessman Dennis A. Uy, swung low but didn't sail high at its debut at the Philippine Stock Exchange (PSE) on Tuesday as investors decided to sell as the trading close.

Waterfront spending P1.65 B to upgrade hotels

Waterfront Hotels & Casinos will spend at least P1.65B for the upgrade and renovation of its four existing hotel properties. Waterfront president Gatchalian said they would simultaneously renovate their Manila, Cebu and Davao hotels starting next year to take advantage of the expected increase in tourist arrivals.

IMF cuts Philippines GDP forecast to 6.6%

The IMF slashed anew its economic growth forecasts for the PH after weak private consumption pulled down GDP expansion in the first quarter. Luis Breuer, head of the 2017 Article Mission to the Philippines, said the IMF has lowered to 6.6% its 2017 economic growth target for the Philippines from the original forecast of 6.8%.

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 8, 2017

US Dollar	Philippine Peso
1	50.525

PDST-R2 Rates

As of August 8, 2017

Tenor	Rate
1Y	3.0696
3Y	3.8720
5Y	4.6536
7Y	4.5090
10Y	5.0643
20Y	5.4604

Daily Quote

"Everything you've ever wanted is on the other side of fear."

--George Addair

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MORE LOCAL NEWS

Vista Land returns to the debt market

VISTA Land and Lifescapes Inc., the property development arm of the Villar family, returned to the local debt market on Tuesday as it listed its P5-billion seven-year and 10-year fixed-rate bonds at the Philippine Dealing and Exchange Corp. (PDEX) platform.

Petron net income surges to over P8B in 1H2017

Petron Corporation saw its net income in the 1st half of 2017 surge by 56% to P8.2 billion, mainly due to higher sales volume. The company said it was driven by its deliberate focus on more profitable segments and improved refinery production yields, while sustaining sales volumes coming from a record-breaking year in 2016.

Anti-trust body warns of penalties

The Philippine Competition Commission starting today may penalize and impose fine on companies found violating the Philippine Competitiveness Act following the end of a two-year transitory period that gave them time to correct unfair practices.

GOCC subsidies to spike in 2018

Record subsidies have been programmed for state-owned and -controlled corporations (GOCCs) next year based on government budget documents. The Budget of Expenditures and Sources of Financing for 2018 lists P162.55 billion in GOCC subsidies, 19.9 percent higher than the P135.50 billion estimated for 2017,

TODAY'S TOP ASIAN NEWS

Indian cities to see fastest growth in Asia

Delhi will have the fastest growth of any city in Asia, with the economy to be almost 50 percent larger in 2021 than it was at the end of last year. Indian cities are set to expand the most across the region, with growth speeding up from the past 5 years, according to a new study from Oxford Economics.

India builds highway to THA to counter silk road

India's decision to revive plans for the trilateral highway, part of an ambitious 1,360-kilometer (845 mile) crossing to link northeastern India with markets in Thailand and beyond, marks the next phase in the jostle between New Delhi and Beijing for economic and strategic influence in the region.

JPN hedge funds are aiming small for big returns

Aiming small is helping some Japanese hedge funds deliver outside returns. Simplex Asset Management Co.'s Japan Lower Market Strategy fund, which scours the nation's three regional exchanges for small-cap stocks, returned 29 percent in the first six months of the year.

Inside China's shadow banking debt mountain

China's much-vaunted campaign to tackle its leverage problem has captured headlines this year. But to understand why they're taking on the challenge -- and the threat it could pose to the world's second-largest economy -- you need to dig into the mountain.

Builder of \$100B Asian city looks beyond CH buyers

Country Garden Holdings Co. said it's looking to attract customers from countries such as Thailand and Vietnam as some Chinese buyers hit by capital controls have pulled back from the \$100-billion Forest City project in southern Malaysia.

China to spend \$2 trillion on M&A in next decade

Chinese acquirers will spend US\$1.5 trillion (\$2.08 trillion) buying companies overseas in the next decade, 70 per cent more than in the previous 10 years, even as regulators at home and abroad block deals, Linklaters said in a report yesterday.

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MORE ASIAN NEWS

ThaiBev to acquire KFC outlets in Thailand

Thai Beverage (ThaiBev) has entered into a sale and purchase agreement with Yum Restaurants International (Thailand) to acquire more than 240 existing KFC outlets and a number of developing stores in Thailand. The preliminary consideration for the existing KFC stores is about 11.3 billion baht (S\$460 million).

Vietnam seeks windfall with sale of \$7b Sabeco

Vietnam's plan to sell its Saigon Beer Alcohol Beverage Corp. stake in tranches may help the government extract the best price after the brewer's market value surged to \$7 billion. The phased-sale will be one way for the government to get "maximum valuation" for its 90 percent holding in the company, also known as Sabeco

China's banks swap 1 trillion yuan of debt

China's banks converted more than 1 trillion yuan (US\$149.2 billion) of debt into stock holdings in more than 70 state-owned enterprises, in the government's largest debt-to-equity swap effort to bail out the country's most indebted borrowers, according to the official China New Agency, citing a notice by the state planning department.

India builds highway to Thailand

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TODAY'S TOP GLOBAL NEWS

UK's booming jobs market leaves firms struggling

Britain's job market is booming, but concern is increasing about where companies are going to keep finding workers. The number of permanent jobs grew at the fastest rate in more than two years in July, while the availability of workers fell sharply, according to a report by the Recruitment and Employment Confederation.

SEC warning fails to stem flood of coin offerings

The cautionary words of United States regulators have done little to chill a red-hot market for new virtual currencies sold by start-ups. The SEC issued its first warning late last month for the many entrepreneurs who have been raising money by creating and selling their own virtual currencies in what are called initial coin offerings.

SoftBank invests \$1b in Fanatics

SoftBank Group Corp is investing \$1 billion in Fanatics Inc as a part of a funding round that values the sports e-commerce company at \$4.5 billion, according to sources familiar with the matter. The new funding is expected to close later this month, one of the people said, asking not to be named because the news was not yet public.

Visa applies for access to CH bank-card clearing

Visa Inc has become the first overseas card payment company to apply for a bank-card clearing operation in China, reflecting growing challengers to domestic behemoth China UnionPay after deregulation.

Didi Chuxing expands in Middle East, North Africa

That development is being made possible by a strategic partnership between Didi Chuxing and Dubai-based ride-hailing start-up Careem Networks. The mainland Chinese company also invested an undisclosed amount in privately held Careem, which had a valuation of more than US\$1 billion as of June this year.

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