

The Daily Dispatch

September 19, 2017
TODAY'S TOP NEWS

PH stocks break 8,200 level, post all-time high

Local stocks are ending the ghost month with a bang, breaching the 8,200 mark and reaching a new all-time high for the 3rd straight trading session on Monday, September 18, as they cheer the US markets' record high. Year to date, the PSEi has gained 21.2%.

SECB, RCBC add anti-fraud measures to debit cards

With the threat of automated teller machine (ATM) fraud still looming large, two of the country's biggest banks have doubled down on security measures for their customers' debit cards. Dy-led Security Bank and Yuchengco-led RCBC both announced on Monday that they have added a lock/unlock feature to their ATM cards.

Megawide's proposed East-West Railway to cost \$1B

Megawide Construction Corporation, a front-runner in public-private partnership (PPP) projects, disclosed the cost of its proposed 9.4-kilometer elevated railway line from Diliman, Quezon City to Lerma, Manila: around \$1 billion. The proposed deal will have 11 stations and interconnecting facilities with neighboring rail systems.

Lower BPO revenue poses risk to growth

Declining growth revenue in the BPO sector could drag down the country's economic growth over the next two years, according to Credit Suisse. Michael Wan, economist at Credit Suisse, said the decelerating revenue growth could subtract up to 0.3 percentage point from the country's gross domestic product (GDP) next year.

PSALM eyes sale of real estate assets

State-run Power Sector Assets and Liabilities Management Corp. (PSALM) is eyeing to rationalize its real estate assets to bring down its financial obligations while waiting for the go-ahead on the sale of government-owned power plants.

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 Sept 18, 2017

US Dollar	Philippine Peso
1	51.104

PDST-R2 Rates

As of Sept 18, 2017

Tenor	Rate
1Y	2.8860
3Y	3.6755
5Y	4.5339
7Y	4.3507
10Y	4.9461
20Y	5.1401

Daily Quote

"Do not indulge in dreams of having what you have not, but reckon up the chief of the blessings you do possess, and then thankfully remember how you would crave for them if they were not yours." --*Marcus Aurelius*

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MORE LOCAL NEWS

Demand for Cebu office space to remain strong

The Cebu market's reliable workforce and the upcoming supply of PEZA-proclaimed buildings will continue to drive strong demand for office spaces in the area, Colliers said. Colliers said the Cebu office market continues to be a top choice for both business process outsourcing (BPO) and offshore gaming companies.

Republic Cement to raise capacity

Republic Cement and Building Materials Inc., the joint venture of Aboitiz Equity Ventures Inc. (AEV) and Ireland-headquartered CRH International, will start raising the capacity of its cement plants to 10 million tons per day as soon as it finishes the efficiency improvement by the middle of 2018.

Megawide aims for 14% growth, seeks more partners

Megawide Construction Corporation is expecting to post a 12-14% improvement in net income this year while exploring new partnerships for future growth. In a press briefing before the firm's annual stockholders' meeting, Megawide CFO Oliver Tan the higher profit will come on the back of a projected 2 percent hike in revenues.

PHL eyes Japan ODA for farm mechanization

The Philippines is keen on tapping overseas development assistance (ODA) from Japan to finance a program of the Department of Agriculture (DA) which aims to provide Filipino farmers and fishermen with modern equipment and postharvest facilities.

NGCP to complete VisMin interconnection project

The National Grid Corp. of the Philippines (NGCP) is upbeat about completing the Visayas-Mindanao interconnection project before President Rodrigo Duterte ends his term in 2022. NGCP spokesperson Cynthia Alabanza told reporters last week the Energy Regulatory Commission (ERC) had approved the project in principle.

Business prods govt on unsolicited proposals

The government shouldn't insist on spearheading infrastructure development at the expense of unsolicited proposals, a businessman behind two long-delayed projects said. "Unsolicited proposal is provided by law. You cannot just say 'we are not interested in that, we'll do ODA or we'll do solicited,'" Penson & Co. President and CEO Ricardo

Sta Lucia to spend P15B for upcoming projects

PROPERTY developer Sta. Lucia Land Inc. (SLI) announced on Monday that it planned to spend some P15 billion in the next three to five years to convert its acquired land into developments, with a focus on commercial and retail projects.

Microgrids, solar pushed to rural areas

The National Electrification Administration (NEA) is readying a policy to push microgrid and solar home systems among power cooperatives amid efforts to fast-track electrification in far-flung villages across the country.

US healthcare provider to expand PH operations

US healthcare solutions provider Shearwater Health is expanding its operations in the Philippines by investing \$7 million to set up shop in Iloilo City next year, the Department of Trade and Industry (DTI) said yesterday.

TODAY'S TOP ASIAN NEWS

GM to recall 2.5M vehicles in CH over Takata airbag

General Motors will recall more than 2.5 million vehicles in China over concerns about airbags made by troubled Japanese giant Takata, Chinese authorities said, dealing a blow to the US automaker in the world's largest car market. They will replace the faulty airbags for free.

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MORE ASIAN NEWS

Chinese online insurer seeks \$2b in HK IPO

China's ZhongAn Online Property and Casualty Insurance, the nation's first Internet-only insurer, said it plans to add life insurance and other healthcare products to its range of policies after going public in Hong Kong.

BPCL eyes government stake in GAIL India for \$3B

State-run Bharat Petroleum Corp. Ltd (BPCL) is in talks with the country's largest natural gas transporter GAIL (India) Ltd to acquire the government's majority stake in it for Rs18,000-20,000 crore.

Max's bringing Sizzlin' Steak brand to UAE

Sizzlin' Steak, a casual dining restaurant chain under the Max's Group Inc. (MGI), has gained a foothold in the United Arab Emirates (UAE), marking its debut in the Middle East region. MGI has signed a partnership deal with a local group, Kasamar Holdings, to build seven Sizzlin' Steak outlets in the UAE over the next five years.

Institutional funds eyeing co-working boom

The popularity of co-working spaces is no longer limited to start-ups and small businesses. The sector is becoming increasingly attractive to multinational companies seeking to build flexibility in their real estate portfolios.

More digital currency exchanges close amid rumours

Two Beijing bitcoin trading platforms join at least three other major exchanges in notifying clients of a trading halt, amid rumours regulators are seeking their top executives in 'cooperating with investigation' of the sites

TODAY'S TOP GLOBAL NEWS

Toys 'R' Us plans bankruptcy filing

Toys "R" Us Inc., which has struggled to lift its fortunes since a buyout loaded the retailer with debt more than a decade ago, is preparing a bankruptcy filing as soon as today, according to people familiar with the situation. Filing for bankruptcy would allow Toys "R" Us to restructure \$400 million in debt that comes due next year.

The Bitcoin rally is back

The bitcoin rally is proving hard to stop. The cryptocurrency has breached \$4,000, soaring more than 20 percent from the lows reached Friday, as concern eases that a crackdown by Chinese regulators will hinder the growth of the alternative method of exchange.

Toy shares tumble on concerns over Toys 'R' Us

Shares of Mattel Inc (MAT.O) and Hasbro Inc, the two largest U.S. toy makers, fell on Monday on concerns that retailer Toys "R" Us, a major customer, could be filing for bankruptcy protection before the holiday sales season.

CBS raises bid for Australia's Ten Network

CBS Corp has sweetened its bid for Australian broadcaster Ten Network, ahead of a key creditors' vote later on Tuesday on the future of the company. CBS, Ten's biggest creditor, swooped on the TV station after it went into administration three months ago, challenging acquisition plans by Twenty-First Century Fox Executive Chairman Lachlan Murdoch

Economic Calendar

Date	Release
09.15.2017	PH: Overseas Remittances YoY
09.18.2017	PH: BoP Overall
09.21.2017	PH: BSP Overnight Borrowing Rate
09.28.2017	PH: Money Supply M3 SRF YoY
09.28.2017	PH: Bank lending YoY

Source: Bloomberg Economic Calendar