

# The Daily Dispatch

September 21, 2017  
TODAY'S TOP NEWS

## SM group not looking to buy other logistics firms

SM Investments Corporation (SMIC), the newest investor in 2GO Group Incorporated, is not looking to expand in the logistics industry anytime soon. Frederic DyBuncio, SMIC president and 2GO Group director, said SMIC is not yet keen on acquiring other logistics companies aside from 2GO.

## Toys 'R' Us PH unaffected by US store's bankruptcy

For now, 34 stand-alone stores and 44 outlets of Toys "R" Us in the Philippines remain open, with their operations not affected by the bankruptcy filing of the toy store chain in the US. Operated by the Gokongweis' Robinsons Toys Inc., Toys "R" Us Philippines clarified that it is not part of Toys "R" Us Incorporated's voluntary filing.

## P30B Hungary loan for Laguna Lake cleanup

The Department of Agriculture expects to secure a P30-billion loan from the Hungarian government which it plans to use for the cleanup of the Laguna Lake as well as the establishment of the first-ever rubber manufacturing plant in the country.

## Japan firms still keen on expanding

Japanese companies in the Philippines are keen on expanding their operations but warn attracting new ones could pose some challenges. Japan Chamber of Commerce and Industry of the Philippines president Hiroshi Shiraishi told The STAR. Japanese firms here are optimistic on their prospects, most of which are even looking to expand.

## Index bounces back as ghost month ends

The stock market bounced back to the 8,200 territory yesterday after Tuesday's performance which reflected investors' move to cash in on recent gains. The benchmark PSEi gained 56.62 points, or 0.69 percent, to finish at 8,219.32 while the broader All Shares gauge rose 25.83 points, or 0.53 percent, to end at 4,854.04

## Philippine Stock Market Update



**Previous Close:**

8,219.32

**1 Yr Return:**

9.59%

**Open:**

8,239.22

**YTD Return:**

21.13%

**52-Week Range:**

6,499.00 - 8,299.85

**Source:**

Bloomberg

## Foreign Exchange

As of Sept 20, 2017

US Dollar	Philippine Peso
1	50.989

## PDST-R2 Rates

As of Sept 20, 2017

Tenor	Rate
1Y	2.8711
3Y	3.6621
5Y	4.6004
7Y	4.3500
10Y	4.6401
20Y	5.4732

## Daily Quote

"I would rather die of passion than of boredom."

--Vincent Van Gogh

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## MORE LOCAL NEWS

### Phoenix sees another record year on cont expansion

Davao-based Phoenix Petroleum Philippines Inc. expects another record performance this year on the back of continued expansion of existing business segments and the addition of liquefied petroleum gas (LPG) business to its portfolio, a top official said.

### Short-term deposit rates rise at auction

Term deposit rates auctioned by the BSP increased yesterday with the seven days significantly higher week-on-week while the 28 days were only slightly changed. The TDF also received lower bids this week of P104B compared to last Wednesday's P139.27B. The volume was P150B, or P110B for the 28 days and R40 billion for the 7 days.

### MRC Allied to buy six more RE developers

MRC Allied Inc. is eyeing to acquire a significant stake in six more renewable-energy (RE) developers soon, following the successful acquisition of a 15-percent stake in a 50-megawatt (MW) solar project in Leyte.

### Group backs policy on energy efficiency

The American Chamber of Commerce of the Philippines (AmCham) has backed the push for energy-efficient initiatives, noting that firms could save half of their current power bills "if decisions are made to go green."

### Max's scales up presence in Canada

The country's leading casual dining chain Max's Group Inc. (MGI) is expanding its footprint in Canada with a new deal to set up shop in Winnipeg, the capital city of the province of Manitoba, by next year

### Resorts World back on track

Resorts World Manila (RWM), a joint venture between Andrew Tan's Alliance Global Group and Genting Hong Kong Ltd., has seen a big improvement in its daily average foot traffic. RWM president Kingson Sian said mall goers and gamblers have returned and foot traffic is now almost back to the level prior to the shooting incident.

### Manulife launches PH asset management arm

Global financial services provider Manulife Group has rolled out an asset management unit in the Philippines, riding on its international experience in wealth management to expand its 110-year-old local franchise beyond its traditional insurance business.

### Busan files graft vs DOTr officials

Busan Universal Rail, the maintenance contractor of MRT Line 3, filed graft and administrative complaints against several executives of the DOTr before the Office of the Ombudsman. The complaint named DOTr Undersecretary Cesar Chavez, DOTr senior technical assistant Hernando Cabrera and Jorgette Bellen, program head of the JV.

### BIR reorganization rejected

The DBM rejected the proposed reorganization of the BIR, saying the plan could affect some functions of the tax collection agency. BIR commissioner Caesar Dulay earlier asked the DBM approval to transfer the Internal Affairs Service from the Office of the Deputy Commissioner for Legal Group to the Office of the Commissioner.

## TODAY'S TOP ASIAN NEWS

### CH's dangerous house price boom is spreading

Beijing and Shanghai are now well known for their ballooning house prices -- double-digit gains last year prompted more regulatory tightening. But the risk factors that could decide the fate of China's property boom can be found well beyond the capital and biggest city.

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## MORE ASIAN NEWS

### Soaring food prices spice up Asia inflation outlook

With exports across Asia faring better than just about anyone expected and domestic demand in most markets robust, could this be the start of a long-anticipated inflation breakout? The short answer appears to be: no. Unlike past episodes in the region the latest acceleration is expected to be transitory and remain confined.

### Alibaba and JD commit to beef up parcel delivery

China's two largest e-commerce giants have committed nearly US\$330 million to strengthening their parcel delivery efficiency, ahead of this year's Singles' Day shopping festival.

### Toshiba sells prized computer chip unit

Japan's Toshiba Corp agreed on Wednesday to sell its prized semiconductor business to a group led by US private equity firm Bain Capital LP, a key step in keeping the struggling Japanese conglomerate listed on the Tokyo exchange.

### GE explores selling stake in MY ops for \$1.35B

Insurer Great Eastern Holdings (GE) has reportedly engaged at least one Malaysian bank to explore selling a large stake in its operations over the Causeway for as much as US\$1 billion (S\$1.35 billion).

## TODAY'S TOP GLOBAL NEWS

### Electric scooter maker raises \$403m for growth

Gogoro, an electric scooter maker backed by Panasonic, raised US\$300 million (S\$403 million) from investment firm Temasek Holdings and other investors to pay for expansion and research and development. Generation Investment Management, co-founded by former US VP Al Gore, Japan's Sumitomo and French utility Engie, also invested.

### Jack Ma: Stop looking to manufacturing for jobs

Alibaba Group Chairman Jack Ma, who wooed President Donald Trump earlier this year with a pledge to help create a million new US jobs by 2021, said people should stop looking to manufacturing to drive economic growth. Ma called on leaders to embrace the promise of advances like artificial intelligence to span whole new industries.

### Apple falls as report indicates weak iPhone 8 demand

Apple Inc. shares fell the most in more than a month after an analyst said demand for the iPhone 8 is "substantially lower" than for earlier models of the world's best-selling smartphone. Pre-order volumes in the U.S. for the iPhone 8 fell below those for the iPhone 7 and iPhone 6, Rosenblatt Securities analyst Jun Zhang said.

### Google to buy part of HTC's ops for around \$1B

Google is set to announce a deal to acquire part of Taiwanese firm HTC Corp's smartphone operations for about US\$1 billion, a source with direct knowledge of the matter said on Thursday (Sept 21). The deal will not involve the purchase of a direct stake and HTC will continue to run its remaining smartphone business.

### AIA buys CW Bank's life insurance unit for A\$3.8b

AIA Group agreed to buy Commonwealth Bank of Australia's life insurance business for A\$3.8 billion (S\$4.12 billion) in its largest acquisition, making the Hong Kong-based company the largest life insurer in Australia and New Zealand.

## 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