

# The Daily Dispatch

September 22, 2017  
TODAY'S TOP NEWS

## Japan remains top ODA source

The Japanese government remained the top provider of official development assistance (ODA) loans to the Philippines in the first half of the year, the National Economic and Development Authority (NEDA) said yesterday.

## SMC appeals to government to honor Ilijan contract

San Miguel Corp. (SMC) is appealing to government to honor its contract for the 1,200-megawatt (MW) Ilijan combined-cycle power plant after having been demanded to settle unpaid obligations when it had already paid P238 billion to the Power Sector Assets and Liabilities Management Corp. (PSALM).

## World Bank cites threats to mfg competitiveness

In a new report titled "Trouble in the Making? The Future of Manufacturing-led Development," WB said as global trade slows down and global value chains "remain concentrated among a relatively small number of countries," industrial automation is increasingly "influencing which locations are attractive for production."

## Max's expands branch network in Canada

Max's Group Inc., the listed restaurant chain operator, continues to expand its footprint overseas, making its foray in Winnipeg, Canada. In a disclosure to the Philippine Stock Exchange (PSE) yesterday, MGI said it would open the first Max's Restaurant in Winnipeg, Canada by 2018.

## DoubleDragon files for P7.5-B follow-on offering

DoubleDragon Properties Corporation has filed a preliminary prospectus with the SEC for its planned follow-on offering of shares worth up to P7.5B. The firm said this covers a primary offering of up to 135 million common shares at an offer price of up to P50.00 per share with an over-allotment option of up to 15 million shares.

## 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 21, 2017

US Dollar	Philippine Peso
1	51.067

## PDST-R2 Rates

As of Sept 21, 2017

Tenor	Rate
1Y	2.8941
3Y	3.6745
5Y	4.7971
7Y	4.3481
10Y	4.6457
20Y	5.5161

## Daily Quote

"The future belongs to those who prepare for it today."

--Malcolm X

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## MORE LOCAL NEWS

### BSP puts key policy rates on hold

As expected by the market, the central bank policy rates were put on hold during yesterday's Monetary Board meeting, its sixth this year. Inflation forecasts were also left untouched at 3.2 percent for 2017 and 2018, the same estimates the Bangko Sentral ng Pilipinas announced during its previous policy meeting last August 10.

### Cebu Landmasters to expand in Vis-Min area

Newly listed property developer Cebu Landmasters Inc. (CLI) plans to bring P10.6 billion worth of inventory to the Visayas and Mindanao property markets for the remainder of the year, bringing up the value of product launches for the full year to P17.7 billion.

### FLI teams up with French energy firm

FILINVEST Land, Inc. (FLI) unveiled on Thursday its partnership with French energy firm ENGIE for a P1.5-billion district cooling system (DCS) to be used for buildings inside Northgate Cyberzone, Filinvest City in Muntinlupa.

### Global-Estate Resorts allots P4.5B for Twin Lakes

Global-Estate Resorts, Inc. (GERI) is setting aside P4.5 billion to fast-track the development of its Twin Lakes estate in the next four years. In a statement, GERI said it will develop the land for its residential villages, as well as construct residential condominiums and a hotel in the 1,200-hectare estate near Tagaytay.

### New milestone as PH stocks breach 8,300 mark

The Philippine Stock Exchange index (PSEi) continued its rally and achieved another new record on Thursday, September 21, breaching the 8,300 level for the first time. This came as investors mainly reacted to the US Federal Reserve's expectation that it would raise rates at least one more time before 2017 ends.

### MEG to spend P4.5B in 4 years for Twin Lakes

Andrew Tan-led Megaworld subsidiary Global-Estate Resorts Incorporated (GERI) announced it is planning to spend P4.5 billion in 4 years to accelerate the development of projects in its 1,200-hectare Twin Lakes township near Tagaytay. The firm noted that prices of units have risen by 15% since the project's launch in 2012.

### 'Business as usual' for Toys 'R' Us PH

It's "business as usual" for Toys "R" Us in the Philippines despite the retailer's filing for bankruptcy in the United States, the local franchise holder said. "All stores are open for business and continue to offer a wide assortment of toys and merchandise for kids," Robinsons Retail Holdings, Inc. (RRHI) said in a disclosure to the stock exchange.

## TODAY'S TOP ASIAN NEWS

### China's developers to face a major refinancing

China is set to experience a wave of maturing debt in 2018 as Chinese property developers set about a major refinancing cycle expected to last two years, according to credit rating agencies. Moody's said 75 per cent of its rated Chinese developers have bonds maturing in 2018.

### Everstone--backed Indospace to hit first close

Everstone Group's industrial and logistics real estate development platform IndoSpace will make the first close of its third fund of up to \$600 mn next week, said Atul Kapur, co-founder and managing partner at Everstone Capital

### East Ventures launches Indonesia-focused fund

East Ventures has announced a \$30 mn early-stage fund to invest in technology startups in Southeast Asia, particularly Indonesia. The fund--which will be the sixth managed by Willson Cuaca, Batara Eto, and Taiga Matsuyama--will give out tickets between seeds and series A stages.

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## MORE ASIAN NEWS

### Baidu launches \$2B fund for self-driving cars

Chinese search engine Baidu announced a 10 billion yuan (\$2.04 billion) autonomous driving fund yesterday as part of a wider plan to speed up its technical development and compete with rivals in the United States.

### Darco, InfraCo Asia team up for Vietnam projects

Mainboard-listed Darco Water Technologies and InfraCo Asia Development have teamed up for four municipal water-treatment projects in Vietnam on a Design, Build, Own and Operate (DBOO) model. This will be Darco's first DBOO project in Vietnam.

### GIC acquires 51% stake in Tokyo hotel for \$626m

Sovereign wealth fund GIC will enter into a joint venture with Invincible Investment Corporation, a public hotel and residential J-Reit, to acquire Sheraton Grande Tokyo Bay Hotel for about 100 billion yen (\$1.2 billion). GIC said yesterday it would own the majority stake of 51 per cent for US\$463.6 million (\$626 million).

### CCT buying Asia Sq Tower 2 for \$2.1B

CapitaLand Commercial Trust (CCT) is acquiring Asia Square Tower 2 in Marina Bay from US private equity giant BlackRock for \$2.09 billion, or \$2,689 per sq ft. The purchase of the 46-floor office block does not include The Westin Singapore hotel on the premises.

## TODAY'S TOP GLOBAL NEWS

### Landmark EU, Canada trade deal enters into force

A landmark free trade deal linking EU and Canada went into effect on Thursday, September 21, despite lingering opposition from activists worried about the pact's consequences on the environment and health. The EU is hailing the deal as one of its most ambitious ever that will set a new standard for future deals.

### Google to buy part of Taiwan smartphone maker HTC

Taiwan's struggling smartphone maker HTC said on Thursday, September 21, it would sell part of its smartphone business to Google for \$1.1 billion as the US giant looks to take greater control of its hardware business. HTC said in a statement the deal is expected to be completed early next year.

### Apple's latest products get mixed bag reviews

Despite the strength of its brand, Apple Inc. occasionally releases a product to mediocre reviews – remember the original Apple TV or Apple Watch? But reviewers have rarely been as grumpy as this month, when Apple unveiled its collection of new gadgets for the holidays.

### Home prices soar in disaster prone areas

It's been a bad few weeks for natural disasters. Amid the terrifying recent events is a worrisome finding from a new report: The parts of the U.S. most at risk of natural disasters are also the places where property values are highest and increasing most quickly.

### CRH to buy Ash Grove in \$3.5B bet on US cement

In the latest sign of global consolidation among building-materials suppliers, Irish producer CRH Plc agreed to buy family-controlled Ash Grove Cement Co. of the U.S. in a \$3.5 billion deal that will reinforce its bet on growth in North America.

## 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