

# The Daily Dispatch

January 07, 2020  
TODAY'S TOP NEWS

## ING sees higher inflation, bond yields

Dutch financial giant ING Bank expects inflation and bond yields to rise as a result of a stronger economic performance for this year. The economy grew by an average of 5.8 percent from January to September last year, falling below the revised target of six to 6.5 percent due to the US-China trade war.

## PH, Cambodia working on double taxation deal

The Philippines and Cambodia are conducting negotiations for an agreement which seeks to prevent double taxation on individuals or companies covered by both jurisdictions, according to the Department of Finance (DOF).

## Robinsons consolidates retail units

Gokongwei-owned retail giant Robinsons Retail Holdings Inc. (RRHI) is merging several of its retail companies with Robinsons' Supermarket Corp. RRHI wholly owned subsidiary Robinsons' Supermarket merged with Robinsons' Inc., Robinsons Toys Inc. and Robinsons Gourmet Food and Beverage Inc.

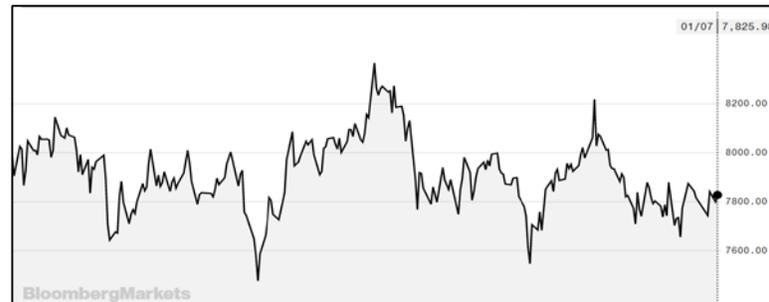
## Fruitas acquires another brand, Davao property

Newly listed Fruitas Holdings is taking on a bigger challenge as it plans to aggressively expand its operations this year. In a disclosure to the local bourse, the company said it had acquired the assets of food retailer Heat Stroke Grill and bought a property in Sasa, Davao City, to prepare for expansion in Mindanao.

## Bloomberry loses case vs ex-Solaire manager

The Singaporean High Court dismissed a petition filed by the Bloomberry group against casino management firm Global Gaming Philippines LLC (GGAM), which was accused of committing fraud and misrepresentation leading to its ouster as steward of Solaire Resort Manila in 2013.

## Philippine Stock Market Update



**Previous Close:**

7,797.87

**1 Yr Return:**

2.13%

**Open:**

7,787.32

**YTD Return:**

0.12%

**52-Week Range:**

7,469.41 - 8,419.59

**Source:**

Bloomberg

## Foreign Exchange

As of Jan. 6, 2020

US Dollar	Philippine Peso
1	50.86

## BVAL Rates

As of Jan. 6, 2020

Tenor	Rate
1Y	3.509
3Y	3.887
5Y	4.113
7Y	4.322
10Y	4.519
20Y	5.151

## Daily Quote

"Have no fear of perfection. You'll never reach it."

-- Salvador Dali

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## MORE LOCAL NEWS

### Cemex set to make P12.77B from new shares offer

Cement-maker Cemex Holdings Philippines Inc. has priced its stock rights offering at P1.54 per share, allowing the company to raise P12.77 billion in fresh capital for its expansion program.

### Oil price hike fears push T-bill rates up

Except for the benchmark 91-day debt paper, treasury bill rates rose on Monday amid expectations of higher inflation last December and as intensifying tensions between the US and Iran are seen putting upward pressure on global oil prices.

### MVP ready for face-off in telco supremacy

PLDT Inc. is ready to take on a new competitor with the expected entry of Dito Telecommunity in the second half of 2020. “If they are there, we will be ready,” PLDT chair and CEO Manuel V. Pangilinan told reporters in a recent interview.

### DoF expects double-taxation deal with Cambodia soon

Negotiations for a double-taxation agreement (DTA) are expected to conclude soon with both sides in substantial agreement on many points. Undersecretary Tionko said Cambodia has agreed to “the majority of the proposals of the Philippines” on the provisions of their proposed DTA during the second round of negotiations in December.

### PNOC’s eyeing new partner in LNG project

Philippine National Oil Co. is scouting for possible partners in the wake of the decision of Tanglawan Philippine LNG Inc. to suspend its planned LNG project. “We will always partner with whoever is interested in order that govt is aware of what will be happening—pricing, sourcing, etc,” PNOC president Reuben Lista said.

### Premyo Bonds investors to win in quarterly draw

More than a hundred winners will take home cash prizes for every quarter this year, following the success of Premyo Bonds. The national government, through the Bureau of Treasury, has raised P4.96b for the first-time sale of Premyo Bonds, the Department of Finance said in a statement. That amount is 65% higher than the initial size of P3b.

### Meralco again modifies terms for second CSP

The Manila Electric Co. (Meralco) is again tweaking the terms of reference (TOR) for the second round of the competitive selection process (CSP) involving 1,200 megawatts (MW) of new capacity. “The invitation to bid and terms of reference for the second round will be updated. Hence, they will need to be republished,” said Lawrence

### Hyundai delivers 50 buses to Victory Liner

The Philippine distributor of Hyundai vehicles has delivered 50 new buses to Victory Liner Inc., one of the country’s largest provincial bus firms, in a show of support to government efforts to modernize the public transport system.

### Bureau of Treasury awards P19.1 billion

The Bureau of Treasury (BTr) received mixed results in its first Treasury bills (T-bills) auction for the year on Monday, with the auction committee awarding P19.104 billion from the P20-billion offering. The auction was oversubscribed, with total bids reaching P26.8 billion relative to the P20-billion offering.

## TODAY’S TOP ASIAN NEWS

### CH vows to 'win' battle against mounting fin. risks

China pledged to step up measures to shore up its troubled banks and small businesses while continuing a crackdown on shadow banking and property speculation, in a difficult balancing act that risks exacerbating a build up in bad debt at its traditional lenders.

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## MORE ASIAN NEWS

### Vietnam in deals to buy Laos electricity from 2021

Vietnam's electricity firm EVN has signed five new deals to buy electricity from Laos starting from next year, the state-run company said. The southeast Asian nation faces severe power shortages from 2021 with demand expected to exceed supply by 6.6 billion kilowatt hours (kWh) in 2021, and 15 billion kWh in 2023.

### Sequoia India, EDBI lead \$4m funding in eko.ai

Singapore-based AI-enabled medtech startup eko.ai has snapped up a \$4-million financing co-led by Sequoia India and Singapore government-linked strategic investor EDBI, per an announcement. Other investors joining the round are Partech Ventures, SGInnovate and Startup Health Transformer.

### VC investment in Indian startups scales fresh peak

Indian startups raised a record \$10 billion in venture capital in 2019, driven by new sectors and emerging winners, despite a sentiment shift towards caution during the last quarter of the year. Startups, or firms less than 10 years, raised \$10 billion in equity, higher than the \$9.6 billion and \$9.1 billion in 2018 and 2017.

### HSBC walks political tightrope between HK, Beijing

The two bronze lion statues standing guard over HSBC Holdings Plc's main offices in Hong Kong still bear the marks of an attack by protesters, who last week daubed them with red and black paint, setting at least one ablaze. Graffiti declared that HSBC had been dyed the red of China.

## TODAY'S TOP GLOBAL NEWS

### Saudi credit default swaps soar on US-Iran crisis

The cost of insuring against a potential debt default by Saudi Arabia has soared by a sixth since the killing by a US drone on Friday of Iranian commander Qassem Soleimani, bearing the brunt of a broader reaction in Middle Eastern markets.

### Pentagon chief denies U.S. leaving Iraq

The United States has no plans to pull its troops out of Iraq, Defense Secretary Mark Esper said on Monday, following reports by Reuters and other media of an American military letter informing Iraq officials about the repositioning of troops in preparation to leave the country.

### Uber, Hyundai Motor to develop electric air taxi

U.S. ride-hailing company Uber Technologies Inc (UBER.N) and South Korean automaker Hyundai Motor (005380.KS) plan to jointly develop electric air taxis, they said on Tuesday, joining the race for flying cars to ease urban congestion.

### Xerox secures \$24b financing for HP takeover

Xerox Holdings Corp (XRX.N) said on Monday it has secured \$24 billion in financing for its \$33.5 billion takeover offer for HP Inc (HPQ.N), a deal that the personal computer maker is opposing.

### Zume Pizza to lay off up to 80% of its staff

SoftBank-backed Zume Pizza, a Silicon Valley startup that aims to automate pizza delivery, plans to lay off up to 80% of its staff, Business Insider reported on Monday.

### Impossible Foods to trial patty with Burger King

Impossible Foods Inc launched a plant-based sausage patty that will be tested in 139 Burger King restaurants later this month, entering a category dominated by rival Beyond Meat. Silicon Valley-based Impossible Foods, which supplies plant-based Whopper patties to Burger King, said it would begin a limited trial in five regions.