

# The Daily Dispatch

March 11, 2019  
TODAY'S TOP NEWS

## China-based bank opens Manila office

China's largest lender in terms of assets recently started its operations in the Philippines, the BSP announced last week, Operations of Industrial and Commercial Bank of China's (ICBC) representative office started last January 14, the BSP said in a February 27 circular that was just posted on its website.

## Rate cuts to start May – Standard Chartered

Monetary authorities will likely move to relax policy beginning May via interest rate cuts that will total 100 basis points this year, a banking giant said. "We now expect BSP to respond with policy rate cuts starting in May 2019, partially reversing last year's hikes," Standard Chartered Bank said in a report released late last week.

## Govt committed to raise FDI, infra spending – DoF

The DoF said it remains committed to the major economic policies of the administration, particularly on increasing foreign direct investments (FDI) and government spending. Finance Secretary Dominguez revealed the gov't even surpassed its infrastructure and capital spending target while sustaining efforts to ease economic restriction

## NEDA to study sugar liberalization

Amid mounting complaints over the planned liberalization of sugar imports, the NEDA said it would carefully study the effects on the domestic industry. Undersecretary Edillon said they had already received petition papers opposing the plan even as the gov't had yet to initiate a study to assess the impact of sugar liberalization.

## Tennis gear maker, other firms locate in Phividec

Two foreign companies are seen to establish operations in the 3,000-hectare estate of the Phividec Industrial Authority (PIA) in Misamis Oriental, Mindanao. PIA Administrator and CEO Franklin Quijano said last week that one of the largest tennis ball manufacturing firms in the world was locating in their property.

## Philippine Stock Market Update



**Previous Close:**

7,797.11

**1 Yr Return:**

-6.22%

**Open:**

7,815.28

**YTD Return:**

3.54%

**52-Week Range:**

6,790.58-8,484.65

**Source:**

Bloomberg

## Foreign Exchange

As of Mar. 8, 2019

US Dollar	Philippine Peso
1	52.25

## BVAL Reference Rates

As of Mar. 8, 2019

Tenor	Rate
1Y	6.080
3Y	5.982
5Y	6.017
7Y	6.056
10Y	6.101
20Y	6.364

## Daily Quote

"Life is a gift, and it offers us the privilege, opportunity, and responsibility to give something back by becoming more." --Tony Robbins

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## MORE LOCAL NEWS

### Gov't to revive push vs investment caps

THE EXECUTIVE BRANCH will pitch a fresh proposal to the next Congress to lift foreign ownership limits under the 1987 Constitution, the head of the Finance department told reporters last week.

### Voyager turnaround expected by 2021

Manuel V. Pangilinan, the telecommunications giant's chairman, president and chief executive officer, said the focus for 2019 is to keep pushing the volume of business for Voyager.

### DMCI allocates P31B for 2019 capital outlay

ENGINEERING conglomerate DMCI Holdings Inc. is allocating P31 billion in capital expenditures this year, slightly higher than its actual spending in 2018. The figure excludes the spending for Maynilad Water Services Inc., in which DMCI only had a minority interest, said Herbert M. Consunji, the company's chief finance officer.

### MPT South to open Calaex's 1st section in Q3

METRO Pacific Tollways South Corp. (MPT South) should be able to open the first section of the Cavite-Laguna Expressway (Calaex) by next quarter, even as it guns to start the construction of another segment of the thoroughfare sometime this month.

### GDP growth cut 1.5% if '18 budget runs till Aug

THE Senate and the House of Representatives appeared headed for a standoff over last-minute changes in the P3.7-trillion national budget for 2019, and, "from all indications," the government may operate under a reenacted budget until August, denting economic growth, Sen. Panfilo M. Lacson Sr. said on Sunday.

### PHL rice imports to hit 2.6 MMT-USDA

THE opening up of the Philippine rice market could push its imports this year to a record-high 2.6 million (MMT) metric tons, making it the second-biggest buyer of the staple since the 2008 rice price crisis, according to the United States Department of Agriculture (USDA).

### New Central Bank chief seen to cut RRR to 16%

Socioeconomic Planning Secretary Ernesto M. Pernia believes the new chief of the Bangko Sentral ng Pilipinas (BSP) will further cut the reserve requirement ratio (RRR) to ensure that monetary policy will abet the other growth-focused motivators of the economy.

### SM Prime to issue P10-billion bonds

SM Prime Holdings, Inc., one of the largest integrated property developers in Southeast Asia, is planning to raise P10 billion from the issuance of bonds representing the fourth and last tranche of its three-year Debt Securities Program (DSP) of up to P60 billion.

### 19 MNCs eye oil exploration ventures in PH

At least 19 multinational giants, including two Israelis – Ratio Oil Exploration and Delek Group – are in the roll of investor-groups that have been eyeing to corner service contracts in the country's petroleum-contracting round.

### SMC Group spends P5.6 B on CSR

For 2018, much of the company's corporate social responsibility (CSR) efforts were focused on developing meaningful partnerships and socio-economic opportunities with various disadvantaged communities nationwide.

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## MORE LOCAL NEWS

### POGOs warned vs illegal workers

The Philippine Amusement and Gaming Corp. (Pagcor) warned offshore gaming operators and service providers that they will be penalized once found their companies are employing undocumented foreign nationals.

### Economy saved P3.86 T in 2017

The domestic economy had savings of P3.862 trillion in 2017, up 11.1 percent from 2016, as all sectors were declared “savers” on profitable operations and expansion activities despite external risks, according to the Bangko Sentral ng Pilipinas (BSP).

## TODAY'S TOP ASIAN NEWS

### HNA Group to sell stake in HK firm for \$894m

China's HNA Group is selling a controlling stake in its Hong Kong-listed construction firm to Blackstone Group for HK\$7.02 billion (\$894.31 million), according to a regulatory filing, the latest asset disposal by the embattled Chinese conglomerate.

### YouTube to end content-hosting with Yeah1

YouTube Inc. is ending its content-hosting agreement with Yeah1 Group Corp. after an unspecified channel management incident involving Thailand's SpringMe, in which the Vietnamese company owns almost 17 percent, according to Yeah1.

### Michelin buys 88% in Multistrada for \$480m

French tyre maker Michelin said it had bought an 88 percent stake in Indonesian peer company PT Multistrada Arah Sarana for \$480 million, strengthening its presence in a fast-growing Asian market.

## TODAY'S TOP GLOBAL NEWS

### PE-VC exits in India surged to \$32b in 2018

Private equity (PE) and venture capital (VC)-backed exits have surged in the past two years, doubling to \$31.8 billion in 2018, driven by large strategic sales and secondary exits, according to consultancy firm Bain and Co.

### Nvidia nears deal to acquire Mellanox Technologies

Chipmaker Nvidia Corp is nearing a deal to acquire peer Mellanox Technologies Ltd for more than \$7 billion in cash, a person familiar with the matter said on Sunday.

### CH airlines suspend use of Boeing 737 Max aircraft

China's aviation regulator said on Monday it had ordered Chinese airlines to suspend their Boeing Co 737 MAX aircraft operations by 6 p.m. (5.00 a.m. ET) following a deadly crash of a 737 MAX 8 operated by Ethiopian Airlines.

### Berlin backs Deutsche Bank merger

Berlin is so worried about the health of Deutsche Bank that it pushed for a merger with rival Commerzbank even though it could open up a huge financial shortfall, a German official told Reuters.

## BLOCKCHAIN CORNER

### Swissquote Launching 'Nuke Proof' Crypto Custody

Online banking and trading group Swissquote is launching a crypto custody service later this month. The Switzerland-based firm announced Friday that, starting March 21, retail and institutional customers will be able to transfer cryptocurrencies from external wallets to be stored in a Swissquote account.