

# The Daily Dispatch

April 15, 2019  
TODAY'S TOP NEWS

## P4.1-trillion 2020 national budget set

TROUBLES with this year's national spending plan notwithstanding, the Budget department has earmarked cash-based 2020 appropriations that are nearly a tenth bigger year-on-year as the government pushes infrastructure development and social services, according to an April 12 National Budget Memorandum.

## Palace help sought to boost telco tower plan

The Department of Information and Communications Technology (DICT) is hoping President Duterte can give its common tower initiative a boost as it steps in to fix the massive lack of cell sites in the country.

## US fund to invest in PH

Impact investment manager WaterEquity, cofounded by Hollywood actor Matt Damon, has raised \$50 million from banks and foundations for projects that will address the water crisis in four Asian countries, including the Philippines.

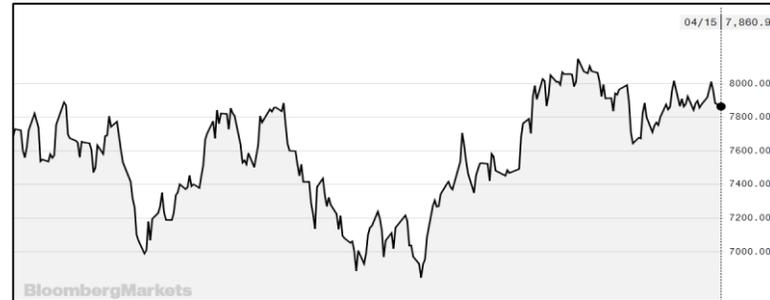
## PNB raising funds via sale of shares

Tycoon Lucio Tan-led Philippine National Bank (PNB) plans to raise about P12 billion in fresh equity from the sale of new shares to existing shareholders.

## Bourse cites tack to bring down broker ownership

THE Philippine Stock Exchange, Inc. (PSE) said it will have to issue about P5 billion worth of shares to bring down broker ownership, in an effort to comply with the single industry ownership limit.

## Philippine Stock Market Update



**Previous Close:**

7,880.82

**1 Yr Return:**

1.11%

**Open:**

7,887.78

**YTD Return:**

5.28%

**52-Week Range:**

7,860.33-7,914.75

**Source:**

Bloomberg

## Foreign Exchange

As of April 12, 2019

US Dollar	Philippine Peso
1	51.76

## BVAL Reference Rates

As of April 12, 2019

Tenor	Rate
1Y	6.087
3Y	5.871
5Y	5.826
7Y	5.865
10Y	5.955
20Y	6.025

## Daily Quote

"Speak less than you know;  
have more than you show."

-- William Shakespeare

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## MORE LOCAL NEWS

### **PAL trims 2018 losses by 38% to P2.8 bn**

PAL Holdings Inc., the operators of legacy carrier Philippine Airlines, managed to trim down losses by more than a third in 2018 as the increase in its revenues cushioned the impact of another spike in its expenses.

### **CEB's new campaign to entice 6M foreign tourists**

FLAG carrier Cebu Pacific (CEB) is targeting to fly in roughly 6 million international passengers this year on its 23rd anniversary, as it launches a new campaign to encourage more foreign tourists to visit the Philippines.

### **DA wants Japan to relax QC on PH bananas**

Agriculture Secretary Emmanuel Piñol said he will request the Japanese government to relax its quality control on Philippine bananas stressing his agency has already complied with new protocol and assessment process.

### **Meralco, Japanese to power Clark City**

Power utility giant Manila Electric Company (Meralco) and its three Japanese firm-partners have signed a joint venture agreement (JVA) with the Bases Conversion and Development Authority (BCDA) for the provision of electricity service in the New Clark City.

### **No more cap on foreign loans – BSP**

The Bangko Sentral ng Pilipinas (BSP) will no longer cap both the public and private sector's foreign loans for as long as external borrowers are complying with the central bank rules and certain laws. BSP Deputy Governor Diwa C. Guinigundo said they are now practicing an "indicative" policy as far as foreign loan ceilings are concerned.

### **DOTr starts Swiss challenge for Bulacan airport**

The DOTr has started the bidding process for the Bulacan airport project as it issued a call to potential challengers to conglomerate SMC. The DOTr published yesterday an invitation to interested companies and groups to submit comparative proposals for the New Manila International Airport Project.

### **Calls mount for investigation on power crisis**

Calls for an investigation and accountability are mounting amid concerns over a looming power crisis after rotating brownouts were implemented in the Luzon power grid last week despite the assurance of sufficient power supply from the Department of Energy (DOE) this summer.

### **Market may consolidate this week**

The stock market is expected to consolidate this week, according to PSE president and CEO Ramon Monzon. "The market's performance the past weeks showed that it has indeed been on consolidation mode," Monzon said.

### **PSE to issue more shares when conditions are ripe**

The Philippine Stock Exchange (PSE), the operator of the local bourse, will issue more shares when market conditions are ripe, in a move to comply with a 20 percent ownership limitation set by the Securities Regulation Code (SRC). PSE president and CEO Ramon Monzon said the PSE may raise around P5 billion from the issuance of new shares.

### **SMC to develop more clean coal power plants**

San Miguel Corp. (SMC) intends to continue developing clean coal power plants, as well as pursue renewable energy projects and battery technology developments with room still to grow in its power portfolio. As of end-2018, SMC Global Power Holdings Inc. has an installed capacity of approximately 19 percent of the national grid.

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## TODAY'S TOP ASIAN NEWS

### \$18b electric-car bubble at risk of bursting in CH

An iPhone assembler, e-commerce emporium and real-estate developer typically don't compete in the same business - except when it comes to electric vehicles in China. That's because of a seismic shift toward EVs, which has spurred billions of dollars in investments.

### Japan rolls dice on Singapore-style IRs

The operators of Singapore's two integrated resorts (IRs), which this month injected \$9b in fresh investment, are also itching to place their bets on Japan in the race to enter the world's largest untapped casino gambling market. Las Vegas Sands Corp and Genting Singapore are among at least eight suitors for the three IRs allowed.

### Heaton-led SG consortium acquires London hotel

A Singaporean consortium led by Mainboard-listed developer Heaton Holdings has acquired Crowne Plaza London Kensington, a freehold property located on one of the main arterial routes into Central London, for £84.3 million (\$110.3 million).

### Asia's tech chams zero in on main street banking

Asia's internet firms are challenging the region's traditional banks for consumer finances, tapping their massive user networks for business and following a trail blazed in China by tech giants Alibaba and Tencent. The push into banking comes as regulators across Asia open up their banking sectors to a new breed of digital players.

### Tripoto raises \$3.6m from Orchid India

Travel portal Tripoto has raised \$3.6 million (Rs 25 crore) in a fresh funding round from Orchid India, Hornbill Orchid India Fund, Chiratae Ventures, 3one4 Capital and Lasmer NV. The startup will use the funding proceeds to scale up the community and marketplace.

## TODAY'S TOP GLOBAL NEWS

### Citigroup: US treasury yields falling toward 2.3%

Ten-year Treasury yields should fall toward 2.3 per cent as US economic data continues to disappoint, according to Citigroup Inc. With Federal Reserve rate hikes on hold, investors should buy bonds, though not necessarily sell stocks, strategists including Jeremy Hale wrote in a note to clients Thursday.

### Oil edges lower, supply concerns check losses

Oil prices edged lower on Monday after international benchmark Brent hit a fresh five-month high in the previous session, but concerns over global supplies provided a floor to losses. Brent crude oil futures were at US\$71.40 a barrel at 0015 GMT, down 15 cents, or 0.2%, from their last close.

### US hopes talks with China 'close to final round'

US Treasury Sec Steven Mnuchin said an American-China trade agreement would go "way beyond" previous efforts to open China's markets to US companies and hoped that the two sides were close to the final round of negotiations. Mr Mnuchin said he and US Trade Rep Lighthizer would hold two calls this week with Chinese VP Liu He.

### US, Japan to kick off trade talks

As optimism grows that the US and China are nearing a trade deal, Japan kicks off its own negotiations with Washington, hoping to resolve some of the issues very quickly. US Trade Representative Robert Lighthizer and Japan's Economy Minister Toshiimitsu Motegi are set to embark on two days of talks in Washington.

### Lyft pulls electric bikes in three U.S. cities

Lyft Inc is removing several thousand electric bikes from service in its bike-share program in NY, Washington and San Francisco because of a braking problem, the company said on Sunday. "We recently received a small number of reports from riders who experienced stronger than expected braking force on the front wheel," the company said