

# The Daily Dispatch

April 17, 2019  
TODAY'S TOP NEWS

## Tax audit set for foreign gaming firms

The Bureau of Internal Revenue is planning to audit the income taxes that were withheld and remitted by Philippine offshore gaming operators (POGOs) for their foreign workers, a top official of the agency said. Internal Revenue Deputy Commissioner Arnel Guballa said the agency is planning to counter-check the taxes remitted by POGO.

## Asia recovery, bargain picking lift share prices

Share prices rebounded yesterday, rising by 38.48 points to close at 7,826.46 following the recovery of most Asian stocks, analysts said. Traders said bargain hunters took the opportunity to look for some good buys following Monday's decline. Value turnover reached P7.14 billion.

## Final phase of LRT-2 extension project starts

The final phase of the construction of the Light Rail Transit Line 2 (LRT-2) East extension has commenced yesterday with the railway track laying and integration of the electromechanical system (EMS) into the existing system.

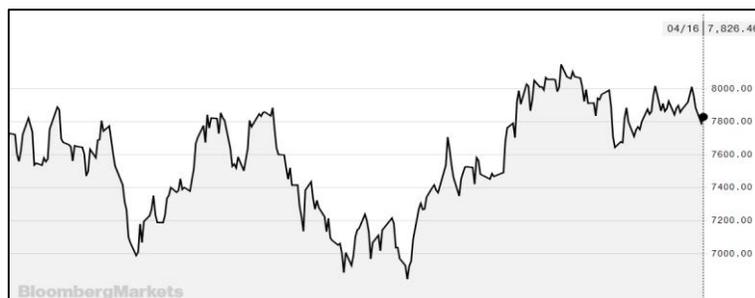
## Century Pacific hikes earnings by 12%

Century Pacific Food Inc. (CNPF), the Po family's listed canned food company, saw its net income grow 11.9 percent to P2.8 billion in 2018. Consolidated revenue rose 15 percent to P37.9 billion, driven primarily by the strong growth in branded sales.

## Carousell acquires OLX Philippines

Carousell, one of the world's largest and fastest-growing classifieds marketplaces, announced that it has received an investment from Naspers, one of the largest technology investors in the world, through its classifieds business arm, OLX Group. The deal will also see Carousell acquire OLX Philippines.

## Philippine Stock Market Update



**Previous Close:**

7,826.46

**1 Yr Return:**

3.12%

**Open:**

7,832.71

**YTD Return:**

4.97%

**52-Week Range:**

6,790.58-8,213.71

**Source:**

Bloomberg

## Foreign Exchange

As of April 16, 2019

US Dollar	Philippine Peso
1	51.8

## BVAL Reference Rates

As of April 16, 2019

Tenor	Rate
1Y	6.080
3Y	5.892
5Y	5.890
7Y	5.970
10Y	6.067
20Y	6.068

## Daily Quote

"The achievement of one goal should be the starting point of another."

-- Alexander Graham Bell

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## MORE LOCAL NEWS

### JG Summit profit drops to P19.2 B

JG Summit Holdings Inc., the listed conglomerate of the Gokongwei Group, reported a 35 percent decline in net income to P19.2 billion in 2018. The conglomerate cited higher fuel and input costs as well as the weaker peso as the reasons for the drop in its earnings.

### Metrobank allots P4 B for 2019 capex

Metrobank is spending as much as P4 billion for its capital expenditures this year, half of which has been earmarked for information technology (IT). “For 2019, the bank is allocating up to P4 billion capital expenditures, of which 50 percent is estimated to be allocated for information technology,” Metrobank said.

### 24/7 work on new infra projects pushed

Economic managers want work on new infrastructure projects done 24 hours a day, seven days a week to play catch up given the delays in the national budget. Secretary Ernesto M. Pernia said that while continuing and ongoing projects had “no disruptions, new projects certainly need to get going fast on a 24/7 work regimen.”

### NFA adopts aggressive buffer stocking for palay

The National Food Authority expects to procure sufficient palay from local farmers as it adopts more aggressive procurement as mandated by the rice tariffication law. The NFA will no longer be allowed to import rice as its role was confined to buffer-stocks mgmt for emergencies and calamities via buying palay solely from local farmers.

### PSA lowers Q1 palay, corn output estimates

First qtr palay and corn output estimates have been lowered by the PSA, with revised figures going separate ways compared to the same period last year. The PSA said January-March palay production likely fell to 4.56 MMT based on standing crops, lower than the Jan. projection of 4.65 MMT and down from the 4.65 MMT seen a year earlier.

### Aboitiz opens 170-MW power plant in Cebu

Aboitiz Power Corp. subsidiary Therma Visayas Inc. opened a new coal-fired power plant in Toledo City, Cebu that will add 170 megawatts of supply in Visayas. The company said the second unit of the Toledo baseload power project would be online by May to add another 170 MW.

### Amaia to build mid-rise project in Quezon City

Amaia Land Inc., a subsidiary of Ayala Land Inc., said it will start the construction of a new residential project in Quezon City in 2Q of 2019. Raizel Matibag, senior project dev't manager, said a new mid-rise condominium would be built on a 1.7-hectare land in the high-density vicinity of Quirino Highway and Tandang Sora Ave.

### Neda says rice fund to modernize farms

NEDA said the bulk of the Rice Competitiveness Enhancement Fund will be used to modernize rice farms and support the government's goal of increasing productivity. Republic Act 11203 mandates the establishment of RCEF, which guarantees the rice sector P10 billion in financial support annually for the next six

### 2019 budget cut down to P3.66 trillion after veto

MALACAÑANG said the P95.3B allocations President Duterte vetoed in the original P3.757T national budget for 2019 were found to be “unconstitutional.” “Those are the so called ‘insertions,’ ‘riders,’ they are not part of the program by the DPWH, hence, they violate the Constitution,” Pres. Spokesperson Panelo said in a briefing

### LBC Express nets P1.3B

EARNINGS of LBC Express Holdings, Inc. nearly doubled to P1.36 billion. The firm said its attributable net income soared 93.2%, which it attributed to revenue growth resulting from bigger volumes throughout the year and the “recognition of gain from derivative, amounting to P454.20 million which compensates the loss incurred in 2017.”

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## TODAY'S TOP ASIAN NEWS

### OCBC seeking partner for China securities business

OCBC is looking for a Chinese firm to team up with on a securities joint venture on the mainland, the latest foreign bank seeking to capitalise on the nation's financial-industry loosening. Obtaining a Chinese securities license would allow OCBC to do asset management, investment banking and fund management business in the nation.

### US, Japan trade talks conclude with agri focus

Two days of trade talks between the US and Japan concluded Tuesday in Washington with a focus on the sensitive subject of agriculture, as US negotiators say they want a more open Japanese market.

### HNA unit faces seizures after default

CWT International Ltd, controlled by HNA Group Co, failed to pay interest on a HK\$1.4 billion (\$241.5 million) facility, prompting lenders to demand immediate repayment of the loan, the company said Tuesday. The Hong Kong-listed company will have to make good on the payment by 9am on April 17 to prevent lenders from taking action.

### Sg investors bullish on India's commercial realty

Singapore-based investors are betting big on India's commercial realty and other sunshine sectors, including logistics and warehousing, real estate consulting firm ANAROCK said in a report. Top PE firms such as GIC, Ascendas-Singbridge and Xander are funnelling billions into India's realty sector, particularly in South Indian cities.

### CLSA Capital to raise \$400m for real estate fund

Hong Kong-based brokerage and investment group CLSA Capital Partners is looking to raise \$400-\$500 million for its fourth pan-Asia value-add real estate fund, Fudo Capital IV, DEALSTREETASIA has learnt. While the development is confirmed by an independent source, it was first reported by PERE.

## TODAY'S TOP GLOBAL NEWS

### Impact investing gaining more traction, says IFC

Impact investing is now gaining more traction as institutional investors commit to use billions of dollars in resources for projects that can help meet development goals, the International Finance Corp. (IFC) said.

### Intel gives up on break into mobile market

After its one significant customer, Apple Inc, said it will return to using Qualcomm Inc chips, Intel announced Tuesday it will exit the 5G smartphone business and complete an assessment of the opportunities for existing chips and 5G modems in personal computers.

### Apple Joins Helping To Rebuild Notre Dame

Apple CEO Tim Cook on Tuesday announced that the company would join two French billionaires and the energy company Total in donating money to help rebuild the cathedral of Notre Dame after Monday's devastating fire.

### China eyes US poultry, pork imports in trade talks

China would likely lift a ban on U.S. poultry as part of a trade deal and may buy more pork to meet a growing supply deficit, but it is not willing to allow a prohibited growth drug used in roughly half the U.S. hog herd, two sources with knowledge of the negotiations said.

### Apollo to buy Smart & Final Stores for \$1.1billion

pollo Global Management LLC said on Tuesday it will acquire Smart & Final Stores Inc for about \$1.1 billion, including debt, the second time the private equity firm will own the U.S. food retailer. The deal comes after Apollo sold Smart & Final to Ares Management Corp, another buyout firm, in 2012 for \$975 million, including debt.