

The Daily Dispatch

May 08, 2019
TODAY'S TOP NEWS

Chelsea, PNOC look to jointly develop LNG hub

CHELSEA Logistics Holdings Corp. said on Tuesday that it was exploring a possible joint development of a fuel and liquefied natural gas (LNG) storage and terminal with Philippine National Oil Co. (PNOC) in the state-run company's site in Mabini, Batangas.

Manufacturing falls for 4th month

FACTORY OUTPUT posted its fourth consecutive month of decline in March, the Philippine Statistics Authority (PSA) reported on Tuesday. Year to date, factory output decline averaged 6.6% versus the 12.3% growth in 2018's comparable three months.

PAL reflecting ends; rights offer eyed

Philippine Airlines received the last of six brand-new Airbus A350-900s early this week, marking the completion of its widebody reflecting program that is a key part of its aspirations to become a five-star carrier by next year.

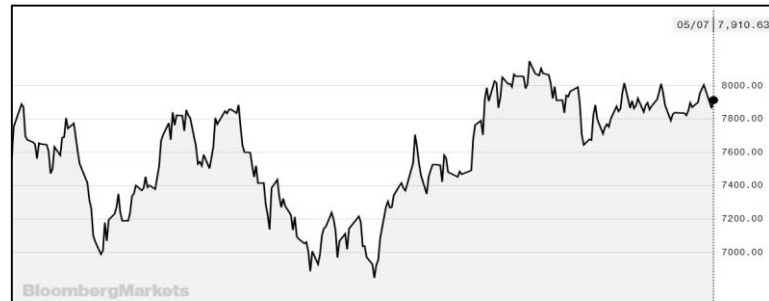
Inflation slows to 3% in April

The increase in consumer prices slowed further in April, hitting its lowest level in 16 months primarily due to the falling cost of food, housing and utilities, the PSA reported. The headline inflation eased to three percent from 3.3 percent in March 2019 and 4.5 percent in April 2018, bringing the year-to-date average to 3.6 percent.

Index turns green as inflation cools

Share prices climbed yesterday on the back of lower inflation data for April, analysts said. The benchmark Philippine Stock Exchange Index (PSEi) closed 48.33 points or 0.61 percent higher to settle at 7,910.63, while the broader All Shares index gained 26.69 points, or 0.54 percent, to close at 4,886.55.

Philippine Stock Market Update



Previous Close:

7,910.63

1 Yr Return:

4.46%

Open:

7,902.64

YTD Return:

4.08%

52-Week Range:

6,790.58-8,213.71

Source:

Bloomberg

Foreign Exchange

As of May 7, 2019

US Dollar	Philippine Peso
1	52

BVAL Reference Rates

As of May 7, 2019

Tenor	Rate
1Y	6.051
3Y	5.779
5Y	5.710
7Y	5.743
10Y	5.795
20Y	5.962

Daily Quote

"Yesterday's home runs don't win today's games."
-- Babe Ruth

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MORE LOCAL NEWS

Shell putting up P2B hydrogen facility in Batangas

Pilipinas Shell Petroleum Corp. (PSPC) is investing P2 billion in a hydrogen optimization project at its refinery in Tabangao, Batangas to improve production. This as it sees another challenging year for the oil industry this year.

Consunji firm expects P767mn settlement from PSALM

Consunji-owned Semirara Mining & Power Corporation is expecting settlement of up to P767 million from state-owned firms Power Sector Assets and Liabilities Management Corporation (PSALM) and National Power Corporation (NPC) relating to dispute on plant capacity nominations that involved its subsidiary Sem-Calaca Power Corporation

LTG allocates P17bn capex on PNB rights offer

LT Group Inc. (LTG), the holding firm of the main businesses of tycoon Lucio Tan, on Tuesday said it will spend between P16 billion and P17 billion in capital expenditures (capex) this year, the bulk of which will be spent on the stock rights offer of lender Philippine National Bank (PNB).

Garments exporter taps EDC for Cavite facility

“The NST Group is a proud Filipino company linking brands and manufacturers into creating clothes for world-class brands. We are happy to partner with EDC to step up our sustainability initiatives for our tenants that manufacture our garments for our buyers,” NST Apparel Director and Hamlin President Lawrence de los Santos said.

PSALM shortlists 5 firms for 5.1ha Diliman lot

The shortlisted firms included the Casa Arkitektura, Concep Inc., GF and Partners Architects, Jonathan O. Gan & Associates and WTA Architecture and Design Studio. They are expected to design a development concept based on the highest and best use of the property.

Govt debt reaches record P7.802T

THE national government’s outstanding debt ballooned to a record-high P7.802 trillion in March due to currency adjustments and net issuance of government securities, the Bureau of the Treasury (BTr) reported on Tuesday. The Treasury bureau said the amount was a 4.7-percent or P350.701-billion increase from February’s P7.451 trillion.

Marina to use blockchain on seafarer certification

The Philippines is the first country in the world to use blockchain technology for seafarers’ certifications. Navozyme, a maritime blockchain innovator and the Maritime Industry Authority recently signed an agreement to use blockchain to enhance the exchange of data between Marina and the stakeholders in the seafaring industry.

LRT 1 expects new trains from Japan

The DoTr said it expects the delivery of trains from Japan for LRT Line 1 Cavite Extension Project by July next year as the Light Rail Manila Corp. started the construction of the line’s extension. Undersecretary for rail Timothy John Batan said the first and second four-car train sets were on schedule for delivery in July 2020.

PH forex reserves continue to rise

Foreign currency inflows nudged the Philippines’ dollar reserves higher in April, marking the sixth straight month of increase, the central bank said on Friday—a development that bodes well for the strength of the peso and industries that buy raw and intermediate materials from abroad.

Metrobank income rises to P6.8B

Metrobank reported that its net income increased to P6.8 billion in Q1 2019. The bank said the amount was a 15.2% surge from the same period last year. It credited the improved profit to the “double-digit growth in operating income on the back of consistent loan growth and margin expansion, higher fee-based income, and prudent opex.”

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TODAY'S TOP ASIAN NEWS

Malaysia cuts interest for first time in 3 years

Malaysia's central bank cut interest rates Tuesday for the first time in nearly three years to help support growth and counter risks from a global slowdown, trade tensions and extended weakness in commodity prices.

China plans overhaul of state agriculture giants

China is planning to overhaul its mammoth state agriculture companies, transferring the trading assets of stockpiler Sinograin to food giant Cofco Corp., according to sources. The restructuring would be implemented in several stages and would also include Cofco taking over oilseed crushing capacity from Sinograin.

Allianz RE to invest \$600m in GLP's CH, JP funds

Allianz Real Estate, the realty investment arm of German insurer Allianz, has committed to invest \$600 million in the China and Japan-focused funds of Singapore-based logistics major GLP. The investment in GLP funds is part of Allianz Real Estate's strategy to grow its real estate exposure in the Asia-Pacific region, the firm said.

T Rowe Price, SoftBank back GM Cruise \$1.15b round

General Motors Co.'s self-driving unit drew \$1.15 billion in fresh investment, with T. Rowe Price Associates Inc. joining existing backers including Honda Motor Co. and SoftBank Vision Fund. In what is GM Cruise LLC's third major investment in the last year, the unit is now valued at \$19 billion, according to a statement.

PE firm Lighthouse closes its third fund at \$230m

Consumer-focused, mid-market private equity (PE) firm Lighthouse Funds said on Tuesday that it has closed its third fund, Lighthouse India Fund III, at \$230 million (₹1600 crore), taking its assets under management to about \$500 million.

CureFit raises \$75m at a valuation over \$500m

Less than a year after it raised \$120 million, CureFit has received another infusion. The health and fitness startup has raised \$75 million at over \$500 million valuation in a series D round, led by existing investor Accel Growth.

TODAY'S TOP GLOBAL NEWS

CH trade tensions could mean pain for EM

Mr. Trump threatened to impose 25% tariffs instead of the current 10% on \$200 billion worth of goods from China. Fitch Solutions noted that the possible cancellation by China of the trade discussions between the two countries may lead to strengthening of Mr. Trump's resolve to pursue the tariff hike.

Property slowdown next risk for emerging markets

As growth worries and trade war jitters threaten to spoil any rebound for emerging markets in 2019, property markets are shaping up as a critical element to monitor for further signs of gloom. Some developing economies from Thailand to Brazil are facing double-digit real estate sales declines on the back of weakening domestic growth.

Luckin Coffee seeks to raise USD586.5mn in US IPO

Luckin Coffee, the Chinese challenger to Starbucks Corp, is looking to raise up to US\$586.5 million, its filing with the US Securities and Exchange Commission on Monday showed. The company said it expects to offer 34.5 million American depository shares (ADS) priced between US\$15 and US\$17 per ADS in an initial public offering.

Lyft says losses to drop next year

Lyft Inc on Tuesday forecast that 2019 would be the peak year for losses after the ride service company lost \$1.1 billion in its first quarter, just days ahead of rival Uber's IPO. "We are encouraged by our strength of our core business and see a clear path to profitability in ride sharing," said Chief Financial Officer Brian Roberts.