

The Daily Dispatch

May 14, 2019
TODAY'S TOP NEWS

Banks' real estate loans rise to P2.14 T

The real estate exposure of big and mid-sized banks remained manageable, rising by nearly seven percent to P2.14 trillion as of end-September last year, according to the Bangko Sentral ng Pilipinas. The BSP said the increase was notably slower than the double-digit growth recorded in the past five years.

Infra spending down 5.7% in March

Government spending on infrastructure declined by 5.7 percent in March as some line agencies were unable to implement new projects under the reenacted budget, according to the Department of Budget and Management. According to the DBM, infrastructure and capital outlays amounted to P59.7 billion in March.

NLEX revives plan to extend expressway to Bataan

NLEX Corp. plans to revive its plan to extend the North Luzon Expressway (NLEX) to Bataan which will require investments of at least P20 billion. NLEX was previously targeting to submit to the TRB its plans for the proposed 40-kilometer expressway early last year, but the plan did not push through.

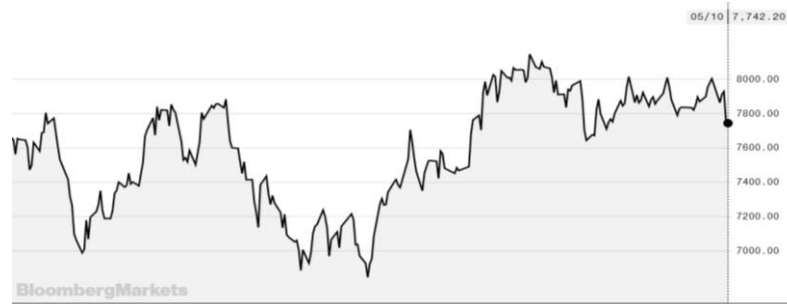
Mindanao railway project rolling out this month

The development of the country's first train system outside Luzon is expected to gather steam this month with the expected reapproval from the National Economic and Development Authority (NEDA) of the Mindanao railway project.

Ayala unit allots P2 B for 1st cancer hospital

Ayala Healthcare Holdings Inc. (AC Health) is pouring in P2 billion to build the country's first cancer speciality hospital. The project is envisioned to be a fully integrated, 100-bed facility located in Metro Manila, with the goal of providing comprehensive high-quality cancer care services but at more affordable prices.

Philippine Stock Market Update



Previous Close:

7,742.20

1 Yr Return:

-0.17%

Open:

7,718.31

YTD Return:

2.00%

52-Week Range:

6,790.58 - 8,213.71

Source:

Bloomberg

Foreign Exchange

As of May 10, 2019

US Dollar	Philippine Peso
1	52.37

PDST-R2 Rates

As of May 10, 2019

Tenor	Rate
1Y	6.0570
3Y	5.7450
5Y	5.7180
7Y	5.7410
10Y	5.7460
20Y	5.9540

Daily Quote

"Hire character. Train skill."

--Peter Schutz

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MORE LOCAL NEWS

Dennis Uy buying Circle K, converting to FamilyMart

Businessman Dennis Uy is acquiring another convenience store chain through Phoenix Petroleum Philippines Inc. to expand the presence of Japanese convenience store chain FamilyMart. Phoenix Petroleum said its subsidiary Philippine FamilyMart CVS Inc. (PFM) is in the process of acquiring the Circle K network in the Philippines.

New Kinpo Group to make PHL its main hub

In a statement over the weekend, the Department of Trade and Industry and the Board of Investments (BOI) vowed to support the New Kinpo Group's (NKG) expansion plans in the Philippines. The consumer electronics leader is planning to put up a new 24,000-square-meter facility in Lipa, Batangas.

EDC to expand geothermal assets

"We have a few plants lined up for EDC. They are small, less than 30 megawatts [MW]," said EDC President Richard Tantoco when asked what renewable-energy (RE) projects are in store for EDC this year.

SAS seeks more govt projects for growth

SAS Institute (Philippines) Inc. bared on Thursday it continues to work with the government to sustain its business growth, given their ongoing collaborative efforts and discussions on how to further improve the delivery of public service in the country.

BSP sets review of RRR cut this week

The seven-member Monetary Board of the Bangko Sentral ng Pilipinas (BSP) will prioritize discussion on possible reduction in banks' reserve requirement ratio (RRR) when they meet on Thursday for its regular weekly meetings.

GT Capital returns 51% stake in Pro-Friends

GT Capital Holdings Inc., the investment arm of the Ty family, is divesting its 51 percent stake in real estate firm Property Company of Friends Inc. (Pro-Friends) in exchange for about P20 billion worth of land.

FPH earmarks over P30B as 2019 capex

FPC has set aside more than P30 billion in capex this year to fund expansion. FPH President and CEO Francis Giles Puno said that out of the total allocation, about P12 billion would go to First Gen Corp., another P12 billion to Rockwell Land Corp., a significant chunk to its industrial park business, and the rest to other subsidiaries.

TODAY'S TOP ASIAN NEWS

STRIVE hit first close at \$130 million

STRIVE, formerly GREE Ventures, has hit the first close of its \$130 million third vehicle, and is targeting the final close by the year-end, Nikhil Kapur said. The firm, with offices in Tokyo and Singapore, is Asia's first truly cross-border seed fund, as it invests capital across Japan, Southeast Asia, and India, Kapur said.

Temasek, OUB invest \$200m in InnoVen Capital

Venture debt provider InnoVen Capital has announced raising an additional \$200 million in capital commitment, with Singapore's state investment Temasek and United Overseas Bank each contributing \$100 million.

SK's VIG Partners hits \$530m 1st close on 4th fund

Korean buyout fund VIG Partners has reached the first close on its fourth Korea-focused fund at \$530 million. "VIG Partners has achieved first closing of Fund IV with \$340 million [coming] from international LPs and \$190 million from domestic LPs as of May 10," he said. "We are targeting \$800 million by the end of Q3 this year."

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MORE ASIAN NEWS

Kunlun Tech agrees to sell Grindr gay dating app

Chinese gaming company Beijing Kunlun Tech Co Ltd said on Monday it had agreed to a request by the Committee on Foreign Investment in the United States (CFIUS) to sell popular gay dating app Grindr, setting a June 2020 deadline to do so.

NABARD floats \$100m VC fund for agri, food startups

India's National Bank for Agriculture and Rural Development (NABARD) Monday announced that it is setting up a \$100-million (Rs 700 crore) venture capital fund to invest in agriculture and rural-focused startups.

SoftBank's market value slides as Uber IPO flops

On Thursday, as his company booked a US\$3.8 billion gain from its stake in Uber Technologies Inc, Masayoshi Son told SoftBank Group Corp investors that their time had finally come. Instead, they're still waiting. The day after Mr Son's earnings presentation, SoftBank slid 5.4 per cent and fell again on Monday.

China sets yuan mid-point at lowest in 4 months

China's central bank lowered its official yuan midpoint to 6.8365 per US dollar on Tuesday, the weakest level in more than four months, following a fresh escalation in the Sino-US trade war. Tuesday's midpoint was 411 pips, or 0.6 per cent, weaker than the previous fix of 6.7954 and was the softest since Jan 8.

Pemex signs US\$8b syndicated loan with banks

Embattled Mexican oil producer Petroleos Mexicanos signed an US\$8 billion syndicated loan, the biggest in its history, as part of a plan unveiled by President Andres Manuel Lopez Obrador to regain investor confidence.

TODAY'S TOP GLOBAL NEWS

Uber hits fresh headwinds as shares extend losses

Uber shares went into a fresh skid Monday - more bad news for the global ride-hailing giant, which endured steep declines in its hotly anticipated market debut last week. Shares in Uber tumbled 10.75 per cent to close at US\$37.10 on the second day of trade on the New York Stock Exchange.

Vodafone offloads NZ business to Brookfield

Vodafone Group Plc on Monday agreed to sell its New Zealand business for NZ\$3.4 billion (\$2.23 billion) to a consortium comprising of New Zealand-based Infratil Ltd and Canada's Brookfield Asset Management, in a deal the telecom giant says would help reduce its debt.

Trump and Xi to meet after China hits with tariffs

U.S. President Donald Trump said on Monday he would meet Chinese President Xi Jinping next month as the trade war between the world's two largest economies intensified, sending shivers through global markets.

Amazon extends lead as top retail brand in Kantar

Amazon has almost doubled its brand value to \$316 billion as it expands in areas like entertainment and smart speakers, while China's Alibaba is now the world's second most valuable retail brand, a survey showed on Tuesday.

Bitcoin tops \$8,000-highest since July 2018

Bitcoin surged to more than \$8,000 late on Monday, its highest level since July last year, as the cryptocurrency's rally gained further momentum. There is no real fundamental explanation as to why bitcoin, the original cryptocurrency, hit a 10-month high on Monday.