

The Daily Dispatch

June 04, 2019
TODAY'S TOP NEWS

UnionBank lists P5.8-billion 3-year bond at PDEX

Union Bank of the Philippines (UnionBank) has raised P5.8 bn worth of new 3-year bonds, which it listed on Monday at the Philippine Dealing and Exchange Corp. (PDEX). Proceeds will expand its funding base to support continued loan-portfolio growth and business expansion, as well as other general corporate purposes, it said.

LGUs losing due to outdated real property values

Underscoring the need for valuation reforms in the real property sector, the DOF estimated that local government units (LGUs) could have generated P30.5 billion in additional revenues annually if the taxable value of the real-estate is updated.

Michael Romero's family hikes stake in AirAsia PH

F&S Holdings Inc., now owned by Representative Michael Romero, has acquired additional shares in AirAsia Philippines, making it the single largest stockholder of the local unit of Southeast Asia's largest low-cost airline.

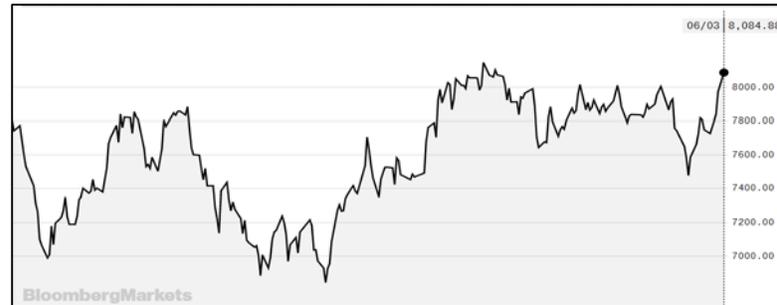
PH, Korea start 'future-oriented' FTA negotiations

Philippines and Korean governments have officially started negotiations for the proposed bilateral Free Trade Agreement (FTA) aiming to conclude a "future-oriented" and largely trade in goods and investment deal as early as November this year.

ERC eyeing 'benchmark price' in CSP

The Energy Regulatory Commission (ERC) is targeting to prescribe a "benchmark rate" that shall serve as reference price in the conduct of Competitive Selection Process (CSP) in the supply contracting of the Private Distribution Utilities (DUs) and the electric cooperatives (ECs) of the country.

Philippine Stock Market Update



Previous Close:

7,979.92

1 Yr Return:

7.08%

Open:

8,075.78

YTD Return:

7.15%

52-Week Range:

6,790.58-8,213.71

Source:

Bloomberg

Foreign Exchange

As of June 3, 2019

US Dollar	Philippine Peso
1	51.74

BVAL Rates

As of June 3, 2019

Tenor	Rate
1Y	5.655
3Y	5.484
5Y	5.480
7Y	5.481
10Y	5.448
20Y	5.664

Daily Quote

"I'm a success today because I had a friend who believed in me and I didn't have the heart to let him down."
--Abraham Lincoln

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MORE LOCAL NEWS

Now Telecom to offer 5G wireless service in PHL

NOW Corp. subsidiary Now Telecom plans to offer 5G wireless services in the Philippines, as hype for the new generation of wireless technology continues to increase. Rodolfo Pantoja, the newly elected Now Telecom president, said the board approved plans to adopt 5G technologies that allow the delivery of up to 20 Gigabit per second speed to

Foreign buying extends PSEi win streak to 5 days

The stock market carried its momentum last week and surged on its first session of the month as investors continued to flock into the Philippine market. The Philippine Stock Exchange index soared by 114.86 points, or 1.44 percent, to end at 8,084.88 and extend its winning streak to five days.

Villar Group's airport proposals get OPS

Two proposals to develop key regional airports in Luzon and Visayas are set to take flight with the group of real estate magnate and former Sen. Manuel B. Villar Jr. securing the upper hand for its unsolicited offers.

PAL may take in another foreign partner

Philippine Airlines is looking at taking a foreign strategic partner after the successful entry of Japan's biggest airline All Nippon Airways Co. Ltd. PAL CEO Jaime Bautista said the airline could issue new shares to the prospective foreign investor after its parent firm PAL Holdings Inc. raised its authorized capital to P20 billion.

New shareholder to boost Philweb e-bingo business

Philweb Corp., the listed gaming company owned by businessman Gregorio "Greggy" Araneta III, is set to welcome a new shareholder that would boost the company's electronic bingo business. In a disclosure to the Philippine Stock Exchange, Philweb said Palmary Corp. has signed a share purchase agreement with the company.

Petron's preferred share offer gets SEC go signal

THE Securities and Exchange Commission (SEC) has given the green light for Petron Corp. to offer perpetual preferred shares worth up to P20 billion. Petron has set the annual dividend rate for its P20-billion preferred shares offering at 6.8713% for 5.5-year shares and 7.1383% for seven-year shares.

Shakey's acquires Project Pie assets

SHAKEY'S Pizza Asia Ventures, Inc. (SPAVI) on Monday said it is acquiring the assets of artisanal pizza brand Project Pie. In a disclosure to the stock exchange, the listed full-service restaurant operator said it inked a memorandum of agreement to buy the various assets and intellectual property of Project Pie for a nominal amount.

Senate approves proposed tobacco tax hike

SENATORS on Monday approved on third and final reading a proposal to increase excise taxes on tobacco products to P60 by 2023, a day before the 17th Congress ends. Senators were still proposing amendments as of 7:30 p.m., but approved it by 7:45 p.m.

Factory activity growth recovers in May

MANUFACTURING in the country picked up in May after business for factories improved at the slowest pace in nine months in April, with the increase in new orders "the most marked in four months" on the back of a "moderate" improvement in demand that was nevertheless "the greatest since February,"

SMEC Philippines to design railway projects

In a statement, the firm said it will assist the Japan International Cooperation Agency (JICA) Design Team in the preparation of all necessary documents for the detailed design of the civil, structural, architectural, mechanical and electrical works.

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TODAY'S TOP ASIAN NEWS

JAL may expand JV with Malaysia Airlines

Japan Airlines Co Ltd (JAL) may expand a joint venture with Malaysia Airlines to cover U.S. flights and other Asian routes in the future, the Japanese carrier's president said. The pair signed a memorandum of understanding for a JV on Malaysia-Japan flights on May 27.

Southern Capital to take over MY-based creamer biz

Bursa-listed Can-One Bhd has received a letter of offer from Singapore-based private equity firm Southern Capital Group to acquire its wholly-owned dairy product manufacturing arm F&B Nutrition Sdn Bhd for up to 1 billion ringgit (\$240 million), it said in a stock filing Monday evening.

SoftBank eyes smaller deals, early-stage in India

SoftBank Group Corp., known for writing hefty cheques at sky-high valuations, is looking at smaller transactions and plans to invest in startups at an earlier stage as part of a revamp of its India strategy. SoftBank will focus on deals between \$100m and \$200m in companies.

Link Reit looks to the mainland as HK rent cools

The Link Real Estate Investment Trust (Link Reit), Asia's largest real estate investment trust, announced on Monday modest growth in property income for 2018 and said it plans to acquire more commercial properties in China's top tier cities, adding to its holdings in Beijing, Shanghai, Shenzhen and Guangzhou.

Huawei trade ban to test China's 5G roll-out

China's Ministry of Industry and Information Technology (MIIT) said it will issue licences for commercial 5G mobile services "in the near future", as the country attempts to move ahead in the global race to roll out ultra-fast, next-generation telecommunications networks that will help power the industrial internet, autonomous driving and smart

TODAY'S TOP GLOBAL NEWS

Top Fed official says rate cut may be needed 'soon'

The Federal Reserve may need to cut US interest rates soon to prop up inflation and counter downside economic risks from an escalating trade war, St. Louis Fed President James Bullard said. Mr Bullard's comments mark the first time a Fed official has publicly suggested the need for a rate cut since January.

Apple leaves iTunes behind to harmonise software

Apple on Monday announced enhanced privacy features as it harmonised software across its lineup of devices, while dropping its groundbreaking iTunes store as it gears up for new kinds of digital content. Apple chief Tim Cook and other executives focused on privacy features as they unveiled software improvements.

Forever 21 exploring restructuring options

Fast-fashion chain Forever 21 Inc is in talks with potential lenders and restructuring advisers as it explores options for turning around its ailing business, according to people familiar with the matter. The company is exploring financing that would shore up its liquidity and ensure founder Do Won Chang maintains control.

Blackstone buys GLP's US log assets for \$18.7b

Blackstone Group LP is making a huge bet on the future of e-commerce, agreeing to buy \$18.7 billion of U.S. logistics assets from Singapore's GLP Pte in what it says is the world's biggest private-equity real estate deal. The deal gives Blackstone 179 million square feet of urban logistics assets.

CDPQ buys Mahindra & Mahindra shares for \$177m

Mahindra and Mahindra (M&M) Benefit Trust has sold 19.2 million shares of auto maker Mahindra and Mahindra Ltd, amounting to ₹1,244 crore, to Canada's second largest pension fund Caisse de Dépôt et Placement du Québec (CDPQ), the company said in an exchange filing on Monday.