

The Daily Dispatch

June 07, 2019

TODAY'S TOP NEWS

Depreciation path seen for peso

In their monthly issue of the "Market Call," economists from the First Metro Investment Corp. (FMIC) and University of Asia and the Pacific (UA&P) said the peso is expected to move further down the 52 territory toward the end of this month, despite its strength earlier in the second quarter this year.

Diokno expects PH 'A' credit status in two years

The Philippines may finally acquire its highest "A" sovereign credit score by 2021 where its ROP bonds and other issuances will be more attractive to global investors looking for manageable risks, according to the highest ranking Bangko Sentral ng Pilipinas (BSP) official.

Tourism's share in economy falls to 5-year low

Amid the six-month closure of Boracay and other challenges, the tourism sector posted its lowest total contribution to the economy in five years. The total direct gross value added (TDGVA) of the tourism sector grew 14.3 percent, the slowest growth posted by the sector since 2013 when its contribution grew 12.6 percent.

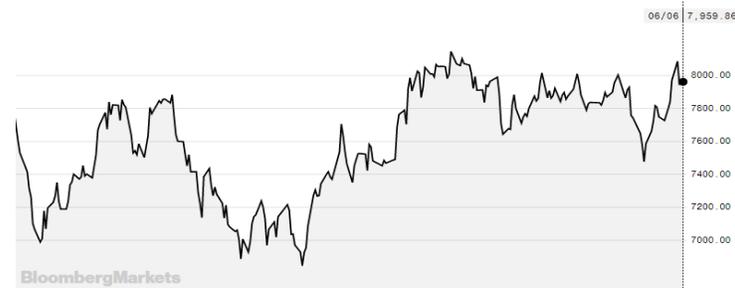
ADB grants \$3-M for climate resilient PPP projects

The Asian Development Bank (ADB) is providing an additional \$3-million technical assistance (TA) grant to the Philippine government through the Public-Private Partnership (PPP) Center for local climate-resilient PPP projects.

Japan 'softens' stance on PH bananas exports

Piñol flew to Japan and met with Japan's Minister of Agriculture, Forestry and Fisheries Takamori Yoshikawa on a one-on-one engagement in the MAFF Headquarters in Tokyo. During the meeting, Piñol asked Japanese officials to settle long-standing issues on banana tariffs as well as widen market access for Philippine agricultural products.

Philippine Stock Market Update



Previous Close:

7,959.86

1 Yr Return:

4.12%

Open:

7,955.80

YTD Return:

6.94%

52-Week Range:

6,790.58-8,213.71

Source:

Bloomberg

Foreign Exchange

As of June 6, 2019

US Dollar	Philippine Peso
1	51.77

BVAL

As of June 6, 2019

Tenor	Rate
1Y	5.5390
3Y	5.3770
5Y	5.3590
7Y	5.3430
10Y	5.2670
20Y	5.5240

Daily Quote

"Stay hungry, stay foolish."

-Steve Jobs

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MORE LOCAL NEWS

SMC eyes 1,200 MW more of RE in 5 years

THE power business of conglomerate San Miguel Corp. (SMC) targets to add 1,200 megawatts (MW) of renewable energy (RE) to its portfolio in five years. “About 1,200 MW to be finished by 2024, comprised of solar, wind and pump hydro,” SMC President Ramon S. Ang said.

AC Industrials to sell Maxus autos

AYALA Group’s AC Industrials has added Chinese automotive brand Maxus to its roster of vehicle products, and is eyeing to sell at least 500 units this year on competitive advantage in seating capacity.

WB exec lauds PH’s tax reform program

A top World Bank (WB) official has lauded the government for implementing a “proactive and forward-looking” comprehensive tax reform program (CTRP) that aims to raise enough funding for public infrastructure and social services that lay the foundation for long-term, high growth.

Foreign investment pledges triple to P46 B in Q1

Foreign investment pledges approved by the country’s seven investment promotion agencies (IPAs) more than tripled to P46 billion in the first quarter of the year, with most of the proposed investments originating from Netherlands, Japan and Thailand, the Philippine Statistics Authority (PSA) reported yesterday.

CPG commits to be ‘plastic-neutral’ by 2020

The Century Pacific Group (CPG), the group behind Century canned tuna and the iconic Shakey’s Pizza chain, has committed to be “plastic-neutral” by 2020. The companies under the group, Century Pacific Food (CNPF) and Shakey’s Pizza Asia Ventures, signed an agreement with Republic Cement to co-process post-consumer plastic waste.

Inflation uptick temporary, won’t stall rate cuts

The unexpected uptick in inflation last month is temporary and unlikely to prevent further cuts in interest rates, Capital Economics said yesterday. In a research brief, the firm said the faster growth in consumer prices in May is largely due to a base effect from last year which is expected to correct in the succeeding months.

DMCI Homes expands land bank to 150 has

DMCI Homes, the property developer of Consunji-owned DMCI Holdings Inc., has expanded its land bank to support its expansion nationwide. The quadruple A developer has expanded its land bank to 150 hectares as of March 31 from 125 hectares in March 2018.

Index returns to green despite inflation uptick

The benchmark Philippine Stock Exchange index managed to end in positive territory yesterday despite the uptick in inflation. The PSEi finished at 7,959.86, up 14.49 points or 0.18 percent. Likewise, the broader All Shares index was up albeit by just a notch at 4,884.87.

DMCI gearing for expansion outside NCR

DMCI Homes’ total landbank has expanded to 150 hectares as of end-March this year from 125 hectares in the same period last year. The current landbank has a total value of P10.2 billion, up by 71 percent from P6 billion last year.

ICTSI disputes GSIS claim on 67-ha land

Businessman Enrique Razon Jr. is standing his ground against the Government Service Insurance System (GSIS) which earlier this week announced a plan to sell the land on which the tycoon’s flagship port operation stands, the land which the state pension fund said it owned.

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TODAY'S TOP ASIAN NEWS

Warburg Pincus near close of \$4.25b China-SEA fund

Warburg Pincus LLC is nearing the final close of an at least \$4.25 billion private equity fund focusing on Chinese and Southeast Asian investments. The firm launched the fundraising earlier this year, according to the people, and it disclosed the planned fund size in a filing to the United States Securities and Exchange Commission on May 24.

L Catterton Asia's third fund raises over \$1.28b

L Catterton Asia, the regional arm of US-headquartered global private equity firm L Catterton, has so far raised over \$1.28 billion for its third Asia buyout fund, exceeding an initial target of \$1.25 billion set last year, according to an SEC filing.

VC firm SRI Cap bags \$45.2m for \$100m maiden fund

SRI Capital, the early-stage venture capital firm that invests in startups mostly based in India and the US, has so far raised \$45.2 million for its maiden \$100-million tech-focused VC fund, according to its SEC filing.

Asia Stocks Mixed Amid Mexico Tariff Negotiations

Asian stocks traded mixed Friday as traders awaited a key U.S. jobs report and the outcome of further tariff negotiations between the Trump administration and Mexico. Treasuries steadied.

Blackstone-Embassy JV to buy stake in Indiabulls RE

US private equity giant Blackstone Group Lp and Bengaluru-based property developer Embassy Group are set to jointly acquire the stake of Indiabulls Group chairman Sameer Gehlaut in Indiabulls Real Estate Ltd (IBREL), a move that will also see Indiabulls exit the real estate business to focus entirely on financial services.

TODAY'S TOP GLOBAL NEWS

Trump to Decide on Next China Tariffs After G-20

President Donald Trump said he'll decide whether to enact tariffs on another \$325 billion in Chinese imports after the Group of 20 summit at the end of the month in Japan, where he's expected to meet with China's President Xi Jinping.

Google to buy Looker to expand cloud offer

Alphabet Inc's Google agreed to buy Looker Data Sciences Inc for US\$2.6 billion, expanding its offerings to help customers manage data in the cloud. The acquisition announced Thursday gives Google a new tool in its campaign to sell more cloud storage and software.

Wall Street rises in hopes of Mexican tariff delay

Wall Street's main indexes closed higher after a choppy session on Thursday as investors grew more optimistic on trade after reports that the United States is considering a delay in imposing tariffs on Mexican imports.

Three states probing merger of Sprint and T-Mobile

The attorneys general of Arizona, Michigan and Pennsylvania have joined a group of states probing T-Mobile's plan to buy rival Sprint for \$26 billion, which is believed to be nearing the end of a regulatory review.

Beyond Meat sees sales more than doubling in 2019

Beyond Meat Inc, a maker of plant-based burgers and sausages, said it expects to more than double its revenue and report breakeven EBITDA this year, sending the its shares up over 21 percent.