

The Daily Dispatch

July 04, 2019
TODAY'S TOP NEWS

PEZA seeks audit of tax incentives

The Philippine Economic Zone Authority is hiring an audit firm to conduct a performance audit of the tax incentives it granted to investors whether these have contributed to the economy or not. PEZA Director-General Charito B. Plaza said they are looking at SGV & Co. or PWC to conduct the cost performance benefit analysis.

PCC approves BCDA, Meralco, Marubeni JV

The joint venture between the BCDA and the Meralco-Marubeni Consortium will be distributing power to the host of locators and facilities in New Clark City for an initial period of 25 years. The consortium will have 90 percent equity stake in the joint venture company, with BCDA holding the remaining 10 percent.

Nat'l Gov't debt rises in May to P7.915 trillion

As of May this year, the outstanding debt of the national government stood at P7.915 trillion, up by 1.7 percent from P7.786 trillion in the previous month. Year-on-year, the total debt obligation during the month also jumped 16 percent from P6.832 trillion.

BSP to hasten Islamic banking rules

The Bangko Sentral ng Pilipinas (BSP) will fast-track the issuance of regulations and rules for the development of Islamic finance in the country as soon as President Duterte approves and signs the Islamic Banking Law.

NEDA Chief: reform bills raise FDI up to \$40B/year

At the pre-State of the Nation Address forum in Pasay City on Monday, Socioeconomic Planning Secretary Ernesto M. Pernia said the passage of the Foreign Investment Act, Retail Trade Act and the Public Service Act would boost the country's FDI by as much as \$40 billion a year.

Philippine Stock Market Update



Previous Close:

8,092.68

1 Yr Return:

12.31%

Open:

8,096.28

YTD Return:

8.66%

52-Week Range:

6,790.58 - 8,213.71

Source:

Bloomberg

Foreign Exchange

As of July 3, 2019

US Dollar	Philippine Peso
1	51.18

PDST-R2 Rates

As of July 3, 2019

Tenor	Rate
1Y	4.8920
3Y	4.9000
5Y	4.9590
7Y	5.0100
10Y	5.0260
20Y	5.0600

Daily Quote

"I hate that word: *lucky*. It cheapens a lot of hard work."

--Peter Dinklage

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MORE LOCAL NEWS

Formal request to extend LNG project permit filed

TANGLAWAN Philippine LNG Inc., the joint venture of Phoenix Petroleum Philippines Inc. and CNOOC Gas and Power Group Co. Ltd. (CNOOC G&P), has formally lodged its request to extend its permit to build a liquefied natural gas (LNG) terminal in the country.

Taiwan extends visa-free entry for Filipinos

Taiwan extended the visa-free privilege of Filipino tourists for another year from Aug. 1, 2019 through July 31, 2020. The Taipei Economic and Cultural Office in the Philippines said the privilege was a display of Taiwan's amity with the Philippines as the country continues to boost the travel convenience for Filipinos to visit Taiwan.

Globe taps Aboitiz, Frontier to build common tower

Globe Telecom Inc. tapped Aboitiz InfraCapital and Frontier Tower Associates Philippines to build common telecom towers in the cities of Cebu, Davao and Olongapo to improve connectivity in these areas. The parties signed a MOU in support of the common tower initiatives of the DICT.

Bank reserves ratio to decrease further

Bangko Sentral ng Pilipinas Governor Benjamin Diokno sees the level of reserve requirement ratios of banks falling to a single digit at the end of his term. At the sidelines of the launch of new generation banknotes held at the Bangko Sentral on Wednesday, Diokno said the reserve requirements at the current 16 percent remained high.

'2020 budget proposal to be submitted in Aug'

THE Department of Budget and Management (DBM) has moved the submission date of the proposal for next year's P4.1-trillion national budget to next month to ensure that the impasse that delayed the approval of 2019 appropriations would not happen again.

DTI less bullish on hitting export growth goal

The Department of Trade and Industry (DTI) expects total exports to post low single-digit growth this year, which may come in below target with merchandise goods at risk from the impact of the US-China trade war. "It might be low single digit [growth] for both goods and services," Trade Secretary Ramon Lopez said.

Megawide sees flat growth in earnings

Listed engineering and infrastructure developer Megawide is looking at a flat consolidated net income of P1.89 billion this year. In a press briefing Tuesday, Megawide officials said while the company expects a rebound in the construction business, the landport operations are seen to start contributing to growth only marginally this year.

Profit taking sends local stocks lower

Share prices eased yesterday as investors decided to take profits, analysts said. The benchmark Philippine Stock Exchange index (PSEi), went down by 0.92 points, or 0.01 percent, to close at 8,092.68 while the broader All Shares index was also down by 2.08 points.

Metrobank raises P11.25 B from bond sale

Ty family-led Metropolitan Bank & Trust Co. raised another P11.25 billion as it tapped the onshore debt market anew via the issuance of two-year peso-denominated bonds. Metrobank said it was forced to upsize the volume of the bond offering due to strong demand from investors.

DoE seeks oil contract counterproposals

The Department of Energy (DoE) has invited local and foreign challengers to the three applications for petroleum service contracts in three areas in the Philippines outside the 14 pre-determined areas it had offered to exploration companies.

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TODAY'S TOP ASIAN NEWS

Ucommune said to mull up to \$200m US IPO

Ucommune is preparing to raise as much as \$200 million in a 2020 U.S. initial public offering, people familiar with the matter said, a capital infusion that would help the loss-making Chinese startup battle WeWork Cos. across the world's No. 2 economy. The four-year-old company is seeking to raise at least \$100 million.

Bukalapak looks abroad

Bukalapak's overseas pivot is coming at a time when e-commerce growth in Indonesia is beginning to hit a hard ceiling. "...Yes, there is potential that (e-commerce) growth is not as fast as before," said Fajrin Rasyid, president & co-founder of Bukalapak.

Brookfield Asset Mgmt buys Mumbai RE for \$109m

Canada's Brookfield Asset Management is acquiring a prime Mumbai real estate asset spread across 9.67 acres, which includes a 100-room premium hotel, for ₹750 crore from Sanjay Narang-owned Mars Enterprises and Hospitality Ltd, said two people aware of the development, requesting anonymity.

Sajan Pillai to launch \$75m Indian startup fund

Sajan Pillai, former CEO of IT company UST Global, is setting up a \$75-million venture capital fund to support startups, with a special focus on Kerala, IANS reported. Pillai plans to use the fund to invest in startups focused on healthcare, finance, telecom and retail sectors, the report said.

Genesis Capital closes second fund at \$850m

Hong Kong-based private equity firm Genesis Capital has announced the final close of its China-focused second fund – Genesis Capital Fund II – at \$850 million, exceeding its \$750-million hard cap.

TODAY'S TOP GLOBAL NEWS

Asda sees possible stock market listing in 2 years

The timescale for a possible stock market listing of British supermarket group Asda, by its U.S. parent Walmart, is two to three years, Asda's boss said on Wednesday.

U.S. judge blocks Qualcomm effort on antitrust

A U.S. judge on Wednesday ruled against Qualcomm Inc's effort to block the implementation of a sweeping antitrust ruling against it as the mobile chip supplier pursues an appeal that could take more than a year to wind through the courts.

Sweden's EQT targets APAC as IPO decision looms

High above Stockholm's skyline, Sweden's EQT Partners is plotting the next chapter in its rapid rise from a Nordic-focused investor to the world's seventh-biggest buyout firm, with a focus on growth in the Asia Pacific region.

Canopy Growth ousts co-CEO Bruce Linton

Canada's Canopy Growth Corp fired founder and co-Chief Executive Officer Bruce Linton, a surprise move that comes just a week after the weed producer's largest shareholder expressed disappointment over its loss-making streak.

DB to axe bankers in up to \$5.6 bn revamp

Deutsche Bank is preparing to unveil a sweeping, multi-billion euro overhaul within days that would see the axe fall heaviest on investment bankers, sources familiar with the matter said on Wednesday.