

# The Daily Dispatch

July 11, 2019

## TODAY'S TOP NEWS

### Trade deficit narrows in May

The country's trade deficit narrowed to \$3.28 billion in May as exports rose and imports of goods crucial to production declined, the Philippine Statistics Authority (PSA) said yesterday. Exports rose by one percent to \$6.16 billion from \$6.09 billion last year while imports declined by 5.4 percent.

### FDIs down 12% in April

Net inflows of foreign direct investments (FDI) slipped for the second straight month in April, but the Bangko Sentral ng Pilipinas (BSP) is confident of a strong recovery in the coming months to meet the new lower target of \$9 billion for this year.

### BOI project approvals up 27.7% to P304 B

Investments for projects registered with the Board of Investments (BOI) grew 27.7 percent in the first semester from a year ago with the power and manufacturing sectors getting the biggest share of total investments. The BOI remains confident the P1-trillion target for approved investments would be achieved this year.

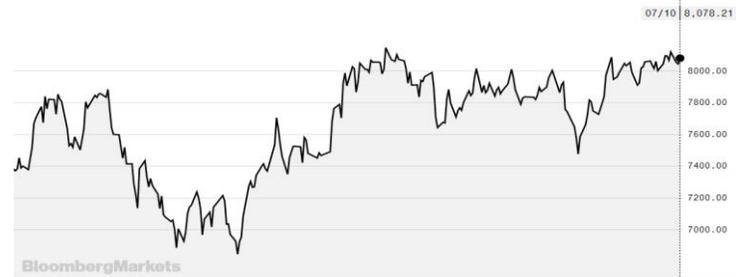
### Late buying spree props up stocks

The benchmark Philippine Stock Exchange index finished higher yesterday, buoyed by some last minute buying. The PSEi finished at 8,078.21, up 36.17 points or 0.45 percent. Likewise, the broader All Shares index rose by 21.43 points, or 0.43 percent, to end at 4,922.17.

### POGOs loom as top office occupiers

Philippine offshore gaming operators (POGOs) are likely to overtake the information technology-business processing management (IT-BPM) sector as the top office space demand driver in Metro Manila by year-end, taking up as much as 450,000 square meters of office space, a property consultancy said.

## Philippine Stock Market Update



### Previous Close:

8,078.21

### 1 Yr Return:

13.09%

### Open:

8,098.37

### YTD Return:

8.58%

### 52-Week Range:

6,790.58-8,213.71

### Source:

Bloomberg

## Foreign Exchange

As of July 10, 2019

US Dollar	Philippine Peso
1	51.45

## BVAL

As of July 10, 2019

Tenor	Rate
1Y	4.8110
3Y	4.8850
5Y	4.9810
7Y	5.0550
10Y	5.0970
20Y	5.1180

## Daily Quote

“The first step toward success is taken when you refuse to be a captive of the environment in which you first find yourself.”

– Mark Caine

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## MORE LOCAL NEWS

### Security Bank lends P450 M for CPG project

Century Properties Group Inc. has partnered with Security Bank for a P450 million funding facility for PHirst Park Homes Inc., the property developer's joint venture with global business enterprise Mitsubishi Corp. for affordable housing. The loan facility will fund PHirst Park's project in San Pablo, Laguna.

### Philippines, Israel boost deal on farm tech

The Philippines and Israel have forged an agreement to advance agricultural cooperation through the introduction of new farming technologies in the country. Agriculture Secretary Emmanuel Piñol recently met with Israel Ambassador to the Philippines Rafael Harpaz to ink the Implementing Agreement on Agricultural Cooperation.

### SMPC seeks lifting of cease order on coal trading

SEMIRARA Mining and Power Corp. (SMPC) said on Wednesday that it is in talks with the Energy department for the lifting of the cease and desist order on its coal trading activities after issues arose when a buyer failed to produce the required accreditation.

### Pag-IBIG grants P4.5 bn in soc housing loans (H1)

THE Home Development Mutual Fund (Pag-IBIG Fund) said it has granted P4.52 billion worth of socialized housing loans to 11,894 members in the first six months of 2019. In a statement, the Pag-IBIG Fund said this amount represents close to 30% of the total number of housing loans provided by the agency during the January to June period.

### PHL economy's engine can't hack a 7-8% growth

THE Philippine economy is not built to post a growth of 7 or 8 percent, Ateneo Center for Economic Research and Development (Acerd) Director Alvin P. Ang said in a forum on Wednesday, even as a ranking government official admitted that growth is not the end-goal of the Duterte administration, but reducing poverty and creating

### Megaworld's Visayas transport hub opens

ILOILO CITY—Property giant Megaworld Corp. will open today, Thursday, a P350-million transport hub here that will facilitate the Land Transportation Franchising and Regulatory Board's (LTFRB) first point-to-point (P2P) bus services.

### Filinvest breaks ground on office bldg in Clark

GOTIANUN-LED Filinvest Land Inc. on Wednesday said it broke ground on one of its key office buildings in Mimosa+ Leisure City in Clarkfield, Pampanga, and held a topping-off ceremony in another building within the complex.

### PLDT tops speed race

DIGITAL services provider PLDT Inc. claimed on Wednesday that it led the speed race in both the fixed line and mobile segments in the first half of 2019, citing data from speed testing group Ookla.

## TODAY'S TOP ASIAN NEWS

### Go-Jek snags investment from THA's largest lender

Ride-hailing giant Go-Jek has secured an investment from Siam Commercial Bank, the Thai lender that counts King Maha Vajiralongkorn as its biggest shareholder, according to people familiar with the matter. It's unclear how much Thailand's biggest bank is investing in Go-Jek, the people said.

### Taiwan home to the world's fastest-growing ETF mk

A surge in bond-buying from Taiwanese life insurers has made the island's exchange-traded fund market the fastest-growing in the world. Taiwan's insurers are snapping up ETFs domiciled locally, but comprised mostly of US corporate bonds, as they seek to offset lower yields on other investments.

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## MORE ASIAN NEWS

### Sequoia China co-leads \$50m funding in OPay

OPay, an African provider of mobile payment service and consumer platform incubated by Norwegian browser company Opera, has raised \$50 million in funding, co-led by Sequoia China, according to an announcement. Other investors include IDG Capital, Source Code Capital, Meituan-Dianping and GSR Venture.

### Logistics robotics startup Geek+ snags \$150m

Chinese logistics robotics startup Geek+ has closed a \$150 million Series C1 round, led by GGV Capital and US-based hedge fund D1 Capital Partners. The round, which is reportedly the largest in the logistics robot industry – also saw participation of its existing investors including Warburg Pincus.

### Citi, JPM, Axis Cap to raise \$1.3b for Axis Bank

Private sector lender Axis Bank Ltd has appointed investment banks Citigroup, JPMorgan and its investment banking arm Axis Capital to help it raise up to \$1.3 billion through a share sale. The bank plans to raise the funds through a qualified institutional placement (QIP) offering by selling shares to institutional investors

### Cycle sharing Yulu in talks to raise funds

Bengaluru-based cycle sharing platform Yulu, which offers electric cycles and bicycles on hire for last-mile commute, is in advanced talks to raise a Series A round of ₹100 crore (\$15 million) from Chinese investors, including Shunwei Capital, Xiaomi's venture capital arm, and ex-InMobi chief business officer Atul Satijs

### AB InBev Asia unit may price its \$9.8b HK IPO

Budweiser Brewing Company APAC Ltd., the Asia Pacific unit of Anheuser-Busch InBev NV, is guiding potential investors that it could price its \$9.8 bn Hong Kong IPO toward the low end of a marketed range. Budweiser Brewing will stop taking orders from investors in Asia and Europe at 5p.m. in each region and noon New York time

## TODAY'S TOP GLOBAL NEWS

### US central bank to study Facebook virtual currency

The US Federal Reserve has created a "working group" that is coordinating with government agencies and other central banks to consider the implications of Facebook's planned virtual currency Libra, chairman Jerome Powell said on Wednesday.

### DB faces justice department probe over 1MDB

The US Department of Justice is investigating whether Deutsche Bank AG broke laws during dealings with Malaysia's 1MDB investment fund that included helping it raise US\$1.2 billion in 2014, The Wall Street Journal reported, citing unidentified people with knowledge of the matter.

### Reckitt to pay \$1.4 billion to end Indivior probe

Britain's Reckitt Benckiser will pay up to \$1.4 billion to resolve all U.S. federal investigations into the sales and marketing of an opioid addiction treatment by its former prescription pharmaceuticals business Indivior.

### U.S. to probe French plan to tax tech companies

U.S. President Donald Trump on Wednesday ordered an investigation into France's planned tax on technology companies, a probe that could lead to the United States imposing new tariffs or other trade restrictions.

### Nintendo shares jump on launch news of Switch Lite

Shares in Japan's Nintendo Co rose more than 4% on Thursday after the company said it would soon launch Nintendo Switch Lite, a cheaper, handheld version of its hugely popular Switch games.