

# The Daily Dispatch

September 09, 2019  
TODAY'S TOP NEWS

## Digital tax payments seen saving BIR P230 million

THE BIR could save as much as P230 million annually in transaction fees if taxes are paid online, the Department of Finance (DoF) said. Shifting BIR's online payment system to PESONet from the traditional over-the-counter payment will lower transaction fees charged by banks to P25 from P40 currently, Finance Undersecretary Tionko said.

## E-cig regulations due next month from DoH, DTI

THE Department of Health (DoH) will release next month details of its plan to jointly regulate the e-cigarette industry with the Department of Trade and Industry (DTI), after it issued an order in June that called for such producers to be licensed. The implementation (of the guidelines) for the device will be joint with DoH and DTI.

## RedDoorz to open new properties in key cities

HOTEL management and booking platform RedDoorz is expanding to major cities and tourist destinations in the Philippines this year. In a statement, RedDoorz said it will add 5,000 room nights from now until the end of 2019, as it opens hotel properties in Visayas and Mindanao. Room nights are the number of rooms occupied at any given time.

## Sangley airport toll road link to Cavite eyed

Infrastructure giant Metro Pacific Investments Corp. wants to connect the Sangley airport to its Cavite Expressway (Cavite) project via a new P30-billion toll road south of Metro Manila.

## Pru Life UK going into fund management

British insurer Pru Life UK is all set to debut into the fund management business by the end of October with the launch of a new trust unit that will initially offer feeder funds in partnership with affiliate global asset manager Eastspring Investments.

## Philippine Stock Market Update



Previous Close:

7,933.47

1 Yr Return:

6.38%

Open:

7,952.88

YTD Return:

6.52%

52-Week Range:

6,790.58 - 8,419.59

Source:

Bloomberg

## Foreign Exchange

As of Sept. 6, 2019

US Dollar	Philippine Peso
1	51.877

## PDST-R2 Rates

As of Sept. 6, 2019

Tenor	Rate
1Y	3.6810
3Y	4.0230
5Y	4.2670
7Y	4.4590
10Y	4.5790
20Y	4.9710

## Daily Quote

"The way get started is to quit talking and begin doing."

-- Walt Disney

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## MORE LOCAL NEWS

### Firm raising funds via REIT

Property developer DoubleDragon Properties Corp. may raise funds from a maiden offering of real estate investment trust (REIT) as early as next year, thus recycling capital from assets with recurring revenues. DoubleDragon chair Edgar Sia II said REITs might give the company additional funding option in the coming years.

### ATN shifts business focus

Betting big on a sustained infrastructure boom in the Philippines, holding company ATN Holdings Inc. is transforming itself into a construction supply-driven enterprise that will produce the rock aggregates and precast concrete required by big-ticket infrastructure builders.

### BSP to issue debt papers in Q2 2020

The Bangko Sentral ng Pilipinas (BSP) is now looking at issuing its own debt papers in the second quarter of 2020 to strengthen the regulator's money operations aimed at influencing the underlying demand and supply conditions.

### More IPO listings seen this year

The dearth of initial public offerings has come to an end, with analysts seeing more listings this year on top of the four IPO-bound companies already in the pipeline. After the successful P344-million IPO of Kepwealth Property Philippines Inc. last month, four companies are waiting to list.

### Mynt set to become \$1-B company

Ayala-led Globe Telecom Inc. sees its financial technology venture as the next big thing as it hopes to turn it into a billion-dollar company in less than two years. "That's my goal, to make it a billion-dollar company," Globe president and CEO Ernest Cu said.

### PCC starts further review of acquisition of Holcim

The Philippine Competition Commission said it started a deeper review of the acquisition by San Miguel Corp. of cement maker Holcim Philippines Inc. to determine if the transaction will substantially lessen the market competition. It said after the initial 30-day Phase 1 review ended on Aug. 22, it moved to the 60-day Phase 2 review

### Agri conglomerate redesigns Davao's real estate

A scion of the banana-growing Floirendo family is redefining the real estate sector in the Davao Region by combining housing and commercial developments with agriculture. "With our agricultural heritage, what we are trying to do is also see how we can find our niche and how we can differentiate ourselves," says Cary Floirendo

### DITO Telecom ready to spend P20.5b in Clark

Third telecommunications player DITO Telecommunity Corp. of Udenna Corp. and China Telecom said it will invest P20.5 billion over a five-year period to build a data center in Clark Global City, Pampanga. DITO said in a statement it subleased an eight-hectare property in Clark Global City to house its main data center.

### PEZA locators threaten to exit over new tax bill

Foreign companies operating in economic zones are preparing to exit the country once the proposed Corporate Income Tax and Incentive Rationalization Act is passed into law, the Philippine Economic Zone Authority said over the weekend.

### Power rates expected to drop further in September

Power rates are expected to decline further this month amid improved supply and the impact of the net settlement surplus reduction, an executive of Manila Electric Co. said. "We see rates as being stable or may in fact even see a reduction as a result of improvements in the overall power supply," said Meralco AVP Joe Zaldarriaga.

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## MORE LOCAL NEWS

### Travel, tourism boosts economy with \$82B in 2018

Travel and tourism contributed US\$82 billion to Philippine economy and was the country's largest sector in 2018, having a 24.7-percent share in the nation's Gross Domestic Product (GDP), according to a study by a global body that represents the private sector of travel and tourism.

### Pag-IBIG taps UnionBank for lender's loyalty card

THE Home Development Mutual Fund (HDMF) and Union Bank of the Philippines (UnionBank) has signed a memorandum of agreement accrediting the Aboitiz-led financial institution as a partner bank, as the agency more known as Pag-IBIG Fund brings back its loyalty card.

### BARMM to export coconuts

The head of the Bangsamoro Autonomous Region in Muslim Mindanao approved the proposal of the Mindanao Development Authority (MinDA) for the BARMM Parliament to enact a legislation allowing the export of mature coconuts from the region.

## TODAY'S TOP ASIAN NEWS

### Alibaba's luxury push with \$2 b buy of Netease

Alibaba Group (BABA.N) has agreed to buy e-commerce business Kaola from Chinese gaming company NetEase for \$2 billion, adding a platform that specializes in supplying curated luxury goods from abroad to domestic consumers.

### Grab investing \$150m in AI to build super app

SINGAPORE — Southeast Asian ride-hailing start-up Grab Holdings intends to invest US\$150 million into artificial intelligence (AI) research over the next year, accelerating its expanding business that now includes food delivery, digital payments and digital content.

## TODAY'S TOP GLOBAL NEWS

### WeWork considers dropping valuation below \$20 b

WeWork is considering a valuation for its initial public offering that may be below \$20 billion, Dow Jones reported, citing people familiar with the matter. The office-sharing company has plans to begin a roadshow for new investors as early as Monday.

### Aramco likely to give IPO roles to Citi, GS, HSBC

Saudi Aramco is likely to give roles to Citi, Goldman Sachs, HSBC and Samba Financial Bank for its planned initial public offering (IPO), a source familiar with the transaction said on Sunday. The four banks would likely get these roles in addition to Morgan Stanley and JP Morgan Chase & Co who were chosen to play a leading role.

### San Francisco makes bid for PG&E's electric system

The city of San Francisco has offered to buy PG&E Corp's power lines and other electrical system infrastructure serving the city for US\$2.5 billion, according to the utility, which sought Chapter 11 bankruptcy protection in January. PG&E is expected to file a reorganisation plan in a US bankruptcy court in San Francisco this week.

### Oil majors to mull fresh cuts

The OPEC petroleum exporters' cartel and key non-OPEC members want to halt a slide in prices that has continued despite previous production cuts and US sanctions that have squeezed supply from Iran and Venezuela.

### China trade with US shrinks as tariff war worsens

China's trade with the United States is falling sharply as the two sides prepare for more negotiations with no sign of progress toward ending a worsening tariff war that threatens global economic growth.