

The Daily Dispatch

September 13, 2019

TODAY'S TOP NEWS

NFA hikes buying price, releases imported rice

THE Department of Agriculture (DA) said the National Food Authority (NFA) will increase the buying price for palay, or unmilled rice, to P19 from P17 while also removing add-on incentive payments under the old scheme. At the same time, the NFA will release 3.6 million bags of imported rice onto the market until early October.

Ayala, SMC units bag Meralco supply contracts

Meralco has awarded power supply agreements (PSA) covering 1,200 megawatts (MW) to units of San Miguel Corp. (SMC) and Ayala's AC Energy, Inc. The company identified the winning bidders for its power requirements to be Phinma Energy Corp., San Miguel Energy Corp. (SMEC) and South Premiere Power Corp. (SPPC).

Jollibee hungry to expand in U.S., China

Jollibee Foods Corp (JFC.PS), the Philippine fast food specialist known for fried 'Chickenjoy' and chopped hotdogs in sweet spaghetti sauce, is doubling down on expansion plans in the United States and China that are likely to include more M&A.

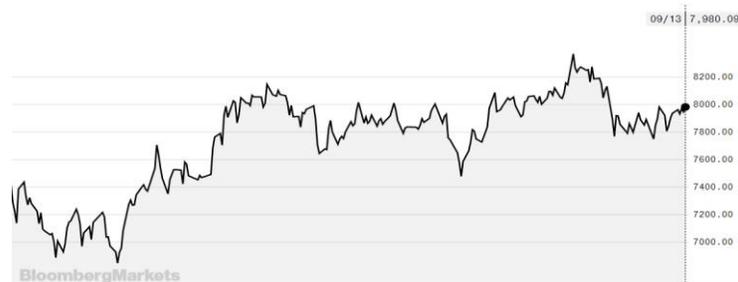
IPO still in the cards for MPIC hospital unit

Infrastructure holding firm Metro Pacific Investments Corp. (MPIC) is proceeding with negotiations for the sale of shares in its hospital business to new investors while also processing a massive P83-billion initial public offering (IPO) in what some analysts deem as a two-track asset sell-down.

SMC folds packaging businesses in one entity

Conglomerate San Miguel Corp. is moving to consolidate its packaging businesses under subsidiary San Miguel Yamamura Packaging Corp. (SMYPC), building up this unit as a standalone business complementing other traditional businesses.

Philippine Stock Market Update



Previous Close:

7,944.43

1 Yr Return:

8.12%

Open:

7,950.16

YTD Return:

7.04%

52-Week Range:

6,790.58-8,419.59

Source:

Bloomberg

Foreign Exchange

As of Sept. 12, 2019

US Dollar	Philippine Peso
1	51.79

BVAL

As of Sept. 12, 2019

Tenor	Rate
1Y	3.6990
3Y	4.1770
5Y	4.4430
7Y	4.6220
10Y	4.8430
20Y	5.2920

Daily Quote

“A lie told often enough becomes the truth.”

– Vladimir Lenin

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MORE LOCAL NEWS

3 firms step closer to bagging Meralco deal

Manila Electric Company said on Thursday that three companies gave the best bids for a contract to supply the utility with 500 megawatts for five years. Meralco said in a statement that the best bids were submitted by First Gen Hydro Power Corp., Phinma Energy Corp., and South Premiere Power Corp.

SM to open 2nd lifestyle mall in Olongapo

SM Prime Holdings is opening on Friday its 73rd shopping mall in the Philippines: a new lifestyle mall in the highly urbanized city of Olongapo in Zambales. Situated in Olongapo's primary business district, along the bustling Rizal Ave in Brgy East Tapinac, SM City Olongapo Central is a 4-story complex with gross floor area of 72,000 sqm.

Cebu Landmasters acquires premiere resort in Mactan

Property developer Cebu Landmasters Inc. (CLI) is raising its stake in the tourism space with a deal to purchase Abaca Resort Mactan, a beachfront boutique resort in Cebu, which it plans to develop into a 100-room all-suite luxury resort by 2023.

DA to 'flood' market with cheap rice imports

THE Department of Agriculture (DA) announced on Thursday it will be "flooding" the market with the National Food Authority's (NFA) cheap imported rice to cut down the prices of the staple. In a press conference, Agriculture Secretary William D. Dar disclosed they will be selling 3.6 million bags of rice nationwide.

P1.57-bn Subic Expressway project a 'game changer'

The P1.57-billion capacity expansion of the Subic Freeport Expressway (Sfex) will help boost the tourism potential of Subic, and attract more locators to invest in Central Luzon, Nlex Corp. and government officials said on Thursday.

FLI expands Pampanga footprint

PROPERTY developer Filinvest Land Inc. (FLI) expanded its footprint in Pampanga with the groundbreaking of its residential project, Hampton Orchards Phase 2, under the brand Aspire by Filinvest.

EU financial companies losing edge to China, US

European financial services companies are losing their competitive edge globally and could lose out to more nimble players in China and the United States if they do not use technology and partnerships to reinvent themselves, according to a new report by Luxembourg for Finance.

PH property sector to withstand global headwinds

The Philippine property sector should withstand external headwinds that are threatening the global economy amid "strong appetite" for commercial and residential spaces in the country, property consultancy Colliers International said.

Profit taking, foreign selling send stocks down

The stock market declined yesterday on profit taking and foreign selling, sending the benchmark Philippine Stock Exchange index down by 23.47 points, or 0.29 percent, to finish at 7,944.43. Likewise, the broader All Shares index was down 5.03 points, or 0.10 percent, to end at 4,799.79.

TODAY'S TOP ASIAN NEWS

Grab plans to launch 50 GrabKitchens across Indo

The food delivery business of ride-hailing firm Grab, Southeast Asia's most valuable tech unicorn, plans to roll out more than 50 so-called GrabKitchens across Indonesia by the end of this year.

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MORE ASIAN NEWS

Japanese investors race to buy SoftBank bonds

Monex Group Inc's online brokerage sold out 500 million yen (\$6.46 million) of SoftBank Group Corp bonds to Japanese individuals in less than three minutes, a sign of strong demand for the conglomerate's debt despite skepticism about some of the company's recent investments.

SG's Vertex add \$290m venture fund to ramp up tech

Singapore-based Vertex Venture Holdings, the first main backer of Southeast Asia's ride-hailing giant Grab, has added a new \$290 million venture capital fund targeting investments in high-growth technology firms, a senior company official said.

Pomelo raises \$52m in Series C

Pomelo has raised \$52 million in a Series C funding round to fuel the expansion of its omnichannel fashion brand across Asia, according to an announcement. The Thailand-based e-commerce startup has secured funds from a bevy of investors – including Central Group, Provident Growth Fund, InterVest Star SEA Growth Fund, etc.

Chinese startup Kuaishou mulls IPO in the US

Chinese startup Kuaishou is considering to go public in the U.S. to bankroll its expansion in short videos and fend off competition from TikTok owner ByteDance Inc., according to people familiar with the matter. The company, backed by Tencent Holdings Ltd., plans to list next year

AB InBev aims to raise \$5b in Asian unit's HK IPO

Anheuser-Busch InBev NV is aiming to raise about \$5 billion in a Hong Kong listing of its Asian unit by the end of September, people familiar with the matter said, reviving a plan scrapped two months ago for what would have been the world's biggest initial public offering of 2019.

TODAY'S TOP GLOBAL NEWS

Trump favors 'whole deal' with China

President Donald Trump said on Thursday he preferred a comprehensive trade deal with China but did not rule out the possibility of an interim pact, even as he said an “easy” agreement would not be possible. “I’d rather get the whole deal done,” Trump told reporters at the White House.

LSE board to decide on HK exchange's \$39 b offer

The London Stock Exchange's (LSE.L) board will meet in coming days to decide on the Hong Kong bourse's surprise \$39 billion takeover proposal, a source close to the British company said on Thursday, as the market poured cold water on the deal.

GE plans debt buyback to help tame balance sheet

General Electric Co plans to repurchase up to US\$5 billion of dollar and euro-denominated debt as the company seeks to cut its debt load as part of its turnaround. The company said in a statement Thursday that it would repurchase up to US\$2.5 billion of dollar debt maturing between 2022 and 2044.

Oil prices fall 1% on US-China trade doubts

Oil prices fell about 1 per cent on Thursday after a media report cast doubt on the possibility of an interim US-China trade deal and as a meeting of the Opec+ alliance yielded no decision on deepening crude supply cuts. Oil was pressured further after the European Central Bank cut its deposit rate to a record low -0.5 per cent.

Mexico's Pemex place \$7.5b of bonds in refinancing

Mexican state oil company Pemex said on Thursday it had placed \$7.5 billion worth of bonds with maturities of seven, 10 and 30 years that will be used for debt refinancing. The placement was more than five times oversubscribed, with total demand reaching \$38 billion, Pemex said in a statement.