

The Daily Dispatch

September 19, 2019
TODAY'S TOP NEWS

San Miguel looking to build expressway on EDSA

SAN MIGUEL Corp. (SMC) is seeking to build an elevated expressway along Epifanio de los Santos Avenue (EDSA) as a direct alternative to the heavily congested 23-kilometer highway. Ramon S. Ang, told reporters yesterday the company targets to submit a proposal to the Department of Transportation (DoTr) for a 10-lane, five-by-five expressway

AGI to do another round of buybacks

"We continue to pursue a share buyback because we believe in our stock's underlying value, which is backed by our strong franchises across all our business segments, years of profitable operations, and continued expansion thrust," Kevin Andrew L. Tan, the company's CEO, said.

Hoya Lens PH invests \$15.8 mn in Batangas plant

Eyeglass lens firm Hoya Lens Philippines Inc. (HLPH) and its manufacturing arm have invested \$15.77 million for their plant to boost their output, as they eye to exploit the country's growing demand for ophthalmic products projected to reach nearly P2 billion by next year.

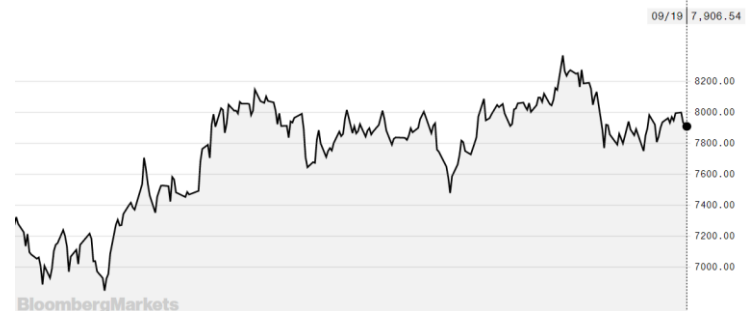
DOTr, SMC seal P734-B Bulacan airport project

Department of Transportation (DOTr) Secretary Arthur P. Tugade yesterday approved the project's Notice to Proceed after the DOTr and San Miguel Corp. (SMC) signed the Concession Agreement for the New Manila International Airport (NMIA).

French firm inks contract with Pilipinas Shell

The local subsidiary of French multinational company Air Liquide has inked a new long-term contract with Pilipinas Shell Petroleum Corporation for the supply of hydrogen to the latter's Tabangao refinery in Batangas.

Philippine Stock Market Update



Previous Close:

7,915.29

1 Yr Return:

11.35%

Open:

7,911.88

YTD Return:

5.94%

52-Week Range:

6,790.58 - 8,419.59

Source:

Bloomberg

Foreign Exchange

As of Sept. 18, 2019

US Dollar	Philippine Peso
1	52.305

PDST-R2 Rates

As of Sept. 18, 2019

Tenor	Rate
1Y	3.697
3Y	4.191
5Y	4.439
7Y	4.587
10Y	4.780
20Y	5.099

Daily Quote

"Every worthwhile accomplishment, big or little, has its stages of drudgery and triumph: a beginning, a struggle and a victory."

--Mahatma Gandhi

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MORE LOCAL NEWS

Wider current account gap seen as economy recovers

The Philippines' current account (CA) deficit may widen again by as much as one percentage point of gross domestic product (GDP) by the end of the year as the economy is seen to recover in the second half, according to a senior official of the Department of Finance.

BSP slates another 100 bps RRR cut

The Bangko Sentral ng Pilipinas (BSP) said it would further lower the reserve requirement ratio (RRR) by another 100 basis points as it is unlikely to step on the brake pedal for its easing cycle even after the attacks on the oil production facilities in Saudi Arabia.

Traders on sidelines ahead of rate cut announcements

The stock market ended in negative territory yesterday, down 16.94 points, or 0.21 percent, to end at 7,915.29. Traders said stock market investors did not have much incentive to go back to the market and would rather wait for the upcoming decisions of the US Federal Reserve and the Bangko Sentral ng Pilipinas (BSP).

SMC given the go signal to start works on airport

The government finally gave the go signal for conglomerate San Miguel Corp. (SMC) to commence with the construction of the \$15-billion New Manila International Airport in Bulacan. The Department of Transportation (DOTr) and SMC signed yesterday the concession agreement for the development of the international airport.

US equity firm investing \$250m in Converge ICT

American PE firm Warburg Pincus LLC is infusing \$250 million into Converge ICT Solutions Inc. Warburg Pincus managing director Saurabh Agarwal said the long-term partnership with Converge aimed to transform the lives of Filipinos across the Philippines and around the world by bringing high-speed fiber broadband to each barangay.

Bank of China named RMB clearing bank

Bank of China Manila was named as the clearing bank for renminbi business in the Philippines, following the MOU signed by the People's Bank of China and the BSP. Deng Jun, country head of Bank of China, said the development would not only make local RMB transactions easier but also boost local investments and other financial activities.

PSALM declares failure of bidding on Malaya plant

State-run Power Sector Assets and Liabilities Management Corp. declared a failure of bidding on the 650-megawatt Malaya thermal power plant in Pililla, Rizal after only one group submitted an offer. "Unfortunately, PSALM was constrained to declare a failure of bidding," PSALM president Irene Garcia said.

DOE reluctant on extension of Malampaya

The gov't is not inclined to extend the service contract of Malampaya natural gas project operator Shell Philippines Exploration B.V. under the same terms, Energy Secretary Cusi said. "There is no such thing as extension. That facility will already be owned by the country. I cannot agree on just extending the same terms," Cusi said.

PH bond market grew 17% in Q2 – ADB

The Philippine bond market was the second fastest-growing among Emerging East Asia's local currency bond markets, the Asian Development Bank said. In its latest Asia Bond Monitor released, ADB said the country's local currency bond market grew by 16.8% to P6.7B in the second quarter of the year from P5.7B in the same quarter in 2018.

TODAY'S TOP ASIAN NEWS

Gojek secures funding from insurer AIA Group unit

Indonesia-based ride-hailing giant Gojek has secured an unspecified amount of investment from insurance firm AIA Indonesia as part of its ongoing Series F funding round. The investment comes alongside a strategic partnership agreement between the two companies, the companies said in an official statement.

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MORE ASIAN NEWS

Wow! Momo raises funding, valued at \$120m

Wow! Momo Foods, which owns and operates quick-service restaurant (QSR) brands Wow! Momo and Wow! China, has raised \$23 million in a Series B funding round led by Tiger Global, one of the most prolific global investors in Indian startups. This is Tiger Global's first investment in a QSR brand in India.

Indies hits final close for tech fund at over \$70m

Singapore-based Indies Capital Partners has hit the final close of its tech fund, Indies Pelago Investments, according to the fund's managing directors Harold Ong and Pandu Sjahrir.

KB eyes \$100m joint SE Asia fund with MDI Ventures

KB Investment, a subsidiary of South Korean financial giant KB Holding, has confirmed that it has launched a joint fund with Indonesia's MDI Ventures, which is expected to be closed at around \$100 million next year.

Nissan seeks sale of \$1b autoparts distribution

Nissan Motor Co. is seeking to sell a wholly-owned subsidiary that distributes vehicle parts and materials in a deal that may be valued at about \$1 billion, as the struggling Japanese automaker seeks to slim down, people familiar with the matter said. The company has invited private equity and trading firms to bid for 100% of Nissan Trading Co.

DBS aims to double Thai wealth business by 2023

DBS Bank on Wednesday said that DBS Private Bank and brokerage DBS Vickers Securities (Thailand) are partnering to double wealth assets managed in Thailand to S\$8 billion from S\$4 billion by 2023. This is in order to tap Thailand's "growing pool" of high-net-worth individuals (HNWI) looking to diversify their portfolios, said the bank.

TODAY'S TOP GLOBAL NEWS

Fed cuts interest rates, signals holding pattern

The U.S. Federal Reserve cut interest rates again on Wednesday to help sustain a record-long economic expansion but signaled a higher bar to further reductions in borrowing costs, eliciting a fast and sharp rebuke from President Donald Trump.

Huawei promises smartest 5G phone

Huawei [HWT.UL] launches what could be the world's most powerful and feature-packed 5G smartphone on Thursday, but the fate of the device in Europe will hang on whether it can overcome a U.S. ban to give customers the Google software they expect.

Saudi says Iranian sponsorship of attack undeniable

Saudi Arabia on Wednesday displayed remnants of what it described as Iranian drones and cruise missiles used in an attack on Saudi oil facilities, saying they were "undeniable" evidence of Iranian aggression.

India becomes latest country to ban e-cigarettes

India became the latest country after Brazil and Thailand to ban the sale of e-cigarettes in what could potentially be the biggest move against vaping globally over growing health concerns.

Qatar Airways \$639-mn loss as boycott bites

Qatar Airways hit turbulence on Wednesday posting a net loss for the year to March 2019 of \$639 million which the airline blamed on key markets closing their airspace to Doha. The UAE, which was a key market for the Gulf carrier, along with Saudi Arabia, Bahrain, and Egypt, have enforced an economic boycott of Qatar since June 2017.