



# The Daily Dispatch

**December 12, 2019**  
**TODAY'S TOP NEWS**

## Lotte eyes full control of Pepsi PH

Nine years after buying into beverage-maker Pepsi Cola Products Philippines Inc. (PCPPI), Korean conglomerate Lotte is making an offer to buy out other shareholders of the company in what is widely seen as a prelude to possible delisting from the local stock exchange.

## P4.64-T budget for 2021 set

The economic team on Wednesday approved to pitch to the legislature a record-high P4.64-trillion cash national budget for 2021 while lauding Congress for the on-time passage of the 2020 spending bill.

## PAL names Lucio Tan's wife as vice chair

The spouse of tycoon and Philippine Airlines (PAL) owner Lucio Tan was named vice chair of the flag carrier, a stock exchange filing on Wednesday showed. The filing from listed parent PAL Holdings Inc. showed that the board of the operating firm Philippine Airlines Inc. approved the appointment of Carmen K. Tan as vice chair.

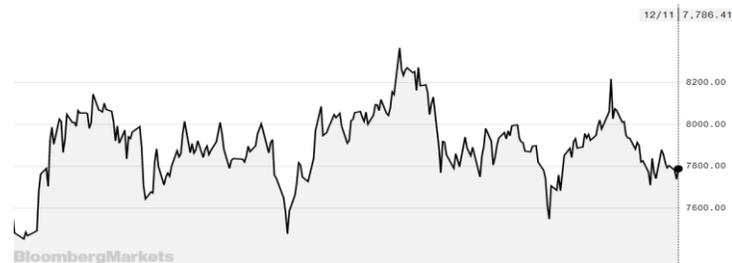
## Metro Pacific buys Butuan hospital

The country's leading hospital chain operator Metro Pacific Hospital Holdings Inc. (MPHHI) has signed a deal to acquire 100-room Manuel J. Santos Hospital in Butuan, expanding its footprint in Mindanao.

## Economic team sees 6-6.5% GDP growth in 2019

The Philippine economy is seen growing within the range of 6-6.5% this year amid easing inflation but slower growth in external trade. The Cabinet-level Development Budget Coordination Committee (DBCC) narrowed the 2019 gross domestic product (GDP) growth target to 6-6.5% from 6-7% previously, abandoning the higher end of the earlier goal.

## Philippine Stock Market Update



**Previous Close:**

7,786.41

**1 Yr Return:**

5.32%

**Open:**

7,744.15

**YTD Return:**

3.94%

**52-Week Range:**

7,378.88 - 8,419.59

**Source:**

Bloomberg

## Foreign Exchange

As of Dec. 11, 2019

US Dollar	Philippine Peso
1	50.713

## BVAL Reference Rates

As of Dec. 11, 2019

Tenor	Rate
1Y	3.469
3Y	3.858
5Y	4.176
7Y	4.436
10Y	4.630
20Y	5.176

## Daily Quote

"If your ship doesn't come in, swim out to meet it."

--Jonathan Winters



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## MORE LOCAL NEWS

### CLI to spend P10B for three projects in Davao

Cebu Landmasters, Inc. (CLI) is investing about P10 billion for its three projects in the city next year, its top official said yesterday. CLI chief operations officer, said the money will be used for the developments of the Paragon Davao, the Davao Global Township (DGT) and the Lyceum of the Philippines University (LPU) township.

### DBCC proposes P4.64T national budget for 2021

The inter-agency Development Budget Coordination Committee (DBCC) has pegged at P4.64 trillion the proposed national budget for 2021, which will be used to fund the government's priority programs, including anti-poverty and peace-building projects.

### UnionBank ramps up AI adoption, partners with MAS

Aboitiz-led Union Bank of the Philippines has partnered with the Monetary Authority of Singapore (MAS) to further push the adoption of artificial intelligence (AI) in the country. David Haroon, special advisor for AI of MAS, said good governance is essential to AI adoption in the financial industry.

### PH to remain as largest rice importer next year

The Philippines will maintain its status of being the world's biggest rice importer by 2020, according to the United States Department of Agriculture-Foreign Agricultural Service (USDA-FAS). The country is seen importing some 2.7 million metric tons of rice next year, higher than the 2.4 million MT imports of China.

### Dennis Uy expanding into entertainment, media

Dennis Uy is looking to expand into the media and entertainment business. The Davao-based businessman has formed Udenna Communications Media and Entertainment Holdings Corp. which will be folded into his listed company ISM Communications Inc.

### MWSS revokes water deals' extension resolution

THE Metropolitan Waterworks and Sewerage System (MWSS) on Tuesday confirmed that it has revoked the resolution extending by 15 years the 1997 concession agreements with Maynilad Water Services Inc. and Manila Water Co.

### Chevron-Malampaya stake sale to Udenna with PCC

THE country's antitrust body has confirmed its receipt of the submission of documents to review the sale and purchase agreement of Chevron's stake in Malampaya. On the sidelines of a briefing on Wednesday, Philippine Competition Commission (PCC) Chairman Arsenio M. Balisacan told reporters the submission is now being

### Axelum allots P600-million capex for 2020

COCONUT products manufacturer Axelum Resources Corp. said it will spend some P500 million to P600 million next year to further strengthen its production capabilities and broaden its geographic reach.

### Talino Venture Labs unveils new mobile apps

START-UP incubator Talino Venture Labs launched on Tuesday evening three new mobile apps that are geared toward tapping a hugely unserved market in the insurance, lending and regulatory compliance markets.

### ADB keeps PH growth forecasts

ADB has kept its growth forecasts for the Philippines following the rebound in public spending, while trimming its projections for other developing nations in the region. ADB said yesterday that the gross domestic product (GDP) forecasts for the Philippines were maintained at 6.0 percent this year and 6.0 percent next year.

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## MORE ASIAN NEWS

### Indonesian lender BCA adds \$14.26m more to VC arm

Bank Central Asia (BCA), Indonesia's largest private lender by assets, has injected Rp 200 billion (\$14.26 million) into its venture capital arm Central Capital Ventura (CCV) to pursue further investments in fintech startups. In a filing, BCA said that CCV has a strategic role to collaborate with fintech companies.

### Tiger Global leads \$26m funding in startup KredX

New York-based Tiger Global Management, which bounced back with numerous investments in Indian startups this year, has added yet another feather to its cap. The investment firm has led \$26-million Series B funding round in Sequoia Capital-backed invoice discounting platform KredX, along with existing investor, for a minority stake

### SoftBank-backed OneConnect downsizes IPO by 28%

Ping An Insurance's OneConnect Financial Technology on Wednesday downsized its planned U.S. initial public offering by 28% and lowered its target valuation, dealing yet another blow to its investor SoftBank, which is still reeling from the fallout of WeWork's failed listing.

### Keppel DC Reit to acquire data centre for \$91m

Sg-listed Keppel DC Reit, the first data centre REIT listed in Asia, announced that it has agreed to acquire a shell and core purpose-built data centre in Kelsterbach, Germany for \$91 million. Keppel DC Reit said the agreement with Maena KG marks its second data centre acquisition in Germany and its eighth in Europe.

### China's Ucommune files for US IPO

China's biggest shared workspace provider Ucommune on Wednesday filed paperwork with the U.S. securities regulator for an initial public offering, months after WeWork shelved its IPO amid severe investor concerns over its mounting losses.

## TODAY'S TOP GLOBAL NEWS

### Democrats prepare for impeachment vote

Democrats in the U.S. House of Representatives moved closer on Wednesday to impeaching Donald Trump, as the president and senior Republicans appeared to converge on the idea of a shorter trial once the charges come to the Senate in the new year.

### Nestle sells US ice cream brands to JV with Froneri

Nestle SA (NESN.S) has agreed to sell its U.S. ice cream business to Froneri in a deal valued at \$4 billion, moving control of brands including Häagen-Dazs to a joint venture the Swiss group set up in 2016.

### Saudi Arabia hails 10% debut jump in Aramco shares

Saudi Aramco (2222.SE) shares surged the maximum permitted 10% above their IPO price on their Riyadh stock market debut on Wednesday, in a move hailed by the government as a vindication of its towering \$2 trillion valuation of the state oil company.

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### WeWork in talks to sell business it bought 8M ago

WeWork is in talks to sell Managed by Q Inc, a business it owned for about eight months, according to people familiar with the matter. The deal may help the troubled office-sharing company raise cash and refocus on its main business. A group of investors and executives is trying to buy the business back from WeWork.