



# The Daily Dispatch

December 13, 2019

## TODAY'S TOP NEWS

### ING adding digital platform offerings

The all-digital retail banking platform of Dutch financial giant ING will expand its offering next year to include payments and lending capability, new functions that are seen to increase its customer base.

### Water firms' woes drag market lower

The local stock barometer tumbled on Thursday as investors continued to digest the impact of the government's decision to terminate the water concession of Manila Water Co. and Maynilad Water Services after 2022.

### Fruitas Holdings sees revenue growth above 20%

Newly listed Frutas Holdings, a leading food and beverage kiosk operator, expects to sustain a full-year revenue growth breaching 20% for this full year. In the first six months of the year, Frutas grew revenues by 29.6% year-on-year to P941.19 million. Net income for the first half amounted to P51.97M compared to P38.98M in the previous year.

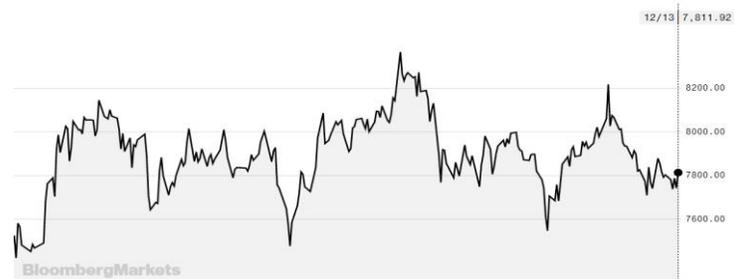
### Sprout comes into full bloom

When it comes to funding and investors, one could say that local tech startup Sprout Solutions, which provides human resources (HR) and payroll management solutions, is in full bloom.

### Electronics sector sets low 2020 target

Electronic exporters will likely set their export growth target for 2020 at only 0 to 3 percent, as the uncertainty over their tax breaks and the US-China trade war make it difficult for the industry to grow beyond that range, according to Semiconductor and Electronics Industries in the Philippines Foundation Inc. (Seipi) president Danilo Lachica.

## Philippine Stock Market Update



**Previous Close:**

7,741.07

**1 Yr Return:**

5.86%

**Open:**

7,818.40

**YTD Return:**

4.91%

**52-Week Range:**

7,378.88-8,419.59

**Source:**

Bloomberg

## Foreign Exchange

As of Dec 12, 2019

US Dollar	Philippine Peso
1	50.73

## BVAL

As of Dec 12, 2019

Tenor	Rate
1Y	3.4570
3Y	3.8760
5Y	4.1790
7Y	4.4250
10Y	4.5990
20Y	5.1760

## Daily Quote

“Christmas is doing a little something extra for someone”

—Charles Schulz



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## MORE LOCAL NEWS

### BSP keeps key rate unchanged at 4.0%

The central bank's Monetary Board decided to keep the policy rate unchanged at four percent on continued benign inflation outlook until 2021. Bangko Sentral ng Pilipinas (BSP) Governor Benjamin E. Diokno said inflation expectations remain well-anchored while the risks remain on the upside in 2020 and more on the downside in 2021.

### BPI Family plans to issue ₱35-B debt securities

BPI Family Savings Bank (BFSB), the consumer and retail banking arm of the Bank of the Philippine Islands (BPI), is planning to raise ₱35 billion via its proposed Three-Year Shelf Registration Debt Securities Program (DSP).

### RLC, Double Dragon to develop office building

Robinsons Land Corporation and Double Dragon Properties Corporation (DD) have teamed up to develop a ₱2-billion office building on a lot that will be merged to form part of RLC's Bridgetowne mixed-use estate.

### SEC now allows revival of expired corporations

Under the Guidelines on the Revival of Expired Corporations, an expired corporation whose certificate of registration has been suspended or revoked for non-filing of reports may revive its existence, provided it shall file the proper petition and settle the corresponding penalties.

### Philippine to fast-track borrowings from Japan

The Philippines is looking to fast-track the processing of loans from Japan before the expected increase in interest rates due to the country's anticipated advancement into an upper-middle income economy, according to the Department of Finance (DOF).

### PH seen running a narrower current account deficit

Fitch Solutions said the Philippines may post a narrower current account (CA) deficit in 2019 and 2020 due to weaker import demand. In its latest economic analysis titled "Philippines' current account deficit to narrow," the research arm of Fitch Group revised downwards its CA deficit projection to 0.4 percent this year.

### Smart takes back in 4G availability

PLDT wireless subsidiary Smart Communications Inc. has overtaken its rival in providing superior 4G availability while maintaining its lead in delivering faster LTE download speeds in both rural and urban areas, according to the latest analysis by independent mobile analytics company Opensignal.

### OpenSignal tags Smart as lead provider in 4G

From September to November, Smart scored an average of 70.1 percent in terms of 4G availability on rural areas, beating Globe Telecom Inc.'s 64.8 percent score, while averaging 82.5 percent availability in urban areas, or over two points higher than that of Globe's 80.3 percent.

### MPIC Hospital seals purchase of Butuan hospital

METRO Pacific Hospital Holdings Inc. (MPHHI) has completed the share purchase agreement with the Santos, Vesagas, and Villareal families to acquire a minimum of 576,257 shares, representing at least 67 percent of Santos Clinic Inc., owner and operator of the Manuel J. Santos Hospital (MJSB) in Butuan, Mindanao.

### ABS-CBN files \$4-M piracy suit

In a statement, ABS-CBN Head of Global Anti-Piracy Elisha Lawrence said her group filed the complaint against a certain Anthony Brown and 1700 Cuts Technology for allegedly selling illegal set-top boxes on social media.



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## TODAY'S TOP ASIAN NEWS

### SMFG seeks to expand into brokerage, consumer fin

Takaya Yamaguchi December 13, 2019 Japan's Sumitomo Mitsui Financial Group Inc (SMFG) plans to expand into brokerage and consumer finance banking businesses in Asia to offset the impact of slow economic growth at home, its chief executive told Reuters.

### WeWork India looks to rationalize expansion

WeWork India, the local affiliate of New York-based co-working startup, The We Company, is working on improving profitability, rationalizing the rate of expansion and product prices, and catering to large enterprises, said a top company executive.

### Bangkok Bank to buy Indo lender Permata for \$2.7b

Bangkok Bank Pcl, Thailand's third-largest lender by assets, said on Thursday it had agreed to buy an 89.1% stake in Indonesia's PT Bank Permata for about \$2.7 billion, in the first major overseas acquisition for a Thai bank.

### AB InBev's \$11b Aus asset sale to Asahi hits hurdle

Anheuser-Busch InBev's \$11bn asset sale to Japan's Asahi could hurt competition in Australia's cider sector and may also do the same for beer, the country's competition regulator warned. AB InBev's planned sale of Carlton & United Breweries is part of the world's largest brewer's drive to lower debt after buying SABMiller in 2016.

### Bank of Baroda to sell Caribbean sub to ANSA bank

Public sector lender Bank of Baroda on Thursday said it has signed a binding share purchase agreement with ANSA Merchant Bank Ltd for selling its subsidiary, Bank of Baroda (Trinidad and Tobago) Ltd, or BOBTTL. The transaction is subject to the approval of the Central Bank of Trinidad and Tobago.

## TODAY'S TOP GLOBAL NEWS

### US Fed keeps rate on hold

That was a signal that central bankers, who have repeatedly pledged to change course if needed, are monitoring the global slowdown and persistent absence of price pressures, which could open the door to further rate moves.

### GIC to buy European logistics portfolio

GIC has signed an agreement to acquire a pan-European logistics real estate portfolio, Maximus, for around 950 million euros from funds managed by affiliates of alternative investment manager Apollo Global Management. This is in line with GIC's strategy to scale up its wholly-owned P3 logistics platform.

### OneConnect set to raise \$312m in US IPO

Ping An Insurance's OneConnect Financial Technology is set to raise around US\$312 million in its US initial public offering (IPO) on Thursday, according to a person familiar with the matter. OneConnect priced around 31.2 million American depositary shares (ADS) in its IPO at US\$10.

### US and China said to agree on 'phase one' deal

The United States and China have reached consensus on the terms of a "phase one" trade deal, multiple US media outlets reported on Thursday. Intended to be the first in a series of incremental agreements to resolve the trade war, the deal has the approval of US President Donald Trump.

### Samsung to invest \$8b more in China chip plant

Samsung Electronics will increase investment at its chip factory in China by US\$8 billion to boost production of NAND flash memory chips, Chinese media reported on Tuesday.