

# The Daily Dispatch

June 10, 2019  
TODAY'S TOP NEWS

## BSP to public: Be wary of cryptocurrencies

The Bangko Sentral ng Pilipinas will continue to address the risks brought about by the growing use of virtual or cryptocurrencies in the country, according to BSP Governor Benjamin Diokno. He said he is not fully convinced about the use of cryptocurrencies in the country since this could be used for terrorism financing.

## Index targets 8,000

“The market will likely struggle to approach 8,000 this week with the escalation of the trade war that now includes Mexico and ensuing likely preponderance of weak global economic data reminding investors of the slowdown in both developed and emerging markets,” said Cristina Ulang, vice president at First Metro Investment Corp.

## Consumers feel benefits of rice liberalization

Nearly three months since the opening of the rice market, local consumers continue to enjoy lower prices, but farmers remain to be at the losing end. Latest data from the Philippine Statistics Authority (PSA) showed that prices of Filipinos’ main staple continued to be on the downward trend following arrival of private sector imports.

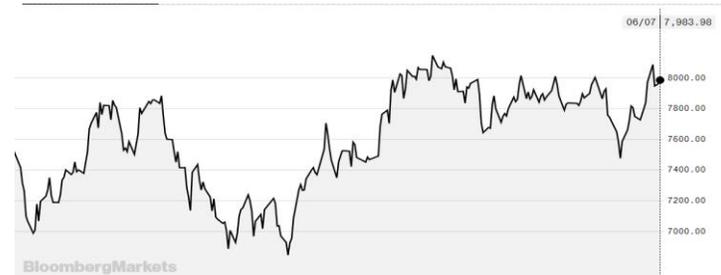
## Third telco’s license likely out this month

Change is coming for the Philippine information and communications technology landscape, with the government giving its assurance that Filipinos will finally enjoy faster internet speed next year. The DICT said Filipino internet users should expect faster speeds in 2020.

## PCC prepares review of SMC-Holcim deal

The Philippine Competition Commission (PCC), the government’s anti-trust agency, is now ready to start the review of the \$2.15 billion acquisition of Holcim Philippines by conglomerate San Miguel Corp. (SMC). SMC and the Holcim Group have notified PCC about the acquisition.

## Philippine Stock Market Update



### Previous Close:

7,983.98

### 1 Yr Return:

5.21%

### Open:

7,981.59

### YTD Return:

7.13%

### 52-Week Range:

6,790.58-8,213.71

### Source:

Bloomberg

## Foreign Exchange

As of June 7, 2019

US Dollar	Philippine Peso
1	52.05

## BVAL Reference Rates

As of June 7, 2019

Tenor	Rate
1Y	5.457
3Y	5.258
5Y	5.246
7Y	5.253
10Y	5.217
20Y	5.492

## Daily Quote

"You must do the things you think you cannot do."

--Eleanor Roosevelt

# The Daily Dispatch

## MORE LOCAL NEWS

### PH, Japan to ink \$202-M loan deal

THE Philippines is expected to sign a \$202.04-million infrastructure loan agreement with Japan on the sidelines of a high-level joint committee meeting between the two countries on June 18, the DoF announced. The DoF said the deal was for the Road Network Development Project in Conflict-Affected Areas in Mindanao

### Jollibee eyes to add 5 branches in Guam

JOLLIBEE Foods Corp. is bullish about its expansion plans overseas as it looks to add five more branches in the United States territory of Guam. In a statement over the weekend, the listed fast-food giant said it planned to do so in the next five years, after opening its first branch in the Micronesia Mall in Dededo in April.

### Another SMC power facility in the offing

SAN Miguel Corp. is planning to build a peaking power plant — or a plant that operates when there is high electricity demand — next to its 1,200MW Ilijan power facility in Batangas City. SMC President and COO Ramon S. Ang instructed SMC Global Power Holdings Corp. General Manager Elenita Go to develop the facility beside

### Coca-Cola invests P1b in recycling facility

Coca-Cola Beverages Philippines Inc., the bottling arm of Coca-Cola in the country, announced plans to build a P1-billion pioneering food-grade recycling facility. This represents Coca-Cola's first major investment in a recycling facility in Southeast Asia as a part of the company's commitment to a "World Without Waste".

### EastWest Bank, Ageas expand insurance venture

EastWest Bank and Ageas celebrate the 4th anniversary of their JV. The partnership operates under the brand name Troo to offer life insurance to customers of EastWest and Filinvest. "From the start, Troo has been embracing the latest technology and digital solutions as a core of its daily business," says president Hans Loozekoot.

### Epson PH to focus on core tech, B2B operations

To maintain its bullish PH market share this 2019, Epson Philippines Corp. shared its plans to build on new businesses, minimize dependence on mainstream product segments and optimize its business-to-business operations. Last FY18, Epson Philippines posted an overall positive growth of 23%, topping FY17's outstanding growth of 14%.

### DOE urges utilities to expedite bidding of deals

Energy Secretary Alfonso G. Cusi has urged distribution utilities to immediately conduct a public bidding of power supply agreements in line with the recent Supreme Court decision mandating the competitive selection of these deals.

### EDC to supply clean power to BTG medical center

In a statement over the weekend, the Lopez-led firm said together with its subsidiary Energy Development Corp. (EDC) it signed the deal with Mary Mediatrix Medical Center (MMMC) to supply one megawatt (MW) of geothermal power from its Bacon-Manito (Bacman) geothermal power plant in Bicol.

### Central bank nod for LTNCDs drives SECB stock

THE NEWS on Security Bank Corp. receiving regulatory approval to issue up to P20 billion worth of long-term negotiable certificates of time deposits (LTNCDs) last Tuesday drew interest for some investors, but it was heavily offset by the sell-off of Philippine equities that day following the performance of the Nasdaq index that drove market

### Diokno: No more 'reactive' policies vs inflation

Smarting from last year's inflation crisis, the head of the country's central bank—the person chiefly responsible for keeping local consumer prices in check—last week recommitted the monetary authority to acting against rising consumer prices before they reach crisis levels.

# The Daily Dispatch

## TODAY'S TOP ASIAN NEWS

### General Atlantic gears up for top-deck reshuffle

Global growth equity firm General Atlantic is set to get a new team of dealmakers in Southeast Asia by this summer as the firm is witnessing a reshuffle in its top deck with two of its executives Wai Hoong Fock and Piti Honggaranagon said to be on their way out.

### WM secures \$60m first close for 3rd SEA fund

Wavemaker Partners has secured a \$60-million first close for its \$100-million third Southeast Asian fund, industry sources tracking the venture capital firm told DealStreetAsia.

### Starwood buys Centuria & BlackRock Sydney towers

Starwood Capital, one of the biggest real estate managers in the world, and its Australian partner Arrow Capital Partners have acquired the Zenith office complex, an iconic A-Grade office complex in Sydney, from property fund manager Centuria Property Funds and BlackRock.

### HK seeks new markets through Asean free-trade

The intensifying US-China trade war has battered Hong Kong, prompting it to look to new markets and trade mechanisms such as those presented by the upcoming free-trade deal with Asean. Five Asean countries – Singapore, Thailand, Vietnam, Laos and Myanmar – have their free-trade deals with Hong Kong take effect on Tuesday.

### WH seeks delay on Huawei ban for contractors

The White House Office of Management and Budget has asked the U.S. Congress for more time to phase in a ban on federal contracts with companies that do business with Chinese telecom giant Huawei, part of a defense law passed last year.

## TODAY'S TOP GLOBAL NEWS

### Raytheon and United Technologies announce merger

American defence and aeronautics heavyweights Raytheon and United Technologies announced that they have agreed to merge, the companies said in a joint statement. "The transaction will create a premier systems provider with advanced technologies to address rapidly growing segments within aerospace and defence," the statement said.

### Renault to block Nissan's corp gov overhaul

France's Renault has told Nissan Motor that it will block the company's plan to overhaul its corporate governance, the Financial Times reported on Sunday. Renault chairman Jean-Dominique Senard revealed the same in a letter to Nissan chief executive Hiroto Saikawa on Saturday.

### Facebook suspends app pre-installs new Huawei

Facebook is no longer allowing pre-installation of its apps on Huawei phones, the latest blow for the Chinese tech giant as it struggles to keep its business afloat in the face of a US ban on its purchase of American parts and software.

### Oil pipeline congestion; lucrative storage play

Upheavals in the Canadian crude market are providing unique opportunities for firms with sizeable long-term leases on Alberta storage tanks, a cluster that sources say includes Mercuria Energy Group and oil major BP Plc's trading arm.

### G20 agrees to wrap up Big Tech tax rules by 2020

Group of 20 finance ministers agreed on Sunday to compile common rules to close loopholes used by global tech giants such as Facebook to reduce their corporate taxes, a final communique issued by the bloc showed on Sunday.