

The Daily Dispatch

September 29, 2017
TODAY'S TOP NEWS

DTI cites benefits in joining TPP

The Philippines finds the benefits of the Trans-Pacific Partnership (TPP) too hard to resist even without the US, citing it as the reason for the country's recent revival of interest in joining the mega-trade deal. The country has had a change of hearts recently about joining the deal after deciding to shelve such plan earlier.

AIIB clears co-financing for Metro flood project

The Asian Infrastructure Investment Bank (AIIB) has approved co-financing for the \$500-million Metro Manila Flood Management Project that seeks to improve flood control in select areas of the metropolis. The board approved co-financing of \$207.63M for the project, while another \$207.63M is being sought from the World Bank.

Eagle Cement plant expansion gets BOI perks

Eagle Cement Corp. (ECC), the integrated cement company of the Ang family, has received the green light from the Board of Investments (BOI) for the expansion of the third production line in its plant in San Ildefonso, Bulacan.

UCPB privatization credit positive — Moody's

Credit rating agency Moody's Investors Service said yesterday the government's plan to pursue the privatization of United Coconut Planters Bank (UCPB) would be a "credit positive" for the bank as the move would beef up its capital.

Manila's real estate sector still has room to grow

Metro Manila, even as congested as it may seem, still has a room to grow and is even believed to have been rapidly rising as a megacity, at least for real estate service provider Santos Knight Frank. They project a highly optimistic future for Manila amid strong investor confidence and sound macroeconomic fundamentals in the PH.

Philippine Stock Market Update



Previous Close:

8,018.05

1 Yr Return:

-0.34%

Open:

8,015.68

YTD Return:

15.58%

52-Week Range:

6,499.00 - 8,106.74

Source:

Bloomberg

Foreign Exchange

As of Sept 28, 2017

US Dollar	Philippine Peso
1	50.935

PDST-R2 Rates

As of Sept 28, 2017

Tenor	Rate
1Y	2.8585
3Y	3.6508
5Y	4.6514
7Y	4.3278
10Y	4.6194
20Y	5.1474

Daily Quote

"Someday is not a day of the week."

--Denise BrennanNelson

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MORE LOCAL NEWS

UK targets upscale beef market in PH

After being banned in the Philippines for 20 years due to the mad cow disease, UK beef is staging a comeback with potential \$45 million (£34 million) in annual exports to the Philippines largely catering the local upscale market.

PAL, gov't in talks to settle arrears

Flag carrier Philippine Airlines (PAL) is in talks with the Duterte administration to resolve a long-running issue regarding alleged unsettled navigational fees and other charges amounting to over P7 billion.

Biz Buzz: PCC swamped

After all that talk about how change is coming, people don't seem to talk much about what to do once it's finally here. This was the predicament for a number of domestic companies that want to do M&A's, especially since, for the longest time, they did not have an antitrust watchdog breathing down their necks.

BPO firms drive demand for Iloilo office space

WHILE THE Metro Manila office market is seeing a slowdown in investments from business process outsourcing (BPO) firms, the market remained robust in Iloilo, where outsourcing firms continue to drive demand for office spaces.

Ayala completes acquisition of minority in Mynt

AYALA Corp. has completed its acquisition of a 10% stake in financial technology firm Globe Fintech Innovations, Inc. (Mynt), as it looks to take part in the growing online financial services market.

Infra remains weak link in PH competitiveness

Investors think the country's macroeconomic environment is among the most attractive in the world, but their interest in the Philippine economy is being dampened by slow infrastructure development. Even if it ranked 22nd out of 137 nations in the WEF Global Competitiveness Index this year, it scored low in overall infrastructure.

Luzon power grid on yellow alert again

The National Grid Corporation of the Philippines (NGCP) on Thursday, September 28, placed the Luzon power grid under yellow alert again after some power plants went offline. "Luzon grid is on yellow alert due to the unexpected shutdown of some power plants and high forecasted demand," the grid operator announced on Thursday.

Singapore, PH set energy partnership

The Philippines and Singapore have agreed to partner on liquefied natural gas (LNG) and electric vehicle initiatives, a senior Energy department official said. Philippine Energy Secretary Alfonso Cusi and Singaporean Minister for Trade and Industry S. Iswaran have assigned point persons to collaborate and coordinate for further exchanges.

Maynilad investing P239m in Cavite

West zone concessionaire Maynilad Water Services Inc. said it is spending P239 million for a pipe-laying project in the cities of Bacoor and Imus in Cavite province that will connect 23,000 new customers to Maynilad's water distribution network. The project involves laying almost 12 kilometers of lines along Daang Hari Road.

TODAY'S TOP ASIAN NEWS

More Chinese fintech firms to eye Hong Kong IPOs

More Chinese fintech firms vying to go public could choose Hong Kong as their listing venue, after the city's first fintech IPO received a hot response from investors, and that Hong Kong has unique advantages compared with other global financial hubs, said JP Morgan's head of global investment banking in China.

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MORE ASIAN NEWS

CH money still leaking into world housing markets

Tighter capital controls have done little to dent the appetite of Chinese buyers who already helped drive prices higher across the globe. While definitive data are hard to come by, real estate brokers including Knight Frank LLP, Savills Plc and domestic firm Shiju report rising purchases of overseas property this year.

Cross-border power deal inked by 3 Asean states

The Asean plans to forge closer energy ties have taken a major step forward after Malaysia, Thailand and Laos sealed a cross-border trading arrangement. The Energy Purchase Wheeling Agreement, described as the region's first multilateral power grid deal, allows Malaysia to purchase up to 100 MW from Laos using Thailand's grid.

China outbound M&As seen picking

The value of Chinese overseas merger-and-acquisition (M&A) deals jumped in the third quarter after several large transactions, and dealmakers expect continued momentum as recovering economic fundamentals damp the need for restrictions on capital outflows.

TODAY'S TOP GLOBAL NEWS

Bombardier, Siemens rail merger de-railed

Canada's Bombardier Inc missed out on a merger of its rail unit with Germany's Siemens because of a reluctance by Siemens to cede control of its business, allowing France's Alstom to clinch a deal with the German firm, with help from new French president Macron, three sources close to the negotiations told Reuters.

Wall Street Journal to end print in Europe, Asia

The Wall Street Journal, part of Rupert Murdoch's News Corp., is closing down print editions in Europe and Asia as a result of shrinking advertising. The final print edition in Europe will be Friday, with the Asian edition ending a week later, the newspaper reported Thursday in an article, citing company officials.

Bitcoin is the market's favorite buzzword

Want your company's stock to climb? Consider mentioning "bitcoin" in the press release. In the late 90s all it took was a dot-com in the name, back in the 60s "tronics" was good enough to double a share price. In 2017, the moniker sure to stoke investors' appetite is any variation of "digital currency."

Toronto, London among riskiest housing bubble cities

Toronto and London are among the cities most at risk of a housing bubble as economic optimism and low borrowing costs push up property values in urban areas worldwide, according to UBS Group AG.

Toshiba sells chip unit to Bain Capital for \$18B

Toshiba said it had formally signed a deal to sell its memory chip business to a group led by US investor Bain Capital for around \$18 billion. The sale to the consortium—which includes US tech giants Apple and Dell as well as SK chipmaker SK Hynix—is seen as crucial to keeping the struggling Japanese conglomerate afloat.

AIIB to invest in IFC fund

The Asian Infrastructure Investment Bank (AIIB) has announced it will invest 150 million U.S. dollars in the International Finance Corporation (IFC)'s Emerging Asia Fund to address the infrastructure gap in Asia. The bank will become one of the fund's biggest investors, according to a statement.

Economic Calendar

Date	Release
09.15.2017	PH: Overseas Remittances YoY
09.18.2017	PH: BoP Overall
09.21.2017	PH: BSP Overnight Borrowing Rate
09.28.2017	PH: Money Supply M3 SRF YoY
09.28.2017	PH: Bank lending YoY

Source: Bloomberg Economic Calendar