

The Daily Dispatch

January 15, 2018
TODAY'S TOP NEWS

Andanar: 3 telco players enough in PH

The local telecommunications industry will only need up to 3 players for the market to still be profitable, according to Presidential Communications Secretary Martin Andanar. Andanar said there is a need to "take into consideration the size of the Philippine market" before opening more slots for telco players.

Sombrero: PH can earn big with CH call centers

A plunder charge isn't stopping retired police general Wenceslao "Wally" Sombrero Jr from campaigning to make the Philippines Asia's hub for online gaming. He's doing interviews to send President Rodrigo Duterte a message.

McDonald's PH goes cashless with PayMaya

PLDT Incorporated unit PayMaya Philippines has partnered with Golden Arches Development Corporation (GADC), which holds the exclusive franchise of McDonald's in the country, to step up the telcos' battle on cashless payments. "It's a new space for both of us. It's a big push for cashless payments," said Manuel Pangilinan.

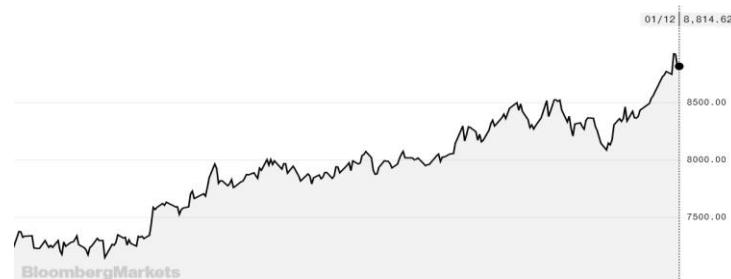
Tax reform may force McDonald's to hike prices

Golden Arches Development Corp., the franchise holder of McDonald's in the Philippines, said it may raise prices to lessen the impact of higher tax under the Tax Reform for Acceleration and Inclusion law. "We may have to raise beverage prices," GADC president and chief executive Kenneth Yang told reporters.

Peza, Iligan to revive National Steel

PEZA said it is in talks with the local government of Iligan City to revive the Philippine National Steel plant and restart the local integrated steel industry. Peza director-general Charito Plaza said the agency had serious negotiations with Iligan City, which hosts the steel company, over the back taxes the company must settle with the LGU.

Philippine Stock Market Update



Previous Close:	1 Yr Return:
8,745.12	23.54%
Open:	YTD Return:
8,758.96	3.33%
52-Week Range:	Source:
7,123.33 - 8,858.07	Bloomberg

Foreign Exchange

As of Jan. 12, 2018

US Dollar	Philippine Peso
1	50.337

PDST-R2 Rates

As of Jan. 12, 2018

Tenor	Rate
1Y	3.1515
3Y	4.2320
5Y	4.7129
7Y	5.3179
10Y	5.7950
20Y	5.7752

Daily Quote

"If you can't fly, then run; if you can't run, then walk; if you can't walk, then crawl; but whatever you do, you have to keep moving forward."

--Dr. Martin Luther King Jr.

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MORE LOCAL NEWS

Petron to raise \$500M from offshore securities

PETRON Corp. is seeking to raise \$500 million from the sale of undated unsubordinated capital securities. In a disclosure to the Philippine Stock Exchange (PSE) on Friday, Petron said it had set an issue size of \$500 million for the offering of US-dollar denominated senior perpetual capital securities.

Consortium in NAIA bid eyes Changi as partner

The super consortium of conglomerates seeking to develop the congested Ninoy Aquino International Airport (NAIA) is planning to partner with Changi Airports International (CAI), the group behind Singapore Changi Airport, touted as one of the world's best.

Selection guidelines for new telco player issued

The Department of Information and Communications Technology (DICT) has issued the guidelines on the qualifications as well as criteria for selection of a new major player in the telecommunications industry, in line with President Duterte's order that a new player should be able to enter by the end of the first quarter of the year.

NFA allots P5.1 B for palay procurement

State-run National Food Authority (NFA) is allocating P5.1 billion for its palay-buying program nationwide to boost buffer stock and rice distribution requirements. Data obtained by The STAR showed that NFA is targeting to buy six million bags of palay, double the three million procurement target last year.

Lower CIT on reduced incentives

The Department of Finance (DOF) will submit to the House of Representatives today the second part of the Comprehensive Tax Reform Program (CTRP) that once passed into law will lower corporate income tax (CIT) as government seeks to limit fiscal incentives to businesses.

2-year FIT extension set for biomass, hydro projects

Renewable energy (RE) developments on biomass and run-of-river hydro technologies have successfully secured two-year extension on their feed-in-tariff (FIT) incentive scheme, Energy Secretary Alfonso G. Cusi has told reporters.

Gov't all set for global bond offer

THE GOVERNMENT is set for a planned \$2-billion global bond offer involving an equal dose of new money and a liability management segment, an official of the Bureau of the Treasury (BTr) said.

BPO group cites confusion over tax perk in TRAIN

A subsector of the business process outsourcing (BPO) industry has asked the government to keep a special tax rate for its employees, as it sought to clarify confusing provisions related to the Tax Reform for Acceleration and Inclusion (TRAIN) law.

BPI urges aggressive stock investments this year

The year ahead presents "perfect market conditions" for risk-taking, which makes investing in equity index funds an attractive option for investors who are looking for higher returns.

TODAY'S TOP ASIAN NEWS

CH's Tencent draws \$41B orders for \$5B bond sale

Chinese gaming and social media titan Tencent has raised \$5 billion in a bond issue which attracted orders totalling more than \$41 billion for its biggest dollar-denominated sale so far, Bloomberg reported Friday, January 12. Tencent refused to comment when contacted by the Agence France-Presse.

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MORE ASIAN NEWS

SoftBank plans \$18b IPO of mobile phone unit

SoftBank Group Corp plans to list its mobile-phone business and raise some \$18 billion, the Nikkei newspaper said, a spin-off that would complete the Japanese telecoms conglomerate's transformation into a global technology investor. The parent will sell some 30 percent of SoftBank Corp.

CICC leads \$95m funding round in Hupu Sports

Hupu Sports (Shanghai) Media Ltd, a sports-focused website, has raised RMB618 million (\$95 million) in its latest funding round led by China International Capital Corp (CICC). The round reportedly brings the company's valuation over \$1 billion, marking the creation of the latest unicorn in China.

Hatcher+ partners Funderbeam to launch listings

Singapore-based Hatcher+, a venture investment platform, has partnered with Funderbeam to enable shares in its individual portfolio companies to be listed on the latter's blockchain-based exchange. Both Hatcher+ and Funderbeam recently raised funding from Mistletoe, an internationally-focused startup ecosystem development

Greenko eyes Essel's power transmission biz

Renewable energy company Greenko Group is in talks with Essel Infraprojects Ltd to acquire its power transmission business for an estimated \$1 billion, two people aware of the development said. Subhash Chandra's Essel Infraprojects has five transmission projects in its portfolio.

IDFC Bank announces merger with Capital First

IDFC Bank and non-banking finance company Capital First on Saturday announced a merger of the two businesses to form a combined entity of assets under management of Rs88,000 crore and distribution network of 194 branches. As per the agreement, IDFC Bank will issue 139 shares for every 10 shares of Capital First.

TODAY'S TOP GLOBAL NEWS

Iraq joins UAE, Qatar in call to keep oil cuts

Iraq joined the United Arab Emirates, Qatar and Oman in calling for OPEC and allied producers to stick with their agreement to cut oil output until the end of the year, despite recent price gains. Iraq said repeatedly last year that it should have been exempt from the oil cuts as it worked to rebuild its war-torn economy.

HSBC's Amy are about to change the way we bank

Some of the biggest banks in Hong Kong are catching up with the artificial intelligence rush by launching smart chatbots, in a bid to serve tech-savvy customers and cut costs in the long run. HSBC Holdings, Standard Chartered, as well as Hang Seng Bank are among the biggest players who recently announced their launch of chatbots to serve

Morocco will tender for \$4.6B natural gas project

Morocco, which depends on imports for almost all of its energy needs, will soon tender for companies to build a \$4.6 billion natural gas project, Energy Minister Aziz Rabbah said. The project will process gas for power and provide gas to industry, Rabbah said Sunday in an interview in Abu Dhabi.

Ford plans 40 electric vehicles by 2022

Ford Motor Co will significantly increase its planned investments in electric vehicles to \$11 billion by 2022 and have 40 hybrid and fully electric vehicles in its model lineup, Chairman Bill Ford said on Sunday at the Detroit auto show.

Economic Calendar

Date	Release
01.04.2018	PH: CPI YoY
01.04.2018	PH: CPI NSA MoM
01.04.2018	PH: CPI Core YoY
01.18.2018	PH: Budget Balance Php
01.23.2018	PH: GDP Annual YoY

Source: Bloomberg Economic Calendar