

The Daily Dispatch

October 09, 2017
TODAY'S TOP NEWS

MPIC to ink deal with Leighton for CALAX

The country's largest infrastructure firm, Metro Pacific Investments Corporation (MPIC), is set to sign a P7.3-billion contract with Australia's Leighton Holdings for the construction of a portion of the Cavite-Laguna Expressway (CALAX). CALAX is the planned 44.6-kilometer, 4-lane toll road linking Cavite and Laguna.

10 firms eye partnering with TransCo for telco entry

A total of 10 firms have expressed interest to partner with the National Transmission Corporation (TransCo) to pursue a venture into the Philippine telecommunications industry. TransCo earlier said it wants to diversify into telecommunications and compete with giants PLDT Incorporated and Globe Telecom Incorporated.

PLDT goes into chartered flights service

The aviation arm of telecommunications giant PLDT launched its chartered flights service, cashing in on the rising demand for travel on private aircraft for leisure and business. PLDT unit Pacific Global One received its license from the Civil Aviation Authority of the Philippines (CAAP) to offer its private jets for public use.

PAL pays P6-b navigation fee

Philippine Airlines said the Department of Transportation accepted its offer to pay in full P6 billion in unpaid navigation fees to the government. "After several months of validation and reconciliation of accounts, the DOTr and PAL are pleased to announce that they have reached a resolution on the CAAP and MIAA fees issue," the airline

BIR sees additional P2B/month from JTI

Taxes due from the local unit of Japan Tobacco International (JTI) could boost government revenues by P2 billion monthly in the wake of the firm's acquisition of local cigarette maker Mighty Corp. Teresita Angeles, Assistant Commissioner for the Large Taxpayers Service, said that JTI had committed of paying P40 million every week.

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 Oct. 7, 2017

US Dollar	Philippine Peso
1	51.172

PDST-R2 Rates

As of Oct. 7, 2017

Tenor	Rate
1Y	2.8530
3Y	3.9246
5Y	4.6200
7Y	4.3102
10Y	4.6389
20Y	5.1413

Daily Quote

"All things share the same breath - the beast, the tree, the man... the air shares its spirit with all the life it supports." --Chief Seattle

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MORE LOCAL NEWS

Developer eyes TRO vs govt on Clark project

A developer claiming to be the original proponent of the Clark expansion project plans to go to court to force the government to resume negotiations. "If they choose not to talk to us, the law is very clear — you cannot change the rules after you award," Philco Aero Inc. Chairman and CEO Ricardo Penson told The Manila Times.

Bond issuance rules revised by BSP

Requirements for the issuance of bonds and commercial papers by banks and quasi-banks (QBs) have been streamlined by the Bangko Sentral ng Pilipinas (BSP). Amendments to pertinent regulations have been approved by the policymaking Monetary Board, the central bank said in a statement.

FamilyMart chain for sale

The Philippine retailing business of FamilyMart, partly owned by the Ayala and Tantoco groups, is on the auction block, signaling a shakeout in the highly competitive local convenience store business.

Big shipping firm eyes PH expansion

Global shipping giant APL is urging the Philippine government to improve and modernize port infrastructure, which would allow the country to increase trade links with the world during a period when Asia is expanding its influence as an international trading hub.

Decline in BPO investments narrows

The decline in IT-BPM investment pledges registered under the Philippine Economic Zone Authority (Peza) narrowed in the first nine months of the year, showing "signs of recovery" which could be sustained after the Senate version of the first tax reform package pushed to keep the current tax incentives of the industry.

Sale of Ilijan power in spot risky for consumers

The Power Sector Assets and Liabilities Management Corp.'s (PSALM) insistence on San Miguel Corp.-run Ilijan power plant to trade on the spot market instead of through long-term supply deals exposes consumers to price volatility, according to SMC president Ramon S. Ang.

ECOP bucks further wage hike and SSS contribution

Employers are against any further increase in the minimum wage as well as to the proposed hike in the SSS monthly contribution. ECOP president Donald Dee said the current minimum wage in the NCR is already among the highest in the region, while the planned SSS contribution increase would only serve as a "band aid solution."

Phl to allow companies to trade with North Korea

The Philippine government will not forbid local companies from conducting trade activities with North Korea amid a recent executive order (EO) signed by US President Donald Trump that targets those who conduct trade in goods, services or technology with the rogue state.

ALI on track to achieve 2020 growth plan

Ayala Land Inc. (ALI), the property and mall developer of conglomerate Ayala Corp., is on track to achieving its 2020 growth plan on the back of a growth strategy equally divided between property development and leasing, its chief financial officer said in a forum on Saturday.

TLC eyes IPO next year

The Lush Company Inc. (TLC), the market leader in the Philippine food cart business which is behind the popular Fruitas brand, may embark on an initial public offering as early as the first quarter of 2018. Sources at the Philippine Stock Exchange (PSE) said TLC has already sent "feelers" to the PSE.

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TODAY'S TOP ASIAN NEWS

Here's another positive sign for SG property bulls

Singapore property bulls rejoice: en-bloc sales, or redevelopment deals in which a group of owners band together to sell apartment blocks at a hefty premium, are at a 10-year high. On the back of a spate of deals last week, en-bloc sales have totaled more than S\$5 billion (\$3.8 billion) this year.

Why aren't IND consumers spending?

Almost 4 million new jobs, rising wages and eight interest-rate cuts in Indonesia should have been enough to spur consumers into action in the world's fourth most populous nation. Instead, an increasing number of people are keeping a tight grip on their purse strings and putting their money in the bank, leaving economists perplexed.

Property Perfect, Sumitomo Forestry form JV

Property Perfect Plc, a SET-listed property developer, has formed a joint venture firm with Tokyo-based listed Sumitomo Forestry Co Ltd to develop a new condominium project in Bangkok. The new company, named Grand Star, has registered capital of 300 million baht, according to the company's filing to the SET.

GIC completes stake buy in EDC

A consortium backed by Singapore's GIC has completed the acquisition of up to 31.7 per cent stake in the Philippines' Energy Development Corporation (EDC). The sovereign wealth fund has also acquired a minority stake in Sweden's home alarm systems provider Versure Midholding AB.

CH launches overhaul of drug approval

China will revamp its approval system for medicines and medical devices that will ease bottlenecks in access to new treatments -- a potential boon for international pharmaceuticals seeking to bring their latest products into the world's second-largest drug market.

TODAY'S TOP GLOBAL NEWS

GE is an incubator for business leaders

General Electric Co.'s management overhaul Friday marked the latest departures of high-profile executives from a company that has traditionally served as an incubator of corporate bosses. GE's last CEO transition spawned a generation of corporate leaders for companies such as Boeing, Home Depot and Honeywell International.

Tesla delays big rig truck debut

Tesla Inc chief executive Elon Musk on Friday (Oct 6) pushed back the unveiling of the company's big rig truck until mid-November, tweeting that the electric vehicle maker was diverting resources to fix production bottlenecks of its new Model 3 sedan and to help Puerto Rico.

Mantra Group receives \$917m bid from Accor

Australian hotel company Mantra Group said on Monday it had received an indicative proposal from French hotel group Accor SA at A\$3.96 per share for a buyout price of A\$1.18 billion (\$916.98 million). The offer price is A\$4.02 per share less the Mantra's final dividend for fiscal 2017, including a potential special dividend.

Foreign ownership on the table in NZ coalition talks

Talks to form New Zealand's next government entered their second day with foreign ownership emerging as a topic of discussion. The ruling National Party and Labour opposition continued separate negotiations Monday in Wellington with the nationalist New Zealand First Party, whose support both require to reach a majority in parliament.

Economic Calendar

Date	Release
10.01.2017	Nikkei Philippines PMI Manufacturing
10.04.2017	PH: CPI YoY
10.05.2017	PH: Foreign Reserves
10.09.2017	PH: Exports and Imports YoY
10.09.2017	PH: Trade Balance

Source: Bloomberg Economic Calendar