

# The Daily Dispatch

October 25, 2017  
TODAY'S TOP NEWS

## Millenium Global backs out from buying Calata

Listed holding firm Millennium Global Holdings Incorporated is no longer buying an 81% stake in Calata Corporation, after the local bourse expressed doubt over the embattled agribusiness firm's plan to spin off its assets and avoid the involuntary delisting route.

## BSP warns of risks in cryptocurrencies

The Bangko Sentral ng Pilipinas (BSP) is taking a cautious stance amid the cryptocurrency boom, prompting global central banks to discuss the issue during the annual meetings of the World Bank and International Monetary Fund in Washington.

## NEDA clears P31.6-B infra projects

A project on public safety and a bridge construction, collectively valued at P31.682 billion, were among those approved by the Investment Coordination Committee-Cabinet Committee (ICC-CabCom) of the National Economic and Development Authority (NEDA) Board.

## MICC moves to lift open-pit mining ban

Environment Secretary Roy A. Cimatu said yesterday that he will lift the controversial ban on open-pit mine before the end of the year following the recommendation of the interagency Mining Industry Coordinating Council (MICC).

## Foreign group commits to fund Laguna Lake project

An international group has committed to fund the Laguna lake flood control and lakeshore project. Mike Amoranto, financial integrator from Hong Kong and Singapore and representing a group of project financiers, said his group was attracted to the comprehensiveness and sustainability of the project.

## 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. 24, 2017

US Dollar	Philippine Peso
1	51.656

## PDST-R2 Rates

As of Oct. 24, 2017

Tenor	Rate
1Y	2.8575
3Y	4.0904
5Y	4.6850
7Y	4.8011
10Y	4.6624
20Y	5.4243

## Daily Quote

“Fear is only as deep as the mind allows.”

--Anonymous

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## MORE LOCAL NEWS

### Stock exchange pushes amendments to REIT law

The PSE is seeking amendments to the eight-year-old REIT law, especially a provision imposing a 12-percent VAT on the investment product. REIT gives investors the option to invest directly in the finished products that are already earning money and not just the property developer.

### IRR of new money laundering law to cover casinos

The BSP will lead today the signing of the implementing rules and regulations of the expanded anti-money laundering law that now includes casinos, Governor Espenilla said Tuesday. "We will be signing it tomorrow... This is a joint initiative not just of the BSP but also the PAGCOR and others," Espenilla said.

### PSC gets clearance to hike capital to P1.6b

The SEC approved the application of Philippine Seven Corp., the local franchise holder of convenience store chain 7-Eleven, to increase its capital stock to P1.6 billion from P600 million. PSC plans to spend P3.5 billion this year to open 412 stores nationwide.

### FAMI launches consumer-themed index

The wholly owned subsidiary of First Metro Investment Corp., which serves as the investment banking arm of the Metrobank Group, has partnered with global firm MSCI, Inc. to set up the First Metro Index. This comprised 18 stocks in companies which generate revenues based on the consumption expenditure of Filipinos.

### Revolution Precrafted is Philippines' first unicorn

Modular homes creator Revolution Precrafted has become the first unicorn to emerge from the Philippines after it raised its latest round of funding from Singapore-based venture capital firm K2 VC and others. The term unicorn is used to describe startups that have achieved a valuation of over \$1 billion.

### 'Dirty money' law now covers casinos

The guidelines of the amended law that includes casinos in the coverage of the Anti-Money Laundering Act will be signed by concerned regulatory bodies today, strengthening the government's fight against the entry of illicit money into the country.

### PCC approves Federal Land JV with Orix

FEDERAL LAND, Inc. may move forward with its construction of a luxury condominium tower located in Taguig in partnership with Japanese firm Orix Risingsun Properties, Inc., after securing approval from the Philippine Competition Commission (PCC).

### MHI shareholders approve merger with APMPC, BHI

MARCVENTURES HOLDINGS, Inc. (MHI) on Tuesday said its shareholders have approved its merger with Asia Pilot Mining Philippines Corp. (APMPC), and BrightGreen Resources Holdings, Inc. (BHI).

## TODAY'S TOP ASIAN NEWS

### Blackstone, KKR among bidders for \$2B HK assets

Blackstone, KKR and some Chinese investors are among potential bidders shortlisted by Link Real Estate Investment Trust to buy some of its Hong Kong retail assets valued at about \$2 billion, three sources said. Gaw Capital Partners, a Hong Kong-based private equity real estate firm focused on Greater China and Asia

### Toshiba investors approve sale of chip unit

Toshiba Corp. investors approved the sale of its memory chip unit and backed the appointment of new board members over the objections of proxy advisers. The company's shareholder meeting voted in 10 directors, including President Satoshi Tsunakawa.

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## MORE ASIAN NEWS

### Delphi buys Highland Capital & nuTonomy for \$450m

Delphi Automotive Plc has decided to acquire Boston-based nuTonomy Inc, a self-driving car startup, for a total of \$450 million. Delphi will pay \$400 million upfront and the remaining \$50 million based on the future performance of the company. The deal is expected to close by the end of 2017

### Venturecraft targets \$500m for third vehicle

After closing its second fund focused on growth-stage medtech startups at S\$50 million last year, Singapore-based VC firm Venturecraft is now targeting to raise up to \$500 million for its third fund – Venturecraft III, industry executives aware of the development told this portal.

### VCs accumulate to \$2.5b in dry powder for SE Asia

This could be Southeast Asia's moment under the sun. The region is set to record stronger-than-expected economic growth with the Asian Development Bank upping its GDP growth forecast for the region to 5 per cent in 2017 and 5.1 per cent in 2018, up from previous forecasts of 4.8 per cent and 5 per cent respectively.

### SG won't regulate cryptocurrencies

Singapore doesn't plan to regulate cryptocurrencies such as bitcoin, but will remain alert to money laundering and other potential risks stemming from their use, the head of the country's central bank said. "As of now I see no basis for wanting to regulate cryptocurrencies," Monetary Authority of Singapore MD Ravi Menon said.

### India to inject \$32B into state banks for growth

India will inject 2.11 trillion rupees (\$32 billion) of capital into state-controlled lenders over two years, an amount that's ten-fold higher than the government's previous pledge as it seeks to revive growth in Asia's third-largest economy.

## TODAY'S TOP GLOBAL NEWS

### Chipotle shares fall

Chipotle Mexican Grill Inc (CMG.N) will open fewer restaurants to get "fundamentals right" and posted disappointing quarterly sales and earnings on Tuesday, as the company struggles to recover from a bruising string of food safety lapses.

### GIP to acquire Equis for \$5B

US-headquartered infrastructure fund manager Global Infrastructure Partners (GIP) has agreed to acquire Singapore-based renewable energy producer Equis for \$5 billion. The deal, which the two parties claim to be the largest renewable energy generation acquisition, will springboard GIP as a dominant renewable energy developer

### Saudi Arabia announces plans to build mega city

Saudi Crown Prince Mohammed bin Salman announced plans to build a new city on the Red Sea coast, promising a lifestyle not available in today's Saudi Arabia as he seeks to remake the kingdom in a time of dwindling resources. The prince said the city project, to be called "NEOM," will operate independently.

### GS thinks AUS wages could be headed higher

Australian warehouse workers are preparing to walk off the job to demand higher wages and greater job security, in a sign that a strengthening labor market could be emboldening employees. "This could be a canary in the coal mine," said Andrew Boak, chief economist for Australia at Goldman Sachs Group Inc.

## Economic Calendar

Date	Release
10.15.2017	PH: Overseas Remittances YoY
10.15.2017	PH: Overseas Workers Remittances
10.18.2017	PH: BoP Overall
10.18.2017	PH: Budget Balance
10.30.2017	PH: Bank Lending YoY

Source: Bloomberg Economic Calendar