

The Daily Dispatch

November 09, 2017
TODAY'S TOP NEWS

SoKor pledges \$1.7-B loan to Philippines

South Korea has committed to provide a \$1.7-billion credit facility to the Philippines to help implement the government's priority programs, the Department of Finance (DOF) reported yesterday. The DOF said the government is set to sign next week an agreement with South Korea for a \$1.7-billion credit facility.

Government eyes tax amnesty program in 2018

The government may implement next year a tax amnesty program aimed at improving taxpayer compliance and boosting government revenue, the DBM said. During the Philippine Economic Society's annual meeting yesterday, Budget Sec. Diokno said the government is serious in its crackdown against tax evaders to be able to implement a tax

Duterte to woo US businessmen at APEC meet

Duterte will try to woo the members of the US business council during the APEC economic leaders meeting this week. Trade Secretary Lopez said Duterte would meet with the US business councils at the sidelines of the APEC plenary sessions. The Philippines will stress the importance of APEC as a "driver of growth," and in aiding integrated

Mighty tax payments up 2-fold under JTI

The takeover by Japan Tobacco, Inc. (JTI) of Mighty Corp. led to a two-fold increase in the excise tax payments in the September to October period alone for the homegrown manufacturer compared to the same period last year, the Department of Finance (DOF) said yesterday.

PNOC opts for unsolicited proposals for LNG fac.

State-run Philippine National Oil Company (PNOC) will no longer pursue the government-to-government (GTG) deal on its planned \$2.0 billion worth of investments on liquefied natural gas (LNG) facilities, instead, it is opting now for the submission of unsolicited proposals from interested investors.

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 Nov. 08, 2017

| US Dollar | Philippine Peso |
|-----------|-----------------|
| 1 | 51.327 |

PDST-R2 Rates

As of Nov. 08, 2017

| Tenor | Rate |
|-------|--------|
| 1Y | 2.8578 |
| 3Y | 4.3465 |
| 5Y | 5.0838 |
| 7Y | 5.1900 |
| 10Y | 5.4504 |
| 20Y | 5.1641 |

Daily Quote

"If you do what you've always done, you'll get what you've always gotten."

--Tony Robbins

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MORE LOCAL NEWS

BoI approves 2 hotel projects

The BoI approved the separate hotel projects of Gothong Southern Properties Inc. and Legazpi Mei Li Inc. with a combined cost of P427.7 million. "These hotels will cater to both local and foreign tourists coming to Cebu and the rest of Central Visayas as with Legazpi City and the Bicol region," said Trade Undersecretary and BoI managing head

PESONet benefits touted by BSP chief

Domestic economic activity and financial inclusion efforts are expected to accelerate following the launch of a clearing house under the National Retail Payment System (NRPS). The BSP on Wednesday launched the Philippine EFT System and Operations Network or PESONet.

Security Bank lists P8.6b of time deposits

SECURITY Bank Corp., the fifth-largest lender in terms of assets, listed on Wednesday P8.6 billion worth of long-term negotiable certificates of time deposits at Philippine Dealing & Exchange Corp. The deposits were the first tranche out of the P20-billion notes program recently approved by Bangko Sentral ng Pilipinas.

San Miguel buys Best Bottlers in Australia

Philippine conglomerate San Miguel Corp (SMC) has bought Australia-based Best Bottlers Pty Ltd for an undisclosed sum. The deal marks its sixth acquisition in the packaging industry in the Australia and New Zealand region. SMC made the deal through its subsidiary San Miguel Yamamura Australasia Pty Ltd (SMYPC).

3 startups win Taiwan competition

Three Philippine startups bagged top awards at a startup competition in Taiwan, while the local science and technology department has partnered the Philippines' first unicorn, Revolution Precrafted, to showcase R&D in the development of construction materials for prefabricated homes.

Dennis Uy-led Chelsea buys local logistics firm

Newly-listed Chelsea Logistics Holdings Corp. (CLC) has acquired 100 percent of local logistics firm Worklink Services Inc. (WSI), boosting its end-to-end transport services.

PSE ok's Cirtek's \$200M preferred shares offer

The Philippine Stock Exchange has approved a plan by electronics manufacturer Cirtek Holdings Philippines Corp. to offer to the public as much as \$200 million worth of preferred shares, thereby becoming the second issuer of dollar-denominated securities (DDS) at the local bourse.

TODAY'S TOP ASIAN NEWS

HK property is facing a new threat

Crunch the math behind Hong Kong's mortgage payments, and you'll spot signs of a potential hike in a rate that's key for the housing market. That's the prime rate, which is individually set by banks. Cracks are already starting to appear in the world's least affordable housing market, even as the commercial property sector remains hot.

Best hedge funds invest in China

Hedge funds investing in China are the best performers this year, returning 28 percent through the end of October, according to data provider Hedge Fund Research Inc. Funds investing in other emerging markets also shone: Those with an India focus ranked second, while funds in Latin America also jumped.

HK is world's top city for international visits

Hong Kong remains the world's most visited city by international travelers in spite of strained relations with neighboring China, industry experts said Tuesday. In a report, market research firm Euromonitor International said 25.7 million arrivals are expected in Hong Kong this year.

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MORE ASIAN NEWS

Saudi crackdown targets up to \$800B in assets

The Saudi government is aiming to confiscate cash and other assets worth as much as \$800 billion in its broadening crackdown on alleged corruption among the kingdom's elite, according to people familiar with the matter.

Noble results to signal whether trader can survive

For more than two years, the story of whether Noble Group will survive or implode has gripped the global commodities industry. The next chapter gets written on Thursday (Nov 9) as the Hong Kong-based trader reports quarterly results after the close of trade in Singapore.

Sequoia backs \$32m Series B round in EOC Pharma

EOC Pharma Group, an oncology-focused development and commercialization company in China, has raised \$32 million in a Series B funding round led by Taikang Investment. The Shanghai-based biopharma company is focused on in-licensing of innovative global oncology products, and developing, manufacturing and commercializing them.

KKR-backed Avendus Capital buys Zodius Capital

Avendus Capital Pvt. Ltd, a financial services provider backed by private equity firm (PE) KKR & Co. LP, has acquired technology-focused PE company Zodius Capital Advisors, an early investor in start-ups like online furniture retailer Pepperfry and grocery site BigBasket, according to senior management at Avendus and Zodius.

IPO fever hits HK's as 1-in-20 people try to buy

Hong Kong demand for new share sales has hit fever pitch, with 417,000 people applying for lots in Tencent Holdings Ltd.'s online bookstore unit — more than 5 percent of the city's population. China Literature Ltd.'s retail offering was 626 times oversubscribed, according to the company.

TODAY'S TOP GLOBAL NEWS

GS names 509 new managing directors

Goldman Sachs Group Inc.'s struggling sales and trading division received a bigger share of this year's promotions, as the firm doubled down on efforts to turn the business around. Securities division employees secured 130 slots, or almost 26 percent of the 509 managing directors named Wednesday.

AT&T clashes with US over Time Warner assets

AT&T Inc. won't sell CNN and never proposed such a deal, Chief Executive Officer Randall Stephenson said as a battle escalated with antitrust officials over the \$85.4 billion acquisition of the network's owner, Time Warner Inc.

Wisconsin board clears way for \$3 bn Foxconn deal

Wisconsin's economic development agency on Wednesday approved a \$3 billion incentives package for Taiwan-based Foxconn to build a massive liquid-crystal display plant in the state, Governor Scott Walker said.

Airbus trails Boeing in orders heading into Dubai

Airbus sold 24 aircraft and delivered 63 in October, leaving it well behind rival Boeing in the hunt for new orders going into next week's Dubai Airshow, but on course to reach its recently softened target of 700 deliveries for the year.

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