

# The Daily Dispatch

December 11, 2017  
TODAY'S TOP NEWS

## BDO, World Bank tie up for \$150M green bonds

Henry Sy-led BDO Unibank Incorporated became the country's first commercial bank to issue green bonds aimed at addressing climate change. BDO said it is issuing \$150 million in green bonds to expand financing for private sector investments that help address climate change.

## DW Capital gets TRO against suspension order

DW Capital Inc. (DWCI), a stock brokerage company, has scored victory against the Gaisano family and the Philippine Stock Exchange (PSE) after obtaining a temporary restraining order against the suspension order issued by the Capital Markets Integrity Corp. (CMIC), a unit of the PSE.

## Megaworld allots P8 B for The Hamptons Caliraya

Megaworld Corp., the Andrew Tan-led property developer, is pouring in P8B to develop its latest integrated lifestyle development, The Hamptons Caliraya, in the next 10 years. The 300-hectare estate, to rise in the sprawling Lumban-Cavinti area in Laguna, will be called The Hamptons Caliraya.

## TIEZA eyes Tourist Development Fund

The Tourism Infrastructure and Enterprise Zone Authority (TIEZA) is targeting to create a Tourism Development Fund before the end of the Duterte Administration, which will replace imposed travel taxes for tourists, an official of the agency said.

## PH targets \$1-B global bond sale in early 2018

The Philippine government is planning to sell \$1 billion in global bonds in the "early part" of next year, which would come in with a swap offer for maturing debt papers, the Bureau of the Treasury said. Deputy National Treasurer Erwin D. Sta. Ana said the government is now preparing for a bond sale transaction.

## 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 Dec. 08, 2017

US Dollar	Philippine Peso
1	50.555

## PDST-R2 Rates

As of Dec. 08, 2017

Tenor	Rate
1Y	3.1285
3Y	4.3500
5Y	4.7320
7Y	5.3464
10Y	5.5800
20Y	5.6074

## Daily Quote

"Perseverance is the hard work you do after you get tired of doing the hard work you already did."

--Newt Gingrich

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## MORE LOCAL NEWS

### Banks' property exposures up 18% as of September

The real estate exposures of banks and trust units went up by 17.87 percent year-on-year as of end-September to P2 trillion from P1.7 trillion, based on Bangko Sentral ng Pilipinas (BSP) data. Bank proper and trust department's real estate loans increased to P1.709 trillion during the period from P1.45 trillion same time last year.

### Midea Group eyeing IPO of \$12b real estate arm

Guangdong Midea Property Co. has been speaking with investment banks about a potential Hong Kong share sale that could take place in 2018, the people said. The Chinese developer had about 77.6 billion yuan (\$12 billion) of assets at the end of June, according to its interim report.

### Basic Energy to acquire stake in Japan biomass

Philippine-listed company Basic Energy Corp is looking to acquire up to 20% stake in a Japan-based power plant wholly owned and controlled by BiomassPower GK (IBP). Basic Energy signed a term sheet for the possible acquisition of a minimum 10% stake in a 25 MW biomass power plant in Karatsu City, Saga Prefecture, Japan.

### Del Monte secures \$100M via shares offering

Campos-led food and beverage conglomerate Del Monte Pacific Ltd. (DMPL) has raised \$100 million from its second tranche of preferred shares offering. Proceeds from this transaction are meant to pare down debt incurred following the acquisition of the US consumer business of Del Monte Foods Inc. (DMFI).

### Electricity open access schem made voluntary

The Department of Energy has issued two circulars that are seen to bring forward the development of open access in the electricity retail business by allowing qualified consumers to voluntarily choose their suppliers instead of being mandated to break ties with incumbent players.

### Gov't open to Naia rehab offer

The government is open to accepting the proposal of seven of the country's largest conglomerates to redevelop and rehabilitate the Ninoy Aquino International Airport, the country's chief economist said.

### MWIDE cofounder bowing out

One of the country's youngest tycoons, Megawide Construction Corp. cofounder Michael Cosiquien, is seen bowing out of this construction group to focus on family-owned cold storage business over a two-year "transition" period.

### Duterte's 'Build' program meeting WB standard

The government's ambitious "Build, Build, Build" program will allow the country to ramp up infrastructure spending and meet the World Bank's recommended level in the medium term, London-based economic research firm Capital Economics said.

### SMC Global gets SEC nod to sell P35-b bonds

The Securities and Exchange Commission approved the P35-billion bond shelf registration of SMG Global Power Holdings Inc., a unit of conglomerate San Miguel Corp. SEC commissioner Ephyro Luis Amatong said SMC Global's bond shelf registration had an initial tranche of P20 billion to be issued in three series with tenors of five, seven

## TODAY'S TOP ASIAN NEWS

### International players allowed to bid for Air India

"Foreign airlines will be allowed to bid as per the current policy that's applicable on all domestic airlines. That much we can confirm," an official with knowledge of the matter said on condition of anonymity. Existing rules allow foreign airlines to own as much as 49% in an Indian airline, with the exception of Air India.

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## MORE ASIAN NEWS

### Australia's ASX adopts blockchain technology

Australia's ASX Ltd said on Thursday it would replace its registry, settlement and clearing system with blockchain technology to cut costs for customers. The decision to replace the Clearing House Electronic Subregister System (CHESS) on Australia's main bourse follows two years of testing of distributed ledger technology.

### Tencent may reach \$1t market cap in 2018: Saxo Bank

Chinese technology major Tencent Holdings may grow to become the world's largest company by market capitalisation, reaching \$1 trillion in market capitalisation, according to Saxo Bank's annual Outrageous Predictions report, which covers phenomena ranging from finance to politics.

### Fullerton to acquire 60% stake in Intellicare

Corporate healthcare solutions provider Fullerton Health announced on Monday (Dec 11) it has entered into a deal to acquire a 60 per cent stake in Philippine-based Intellicare Group. The deal is subject to the fulfilment of certain conditions and is expected to complete in early 2018.

### Centurion prices Hong Kong IPO shares at HK\$3.18

Dormitory developer Centurion Corp has priced its secondary-listing offer in Hong Kong at HK\$3.18 per share, near the mid-point of price talk between HK\$3 and HK\$3.30. The 36-million-share offering was 4.1 times subscribed, based on applications for 112.5 million public offer shares and 35.2 million placement shares.

## TODAY'S TOP GLOBAL NEWS

### Bitcoin futures trading brings crypto to mainstream

The intersection of digital money and traditional finance is at 400 South LaSalle Street in Chicago this weekend. That's where trading in bitcoin futures opens Sunday evening, as the first major U.S. exchange offers a product pegged to the wildly fluctuating cryptocurrency.

### Poland risks being the EU's rogue state

Behind the noise of Brexit negotiations, the talk in the European Union this year has been that there's potentially a bigger problem in the east. And the prospect of another rupture looks to be increasing.

### Egypt's economy rebounds as inflation drops

Egypt's headline inflation rate rose at its slowest pace in nearly a year in November while the current account deficit fell by more than 65 percent in the first quarter of the fiscal year, offering the latest evidence that the economy is rebounding 12 months after the currency flotation.

### Stocks in Asia nudge higher on economy optimism

Stocks in Asia made modest gains at the open after U.S. labor market figures lifted optimism in global growth, though trading promises to remain subdued as traders wind down going into the holiday season. Equity benchmarks advanced in Tokyo and Seoul, while futures on Hong Kong markets signaled a firmer start.

### Bitcoin futures set to begin trading

CHICAGO — A security based on bitcoin, the digital currency that has exploded in popularity and volatility this 2017, was to begin trading on a major United States exchange for the first time on Sunday.

## Economic Calendar

Date	Release
11.19.2017	PH: BoP Overall
11.19.2017	PH: Budget Balance
11.28.2017	PH: Money Supply M3 SRF YoY
11.28.2017	PH: Bank Lending YoY
11.30.2017	PH: Nikkei Philippines PMI Mfg

Source: Bloomberg Economic Calendar