

The Daily Dispatch

Jan. 25, 2017
TODAY'S TOP NEWS

Metro Pacific continues expansion into logistics

INFRASTRUCTURE conglomerate Metro Pacific Investments Corp. (MPIC) is further expanding its logistics business with another acquisition as it anticipates strong demand and growth in the industry. MPIC, through its subsidiary PremierLogistics, Inc., is acquiring another logistics firm Ace Logistics, Inc. for P280 million.

PH: most improved in Asean bank liberalization

“The Philippines has taken the biggest steps toward banking sector liberalization, removing the cap on foreign ownership of banks in 2014,” Fitch said in a report on the status of banking integration in the ASEAN.

PH lowers sugar allocation for US

Sugar regulators have reduced the share of locally produced sugar intended for the United States market as they weigh uncertainties about the new Trump administration’s appetite for imports.

VMC: to build cogeneration biomass plant in Negros

Listed sugar milling firm Victorias Milling Co. Inc. (VMC) is keen on completing a P2B, 40MW cogeneration biomass power plant by September this year. The plant is currently being constructed within the VMC’s headquarters here and expected to run mainly on bagasse, a byproduct of sugarcane after being processed to extract sugar.

America-first policy could dampen BPO industry

GROWTH in the business process outsourcing (BPO) sector could slide over the next few years should the US government discourage companies from tapping foreign labor markets for their operations, an analyst at ING Global Markets Research said.

Philippine Stock Market Update



Previous Close:

7,370.65

1 Yr Return:

16.50%

Open:

7,383.68

YTD Return:

7.58%

52-Week Range:

6,084.28 - 8,118.44

Source:

Bloomberg (01/25/17)

Foreign Exchange

As of Jan. 25, 2017

US Dollar	Philippine Peso
1	49.81

PDST-R2 Rates

As of Jan. 25, 2017

Tenor	Rate
1Y	2.2935
3Y	3.6817
5Y	3.8333
7Y	5.0054
10Y	4.3212
20Y	5.4089

Daily Quote

"I alone cannot change the world, but I can cast a stone across the water to create many ripples."

--Mother Teresa

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MORE LOCAL NEWS

Jica to help bankroll Davao tunnel project

Aid agency Japan International Cooperation Agency (Jica) on Tuesday said it would help build the construction of the country's first long distance tunnel aimed at easing traffic congestion in President Duterte's hometown.

Companies vying for P2B Subic Bay airport upgrade

THREE "extremely interested" companies have given proposals to the Subic Bay International Airport's (SBIA) projected P2-billion redevelopment and upgrade that could turn it into a major international gateway for travelers to the Philippines, Subic Bay Metropolitan Authority (SBMA) Chairman Martin B. Dino revealed on Monday.

Torre Lorenzo investing up to P32B for 20 projects

TORRE LORENZO Development Corp. (TLDC) is investing about P32 billion to complete at least 20 residential and leisure developments by 2020 and sustain a 25% annual growth.

Index eases as market awaits GDP data

Share prices declined yesterday after Monday's rally as investors decided to wait on the sidelines ahead of the scheduled full-year 2016 economic report. The PSEi, tumbled 3.70 points or 0.05 percent to finish at 7,371. On the other hand, the broader All Shares index gained 1.16 points or 0.03 percent to close at 4,427.30.

Ayala to build 1st drug facility in ARMM

Ayala Foundation, the social development arm of the Ayala group of companies, will build a 70-bed drug rehabilitation facility in Marawi City, Lanao del Sur.

Govt inviting other bidders for 5 airports

The Transportation Department on Tuesday opened the bidding for five regional airports to other groups aside from the 5 consortiums that passed the qualifications set by the previous administration. The department posted an invitation to other companies to prequalify and bid for the 'unbundled' five provincial airport projects.

SSS trims 2017 opex by P1B

The SSS has trimmed P1-b from its programmed expenses for 2017 as part of measures to improve financial performance. From the original proposal of P13.22-b, the Social Security Commission (SSC) board approved an allocation of P12.21 billion for Opex, which is 54 percent of the Charter's limit or 5.7 percent of total revenue.

DoF cites strategy to boost exports

The Philippines must pursue infrastructure projects, trade agreements and the empowerment of small and medium enterprises to boost export competitiveness, the DoF said. The export sector is expected to recover this year, with additional shipments to China and Russia as trade relations improve, the DoF said in a statement on Tuesday.

Loans to grow 17% in 2017 – BMI

Fitch-owned think tank revises forecast up from 15%. Lending in the Philippines will continue to post a double-digit increase this year on the back of sustained growth in the economy, given the expanded roles of China and Japan in the country's trade and investment, BMI Research said.

Microinsurance covers over 25% of population

A QUARTER of the Philippine population is now covered by microinsurance as of the third quarter last year, according to the Insurance Commission (IC), on the back of higher sales of micro-protection products.

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TODAY'S TOP ASIAN NEWS

Alibaba adds US\$7.5b in market value

China's biggest e-commerce company increased its projection for fiscal 2017 revenue growth to 53 per cent, from 48 per cent previously, as Chinese spending stays strong and the company wrings revenue from fledgling areas such as cloud computing, entertainment and search. That may help assuage investors concerned that a deceleration in

Debt-to-equity swaps will remain a focus in 2017

Since China's policymakers re-launched the scheme in October to ease the borrowing overhang of struggling firms, and the country's state-run banks and bad debt managers have rushed to sign deals with big state-owned enterprises.

China's capital controls hinder inclusion in MSCI

China's fourth attempt to get the country's yuan-denominated A shares included in the MSCI Emerging Markets Index may end in failure, because the government's current crackdown on capital flight is stifling the flow of funds and worrying global investors.

SG turns to other regional deals as TPP crumbles

SG is switching gears to shore up its internationalisation efforts, and is urging other member states of a failed Pacific Rim trade pact to do the same. Even as it works to grow its external pie amid plans to restructure its economy, observers warned of risks down the road for Singapore's growth and also its financial stability.

Asia stocks set to rise on US cues; dollar bounces

Asian stocks are set to climb to fresh three-month highs on Wednesday following a stronger Wall Street as investors welcomed U.S. President Donald Trump's eagerness to deliver on his campaign promises.

TODAY'S TOP GLOBAL NEWS

Australia opens door to China in push to save TPP

Australia said Tuesday, January 24, it was working to recast the Trans-Pacific Partnership without the United States and opened the door for China to sign up after President Donald Trump ditched the huge trade pact.

UK's May faces Brexit revolt

UK Prime Minister Theresa May is battling a rebellion from her own lawmakers which threatens to complicate her talks over leaving the EU. At least six Conservative legislators are uniting with the main opposition Labour party to demand May publishes an official government document detailing her negotiating goals.

US move to dump TPP bucks dependency on Asia

U.S. President Donald Trump's decision to withdraw from the Trans-Pacific Partnership, one of the largest proposed regional trade blocs in history, has dealt a blow to some of Asia's biggest economies.

\$90-B Debt Wave Shows Cracks in US Property Boom

A \$90 billion wave of maturing commercial mortgages, leftover debt from the 2007 lending boom, is laying bare the weak links in the U.S. real estate market. It's getting harder for landlords who rely on borrowed cash to find new loans to pay off the old ones, leading to forecasts for higher delinquencies.

Economic Calendar

Date	Release
01.15.2017	PH: Overseas Remittances YOY
01.18.2017	PH: Balance of Payments
01.25.2017	PH: GDP YoY
01.30.2017	PH: Bank Lending YoY
02.01.2017	US: FOMC Rate Decision

Source: Bloomberg Economic Calendar