

The Daily Dispatch

February 10, 2017
TODAY'S TOP NEWS

Offshore gaming boosts growth of MNL office rentals

With the country's crackdown on online gaming, the Philippines is turning to offshore gaming to make up for lost revenue. In fact, the rising number of companies engaged in this is driving the growth of the Metro Manila office rental sector, according to a property consultancy firm.

Mining companies thank Duterte for 'due process'

Mining companies on Thursday, February 9, thanked President Rodrigo Duterte for promising to observe "due process" in the closure and suspension of mining firms, following an audit of the Department of Environment and Natural Resources (DENR).

Yellow Cab to expand in Vietnam

In a statement, MGI said it has inked an agreement with Blue Star Food Corp. to put up 12 Yellow Cab Pizza stores in Vietnam within the next five years. MGI president and CEO Roberto Trota said the expansion in Vietnam reaffirms the global mainstream appeal of some of the company's brands.

Ayala expands healthcare portfolio

The group, through Ayala Healthcare Holdings Inc., has invested in Wellbridge Health Inc., a startup that owns and operates MedGrocer. MedGrocer is an ePharmacy and medicine benefits management service that allows customers to order medicines via the internet and have the medicines delivered directly to them.

Globe, PayPal tie up

Globe Telecom Inc. and digital payments provider PayPal have forged a partnership to enable freelancers and businesses to easily withdraw funds. With this partnership, micro, small and medium enterprises (MSMEs) and freelancers in the country now have a platform to receive payments and transfer funds.

Philippine Stock Market Update



Previous Close:

7,252.66

1 Yr Return:

11.28%

Open:

7,257.72

YTD Return:

5.96%

52-Week Range:

7,248.27 - 7,265.52

Source:

Bloomberg

Foreign Exchange

As of February 09, 2017

US Dollar	Philippine Peso
1	49.907

PDST-R2 Rates

As of February 09, 2017

Tenor	Rate
1Y	2.5526
3Y	3.4662
5Y	3.8002
7Y	4.0020
10Y	4.2409
20Y	5.2321

Daily Quote

"The unexamined life is not worth living."

-Socrates

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MORE LOCAL NEWS

Top developers eye New Nayong Pilipino project

Top real estate developers and infrastructure companies, including among others, Okada Group, Ayala Land, DM Consunji Inc., D.M Wenceslao and Associates, Filinvest Land, have expressed interest in bidding for the P1.48B New Nayong Pilipino at Entertainment City, a PPP project expected to kick off in March.

Fitch affirms ratings of 8 biggest lenders

Fitch Ratings has affirmed its grades and outlook on eight of the country's largest banks amid the sustained expansion of the Philippine economy. The debt watcher affirmed the long-term issuer default ratings of BDO, Metrobank, BPI, PNB, RCBC, China Bank as well as government-run Land Bank of the Philippines and DBP.

SL Agritech defers P8-B public offer

Hybrid rice and seeds producer SL Agritech Corp. has pushed back its planned initial public offering to early next year to raise as much as P8 billion, its top official said. SL Agritech chairman and CEO Henry Lim said the company has already received feelers from entities interested to invest in its stocks.

San Miguel gets nod to issue P60-b bonds

The SEC on Thursday approved the P60-b bond shelf-registration of conglomerate San Miguel Corp. SEC commissioner Ephyro Luis Amatong said the corporate regulator also approved San Miguel's initial issuance of up to P15-b fixed-rate bonds, with an oversubscription of up to P5-b due 2022, 2024 and 2027.

Meralco seeks staggered rate hike

Power retailer Manila Electric Co. asked the approval of the Energy Regulatory Commission for a rate hike of P0.92 per kilowatt-hour that will be implemented in three months starting March. Meralco senior vice president Al Panlilio said the application sought to mitigate the effect of an abrupt increase in generation cost.

DoF approves 20 reclamation projects

The Department of Finance has given the Philippine Reclamation Authority (PRA) the green light for 20 of 96 reclamation projects in the pipeline, which could generate hundreds of billions of pesos worth of public assets and help modernize some of the country's vital ports.

Bizz Buzz: Fake infra news?

Infrastructure firm Citra recently announced that it was expanding its toll assets. In the Philippines, it has submitted an unsolicited proposal for the P50-billion, 17.7-kilometer Manila-Taguig Expressway. In Indonesia, it said it would raise as much as \$3.8 billion to fulfill the equity commitment in planned tollroad projects.

Cocktales: CHN island reclamation

A mainland China group, backed by Chinese government money, is reclaiming a new island right in Manila Bay and, unlike in the contested South China Sea, is being welcomed by top Philippine officials with wide, open arms.

Davao IT group warns BPO workers abandoning jobs

Davao city -- The head of ICT Davao, Inc., the umbrella organization of information and communication technology firms in the Davao Region, called on business process outsourcing (BPO) workers to observe proper resignation procedures amid increased staff poaching in the industry.

TODAY'S TOP ASIAN NEWS

Cheap HK stocks are back in vogue with CH investors

Cheap Hong Kong equities are suddenly back in vogue with Chinese investors. As tightening capital controls turn the city's stock market into one of the few Beijing-approved destinations for offshore investment, mainland traders are piling into shares that have long been priced at much lower levels than their counterparts in China.

The Daily Dispatch

MORE ASIAN NEWS

Eternal youth is next big bet for SG VC firm

Baidu Inc. is often referred to as China's Google with a market value of more than \$60 billion. But in 2000, it was an upstart struggling to get any attention from investors, except from a guy named Finian Tan. He's making a similar bet on San Diego-based regenerative medicine company Samumed LLC, which is valued at \$12 billion.

Deposit rates hit 0.00% at Japan megabanks

Two of Japan's biggest banks are now paying almost nothing to look after their customers' savings. The average rate that Mitsubishi UFJ Financial Group Inc. and Mizuho Financial Group Inc.'s main banking units pay depositors fell to 0.00% for the first time in the nine months ended December, from 0.03% a year earlier.

India's monetary policy turn poses growth risks

India's central bank is making a habit of surprising markets. It may be in for a nasty surprise of its own if the economy hobbled by an unprecedented cash crunch fails to snap back.

Ant Fin to raise US\$3 B debt to fund expansion

Ant Financial, the financial affiliate of e-commerce giant Alibaba Group, is planning to raise about US\$3B through debt financing to fund its ambitious global expansion plans. The company, which operates China's largest third-party payments platform Alipay, is reportedly in discussions to raise the amount via bonds or bank loans.

SingTel hires three banks for broadband unit IPO

Singapore Telecommunications, the city-state's largest phone company, said it has hired three banks as it prepares for an initial public offering to divest more than 75 percent of its wholly-owned fiber broadband network unit NetLink Trust. Morgan Stanley, UBS, DBS are the advisers on the share sale.

TODAY'S TOP GLOBAL NEWS

Abe's biggest test yet: Selling Japan to Trump

A.P. Moller-Maersk A/S, the owner of the world's biggest container shipping line, is paying particular attention to noises coming from the US that suggest the new administration is moving closer to a trade war with China.

Decade-High \$100-B Refinanced In January

As the Wall Street Journal noted today, the fear of rising interest rates, which have so far largely been offset by tightening spreads for corporate levered loan borrowers, has sparked a massive wave of corporate loan refinancings, including \$100 billion worth of volume in January 2017 alone.

Iranian Oil Will Not Be Stopped By Trump

Despite new sanctions by the Trump Administration and an escalating war of words regarding its ballistic missile program, Iran is continuing to push ahead with plans to maintain oil production at around 3.8 million bpd, the level agreed upon at the November OPEC meeting last year.

Energy Co. Bigger Than Exxon in Shadow of Aramco

Qatar Petroleum is the hidden giant of the global energy industry, overshadowed by its neighbor Saudi Aramco. Yet, the country's colossal natural gas resources allow the state-run company to pump more oil and gas than Rosneft PJSC or Exxon Mobil Corp.

Economic Calendar

Date	Release
02.07.2017	PH: Foreign Reserves
02.09.2017	PH: Ex-Im Trade Balance
02.15.2017	PH: Overseas Remittance
02.27.2017	PH: Bank Lending YoY
02.28.2017	PH: Nikkei Philippines PMI Mfg

Source: Bloomberg Economic Calendar