

# The Daily Dispatch

February 21, 2017  
TODAY'S TOP NEWS

## Duterte favors heavy taxes on idle lands

According to Socioeconomic Planning Sec. Ernesto Pernia., President Duterte meant it when he threatened to double, even triple, the taxes imposed on idle land holdings that have not been developed for 10 to 20 years unless used for public welfare to end the rampant speculation in real property.

## Robinsons set to open Cebu hotel

Robinsons Land Corp. (RLC) is expanding its mid-to-upscale Summit Hotels and Resorts brand across the country. RLC is set to open Summit Galleria Cebu on March 14. Situated on a 3.6ha lot within the iconic Robinsons Galleria in Cebu, the hotel will have 220 large, well-appointed guestrooms that typically start at 32sqm.

## Solar firm to debut battery storage

Solar Philippines will showcase the country's first solar farm equipped with batteries when it completes the first 50 megawatts (MW) of its largest solar project in Tarlac by mid-2017, its top official said yesterday. The company expects batteries to become a game changer in the solar market this year.

## Poe: Telco giant must subscribe to PH laws

Before Smart could extend its franchise for another 25 years, Sen. Grace Poe said that they will first have to prove that they are subscribing to Philippine laws. "The fact that Smart has 70% of the country as customers does not mean that we in the Senate have no other option but rubberstamp our conformity..." Poe said.

## Peso falls to 10-year low at 50.23:\$1

The peso declined by another 23 centavos to close at its weakest level in more than a decade yesterday. The peso has been under pressure from the high demand for the greenback from importers as well as uncertainty from the expected interest rate increases by the US Federal Reserve.

## Philippine Stock Market Update



Previous Close:

7,281.19

1 Yr Return:

8.86%

Open:

7,284.93

YTD Return:

6.16%

52-Week Range:

7,258.31 - 7,284.93

Source:

Bloomberg

## Foreign Exchange

As of February 20, 2017

US Dollar	Philippine Peso
1	50.348

## PDST-R2 Rates

As of February 20, 2017

Tenor	Rate
1Y	2.5734
3Y	3.5821
5Y	4.2804
7Y	4.9554
10Y	5.0000
20Y	5.3304

## Daily Quote

"There are two ways of spreading light: to be the candle or the mirror that reflects it."

--Edith Wharton

# The Daily Dispatch

## MORE LOCAL NEWS

### Cebu Landmasters wants to go public

Cebu Landmasters Incorporated is planning to go public this May to raise funds for land acquisition and development, as it eyes expansion to 5 key cities in the Visayas and Mindanao. The leading homegrown developer in Metro Cebu intends to raise up to P3.8 billion from an initial public offering (IPO) this May.

### Tadeco welcomes review of joint venture with govt

The Tagum Agricultural Development Co., Inc. (Tadeco) on Monday said it welcomes the call for a review of its joint venture agreement with the government company reiterating that it has always been transparent in its dealings with government.

### Finance leaders vow to comply with PH privacy code

Philippine banking and finance leaders have pledged support to the country's data privacy laws by committing to comply with the relevant issuances by the National Privacy Commission (NPC).

### ADB: Reforms will make taxation more progressive

In a recent meeting with Finance Secretary Carlos G. Dominguez III, ADB President Takehiko Nakao expressed his support for the department's comprehensive tax reform program -- which is now at Congress as House Bill 4774 -- saying it will help ensure the government succeeds in its 10-point socioeconomic agenda.

### FLI to rescind purchase of P6.76-B Cebu govt land

The Filinvest consortium has decided to exercise its option to rescind the P6.76-b purchase of a 19.2-ha property in the South Road Project it had won through a public bidding in 2015. In a disclosure to the PSE, Filinvest said "the City of Cebu (has) failed to comply with several covenants, undertakings and obligations..."

## TODAY'S TOP ASIAN NEWS

### Thailand gears up for Level 4 upgrade

Thailand has geared up for another economic upgrade - a 4th one designed to put it at the center of the SEA region. PM Gen. Prayut Chan-o-cha said Thailand 4.0, an economic model focusing on innovation-driven economy, aims to boost both foreign and domestic investments and strengthen human capital.

### Economist: Yen to hit bottom at 120 before rally

The yen will slump to 120 per dollar in six months as the Federal Reserve raises U.S. interest rates but that's about as weak as it will get, former International Monetary Fund Economist Stephen Jen says. "The BOJ is closer to the limits of their unconventional monetary policy than any other central bank," Jen said.

### CH wins big with stakes in \$22b Abu Dhabi oil deal

Chinese companies are big winners in the competition among foreign bidders for stakes in Abu Dhabi's largest oil concession, snatching a combined 12 percent of the venture as the Middle Eastern emirate looks increasingly to Asia, its biggest market, for investment.

### Top beermakers struggle with CH's changing tastes

Brewers are finding it tough in China, the world's largest beer market. Consumption volume has declined in the last two years, and is set to continue to do so for the next five. The reasons include intense competition, changing tastes, growing health awareness and a slower economy, which is squeezing out lower-income consumers.

### 3 sectors to watch for growth opportunities in CH

Edith Yeung, the newly-appointed Greater China partner of venture fund 500 Startups, has her sights set firmly on three industries in mainland China – education, health care and entertainment.

# The Daily Dispatch

## MORE ASIAN NEWS

### Alibaba courts Bailian, China's oldest retailer

Alibaba Group Holdings Ltd., whose e-commerce sites have upended brick-and-mortar retailing, is bringing the power of its big data and technology to shake up one of China's oldest and largest retail chains for the digital age.

### Asian bond funds launched to provide higher yields

Two Asian bond funds launched in Hong Kong last week, as fund managers expect Asian investors to continue their yield search in 2017 in the belief that Asian central banks will maintain their easy monetary policy even in the face of rising rates in the US.

### AEP Investment-HNA Grp partner for REIT listing

Singapore's AEP Investment Management may team with mainland Chinese conglomerate HNA Group, which maintains an interest in Virgin Australia, to launch an A\$1 bn (\$768.7 mn) real estate investment trust (REIT) anchored by office towers on Australia's eastern seabord.

## TODAY'S TOP GLOBAL NEWS

### Outspoken general named Trump's security adviser

U.S. President Donald Trump on Monday named Lieutenant General Herbert Raymond McMaster as his new national security adviser, choosing a military officer known for speaking his mind and challenging his superiors. McMaster is a highly regarded military tactician and strategic thinker, but his selection surprised some observers.

### After bailouts, Greeks sink deeper in poverty

After seven years of bailouts that poured billions of euros into Greece, poverty isn't getting any better; it's getting worse like nowhere else in the EU. The global financial crisis and its fallout forced four euro zone countries to turn to international lenders. Greece, the first into a bailout in 2010, has needed three.

### US Shale Production To Soar By 3.5 Million Bpd

BofA's Francisco Blanch explains not only why a drop in shale breakevens costs is what is currently the biggest wildcard in the global race to reach production "equilibrium", but also why US shale oil production could surge in the coming years, prompting OPEC to boost production in hopes of recapturing market share.

### The Unthinkable Just Happened In Spain

Untouchable. Inviolable. Immunity. Impunity. These are the sort of words and expressions that are often associated with senior central bankers, who are, by law, able to operate more or less above the law of the jurisdictions in which they operate. But in Spain this week a court broke with that tradition, in emphatic style.

### Burger King owner nears deal to buy Popeyes

Restaurant Brands International Inc, owner of the Burger King and Tim Hortons fast-food chains, is nearing a deal to acquire Popeyes Louisiana Kitchen Inc. The deal is said to value Popeyes at \$1.7 billion

### Greece, lenders discuss new reforms to unblock aid

Greece and its international lenders agreed on Monday to let teams of experts work out new reforms to Greek pensions, income tax and labor market that would allow Athens to eventually qualify for more cheap loans, euro zone officials said.

### 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