

# The Daily Dispatch

Feb. 3, 2017  
TODAY'S TOP NEWS

## Mining shares plunge after DENR closes more mines

Share prices of mining and oil stocks on the Philippine Stock Exchange (PSE) dipped on Thursday, February 2, after Environment Secretary Gina Lopez ordered the suspension and closure of several mining operations across the country.

## Former RCBC head moves to advisory firm

Former Rizal Commercial Banking Corp. (RCBC) president and CEO Lorenzo Tan has joined leading Manila-based advisory firm Primeiro Partners as board advisor.

## PHRealty exits PSE under corporate rehabilitation

PHILIPPINE REALTY and Holdings Corp. is exiting today (Feb. 3) the stock exchange's list of companies under corporate rehabilitation, after a regional court declared final and executory its decision to terminate the proceeding.

## Factory growth momentum weakest so far

MANUFACTURERS in the Philippines exhibited continued expansion as the year began, but growth momentum was the weakest on record in the face of higher input costs and a smaller increase in client orders, according to a monthly monitor that still showed respondents' confidence "remained high."

## National gov't debt P6 trillion at end-2016

THE NATIONAL GOVERNMENT'S (NG) outstanding debt at the end of 2016 rose slightly to above P6 trillion due to currency fluctuations and net repayments on domestic securities, according to the Bureau of the Treasury (BTr).

## Philippine Stock Market Update



Previous Close:

7,225.91

1 Yr Return:

12.43%

Open:

7,223.34

YTD Return:

5.27%

52-Week Range:

6,084.28 - 8,118.44

Source:

Bloomberg (02/03/17)

## Foreign Exchange

US Dollar	Philippine Peso
1	49.77

## PDST-R2 Rates

As of Feb. 3, 2017

Tenor	Rate
1Y	2.8202
3Y	3.5179
5Y	3.8957
7Y	4.7357
10Y	4.2468
20Y	5.4054

## Daily Quote

"I have learned over the years that when one's mind is made up, this diminishes fear."

--Rosa Parks

# The Daily Dispatch

## MORE LOCAL NEWS

### Phinma focuses on retail electricity supply

PHINMA Energy Corp. targets to be a “significant player” in the retail electricity supply (RES) business and has signed up new customers using around 171 megawatts (MW) to source their supply via the company.

### Cocktales: Manila Golf moneymen move to revive BKR

A consortium of Manila Golf Club habitues composed of Isidro Alcantara Jr., club godfather Macario Te and club president Martin Romualdez has budgeted about P225 million to undertake a tender offer for a management-led buyout of the minority shares of Bright Kindle Resources.

### Wanted: Younger farmers in PH

Tony Tan Caktiong, the person behind Asia's largest food service firm Jollibee Foods Corporation (JFC), foresees a gap in agricultural workforce in the Philippines: a new generation that will replace the current farmers. Citing recent studies, STI said the average age of farmers in the Philippines is 57 years old.

### Russian companies keen on PH infra projects

Russia expressed interest in participating in the Philippines' infrastructure and construction sector. Russia's Ministry of Economic Development and Ministry of Transport sought the assistance of the Philippine Chamber of Commerce and Industry to discuss the capacity of Russian companies to participate in infrastructure.

### BSP to consider latest Fed decision

Bangko Sentral ng Pilipinas Governor Amando Tetangco Jr. said Thursday the latest move of the US Federal Reserve to keep interest rates steady will be one of the major factors the Monetary Board will consider in its policy meeting next week.

### PPP suffers delays amid lack of continuity policy

THE Philippines has one of the most robust public-private partnership (PPP) frameworks in Asia but the projects continue to suffer delays due to issues relating to financing, land acquisition or contract negotiations, think tank BMI Research of the Fitch Group said.

### China Bank raises capital of investment bank

CHINA Banking Corp., a listed affiliate bank of retail giant SM group, has approved the increase in capital of its investment bank subsidiary China Bank Capital Corp. (CBCC) to boost the latter's capability to handle bigger deals.

### Demand for high-end office space seen growing-2017

Demand for premium office space is seen expanding this year, given the growing competitiveness of the Philippines as a destination for players in the business-process outsourcing (BPO) industry, multinational firms and tech companies according to Jones Lang LaSalle (JLL) COO Lindsay J. Orr.

### Top Japan bank bullish on Phl prospects

The Bank of Tokyo - Mitsubishi UFJ Ltd is bullish on its prospects in the Philippines as the Duterte administration has committed to ramp up infrastructure spending over the next six years. Together with Security Bank Corp., they are looking at financing major infrastructure projects particularly in power and transport sector.

### Roxas Holdings trims losses

Roxas Holdings Inc. (RHI) has reduced its net loss for the first quarter of crop year 2017 due to improved operating efficiencies and lower costs. In a disclosure to the local bourse, RHI said net loss for the September-November 2016 period reached P112M, an improvement from the P125M loss during the previous crop year.

# The Daily Dispatch

## TODAY'S TOP ASIAN NEWS

### Here's a market recap while China was on holiday

Chinese financial markets will reopen Friday after a week-long break that saw the dollar and global stocks coming under pressure from the rising prospects of U.S. protectionism. Trump's decision to bar entry to people from some countries spurred concern that he would make good on isolationist campaign promises affecting China.

### Mongolia has an unlikely investment winner

With a shrinking economy, ballooning budget deficit and debt downgrades, Mongolia wasn't an obvious place to put your money last year. But a rebound in copper and the prospect of an IMF rescue package has turned the country's dollar bonds into an investment winner.

### Grab goes big on Indonesia with US\$700m road map

Grab will be investing US\$700 million in Indonesia over the next four years - the largest investment the ridehailing app has made in a single country, The Business Times has learnt. The sum is in fact nearly half what Grab has raised in total private equity and venture capital (US\$1.43 billion) since its incorporation in 2012.

### EU set to approve ChemChina's bid for Syngenta

ChemChina is set to secure conditional EU antitrust approval for its US\$43 billion bid for Swiss pesticides and seeds group Syngenta, the largest foreign acquisition by a Chinese company, two people familiar with the matter said on Thursday.

### Visa remains committed to China

Visa, the world's largest payments network operator, reported better-than-expected quarterly profit and revenue as more people made payments using its network. Visa, like MasterCard Inc and its other peers, has been trying to capture the Chinese market, which is dominated by state-run China UnionPay Co Ltd.

### Uber departs Taiwan after threat of massive fine

Uber announced on Thursday it is halting operations in Taiwan, saying it is at an "impasse" with authorities, which deem the ride-hailing app illegal. The US firm has racked up fines since it entered the Taiwan market in 2013 for running a business without the proper registration to operate as a taxi service.

## TODAY'S TOP GLOBAL NEWS

### Trump sends aides to placate AUS after testy call

U.S. President Donald Trump dispatched two top advisers to reassure Australia's ambassador of American support for a decades-old alliance, a day after reports of his criticism of a refugee resettlement deal in a heated phone call.

### Investors are pouring into gold

The Federal Reserve has emboldened gold bulls. Prices and trading volumes surged Thursday on call options giving holders the right to buy bullion at higher prices. On Wednesday, investors poured \$413 million into SPDR Gold Shares, the largest ETF backed by the metal, recouping almost half of the money that exited last month.

### OPEC Cuts Oil Output, But More Work Needed

OPEC cut output by 840,000 barrels a day last month, but has more work to do to fully comply with last year's historic production deal. The Organization of Petroleum Exporting Countries pumped 32.3 million barrels a day in January, according to a Bloomberg News survey of analysts, oil companies and ship-tracking data.

## Economic Calendar

Date	Release
01.30.2017	PH: Bank Lending YoY
01.31.2017	Nikkei Philippines PMI Mfg
02.01.2017	US: FOMC Rate Decision
02.06.2017	PH: CPI Core YoY
02.07.2017	PH: Foreign Reserves

Source: Bloomberg Economic Calendar