

The Daily Dispatch

March 13, 2017
TODAY'S TOP NEWS

Why SM Investments lost P73B in a day

In less than an hour, SM Investments Corporation lost P73.479 billion worth of stock value, ahead of the main index rebalancing next week. On Friday, March 10, shares in SM dropped by 9.24% or P61 to P599 each. This is the conglomerate's biggest decline since October 2008.

PH ends 2016 with FDI up 40.7%

Foreign direct investments continued their resurgence despite a leadership change halfway into last year, according to the BSP. Preliminary data released by the BSP showed that full year-2016 FDIs totaled \$7.9 billion, a 40.7% jump from what was seen in 2015. It also surpassed the BSP's official forecast of \$6.7 billion.

Export growth target to be revised upward

The government and the private sector will revisit the country's export growth target following the strong outcome of merchandise exports in January. DTI said the public-private Export Development Council is likely to elevate this year's total export growth target to as high as 7% from the present forecast for 2017 of just 3-5%.

More debt listings seen

The Philippine Dealing and Exchange Corp., the operator of the country's bond market, may surpass the P150B target it earlier set for new debt listings this year despite the move of the Fed to hike interest rates which could eventually raise borrowing costs. "It's possible to surpass that," said PDS Group CEO Cesar Crisol.

ALI to raise P 7B from 10-year bonds

Ayala Land Inc. (ALI) is raising P7B through the issuance of 10-year fixed rate bonds, which is part of the company's P50B debt program registered under the shelf registration facility of the SEC. Proceeds of the transaction will be used to partially fund some of ALI's projects including upcoming developments worth P49.9B.

Philippine Stock Market Update



Previous Close:

7,146.27

1 Yr Return:

3.33%

Open:

7,213.74

YTD Return:

5.51%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of March 10, 2017

US Dollar	Philippine Peso
1	50.277

PDST-R2 Rates

As of March 10, 2017

Tenor	Rate
1Y	3.1286
3Y	3.8875
5Y	4.5117
7Y	5.0761
10Y	5.2375
20Y	5.4696

Daily Quote

"Happiness is not the absence of problems; it's the ability to deal with them."

--Steve Maraboli

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MORE LOCAL NEWS

Cement manufacturers may put up more plants

Cement manufacturers are lining up to set up plants in the PH to capitalize on the country's "golden age of infrastructure." Trade Secretary Ramon Lopez said aside from existing players looking to expand their production plants, several new players are also looking to put up cement manufacturing facilities in the country.

PLDT now services 60% of PHL's home-broadband

The home broadband business of PLDT Inc. now holds over 60 percent of the market, and is set to acquire more in the next three years. PLDT Home Business Head Oscar Enrico Reyes Jr. said the company will almost double its subscriber base to 4.4 million homes from 2.8 million by year-end.

Japanese SMEs keep Phl on investment radar

The Philippines remains on the radar screens of small and medium enterprises (SMEs) in Japan as a possible investment site with the growing presence of Japanese-speaking staff in some Philippine banks, the Japan Bank for International Cooperation (JBIC) said.

Wilcon set IPO price range at P5 to P5.68

In a media briefing in Makati City on Friday, the home improvement and construction supplies retailer announced a price range of P5-P5.68 for the 1,393,906,200 common shares it will offer starting March 20.

AlloyMtd proposes P120-B 'Putrajaya' in Clark

ASIAN infrastructure conglomerate AlloyMtd Group plans to replicate Malaysia's Putrajaya in the Philippines after pitching a P120-billion proposal to develop a new administrative center for the national government in Clark.

Century Pacific debuts on FTSE

Leading Philippine canned food producer Century Pacific Food Inc. (CNPF) is set to debut on the highly-tracked FTSE Global Equity Index Series for Asia Pacific ex-Japan, joining the FTSE small cap and all-cap indices effective March 20.

Biz Buzz: A fast one at Clark

Recall that brewing situation over private sector offers for Clark International Airport? We're talking about the GMR-Megawide consortium seeking government's clarity after statements from the Department of Transportation that its offer was "discontinued."

SEC to impose 15% public float in Q2

The Securities and Exchange Commission plans to impose the 15-percent minimum public float requirement for companies planning to conduct an initial public offering starting in the second quarter, a highly informed source said over the weekend.

TODAY'S TOP ASIAN NEWS

SG, HK property markets go in opposite directions

Whether you look at prices or policy, the property markets in Singapore and Hong Kong are marching resolutely in opposite directions. Singapore has eased some rules in its property market, after 3 years of price declines. Hong Kong tightened some restrictions, after prices rallied following a short-lived dip last year.

Top Myanmar bank may sell stake to foreign firm

Myanmar's largest privately-owned bank by assets, KBZ bank, says it's willing to sell a stake to a foreign lender, pending a change in the country's law, as it gears up to expand its operations in one of Asia's most under-banked nations.

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MORE ASIAN NEWS

Shadow looming over HK's pumped up asset prices

Asset prices in Hong Kong have been surging lately. There is a powerful reason for would-be buyers to beware. One of the main forces that has long supported Hong Kong's markets is likely to go into reverse in the second half of this year.

Avic to buy Xiamen Tianma Microelectronics

Avic International Holdings, an electronics manufacturing unit of state-owned aerospace giant Aviation Industry Corp of China, says its mainland-listed unit has agreed to buy Xiamen Tianma Microelectronics, the country's largest flat product display supplier, for 10.6 billion yuan (US\$1.5 billion).

China reins in overseas investment last year

China struck \$225 billion in deals to acquire companies abroad last year, a record-breaking number that signaled to the world that Chinese business leaders were hot to haggle. Now, China — with a worried eye on the money leaving its borders — is telling some of its companies to cool it down.

CH moves to make \$9T domestic bond market global

The tide may slowly be turning for Chinese bonds. Citigroup Inc. said Tuesday it will include onshore Chinese debt in some of its gauges, while the central bank pledged to create a "more convenient and friendly environment" for foreign investors.

Del Monte back in the black on strong Q3 earnings

Food and beverage company Del Monte Pacific was back in the black in the third quarter, due partly to its Asian and Middle Eastern businesses doing well. Net profit came in at US\$8.5 million (S\$12.1 million) for the three months to Jan 31, against a net loss of US\$4.8 million in the same period a year earlier.

TODAY'S TOP GLOBAL NEWS

Asia shares off to cautious start as Fed hike looms

Asian shares started the week on a cautious note on Monday as strong U.S. jobs data cemented expectations of a hike in U.S. interest rates this week and as oil prices plunged to 3 1/2-month lows on fresh worries of oversupply.

HSBC names AIA's Tucker as its new chairman

HSBC Holdings Plc named insurance executive Mark Tucker to succeed Douglas Flint as chairman, enlisting an outsider to oversee Europe's biggest bank as it overhauls management. Tucker, 59, chief executive officer of AIA Group Ltd. and former head of Prudential Plc, will take the post Oct. 1, the bank said in a statement Monday.

Argentina plans energy auctions

Argentina is planning at least four energy auctions this year that are expected to attract as much as \$7 billion in investments as president Mauricio Macri seeks to boost generating capacity for both conventional and renewable power plants.

Iceland to lift capital controls from 2008 crisis

Iceland said on Sunday (March 12) that all capital controls put in place to stabilise the economy during the country's 2008 financial meltdown will end next week. "Capital controls on the country's individuals, firms and pension funds have been lifted with effect on Tuesday," the government said in a statement.

Economic Calendar

Date	Release
03.06.2017	PH: CPI Core YoY
03.09.2017	PH: Ex-Im Trade Balance
03.13.2017	PH: Unemployment Rate
03.14.2017	PH: Overseas Remittance YoY
03.15.2017	US: FOMC Rate Decision

Source: Bloomberg Economic Calendar