

The Daily Dispatch

March 15, 2017
TODAY'S TOP NEWS

'MNL should soon have a functional repo market'

Outgoing BSP Governor Amando M. Tetangco Jr. has a wish list that in the main includes a transparent yield curve and a fully functional repo market. He also said the central bank looks to pursue more reforms that not only streamlines financial transactions but casts a more transparent light on their execution, as well.

PCC backs lift of foreign cap on telco, transport

The Philippine Competition Commission (PCC) said yesterday it was supporting initiatives in Congress to amend certain provisions in the 80-year-old Public Service Act (PSA) such as the lifting of the foreign equity cap on certain industries including telecommunications and transportation.

DA intensifies hybrid rice promotion

The Department of Agriculture (DA) has intensified its efforts to promote hybrid rice as well as easier access to credit and financial assistance for farmers. To meet its rice self-sufficiency target by the year 2020, Agriculture Secretary Emmanuel Piñol is leading the intensified promotion of hybridization in rice.

Tetangco prefers insider as successor

BSP Governor Tetangco tagged the global financial crisis as the most challenging event during his 12-year tenure as central bank governor. Tetangco said the global financial crisis in 2008-2009 would stand out as one of the most challenging as its scope and magnitude was wider than the Asian financial crisis in 1997 and 1998.

Timeline set for reg'l airports PPP project

The Department of Transportation (DOTr) has announced the timeline for the regional airports public-private partnership (PPP) project, with the submission of qualification documents set in May, and the deadline for bid proposals scheduled in December.

Philippine Stock Market Update



Previous Close:

7,261.75

1 Yr Return:

3.20%

Open:

7,268.35

YTD Return:

6.05%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of March 14, 2017

US Dollar	Philippine Peso
1	50.344

PDST-R2 Rates

As of March 14, 2017

Tenor	Rate
1Y	2.6601
3Y	3.8966
5Y	4.2989
7Y	5.0339
10Y	5.1107
20Y	5.5179

Daily Quote

"I am not a product of my circumstances. I am a product of my decisions."

-Stephen Covey

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MORE LOCAL NEWS

Auto groups seek lower excise taxes

The Chamber of Automotive Manufacturers of the Philippines Inc. and the Association of Vehicle Importers and Distributors said the proposed excise taxes on automobiles under House Bill 4774 are too heavy and would “kill the legitimate dream of the youth to be able to afford to buy a brand new car” if implemented.

Mining firms: DENR dispute could cost \$16B

The Philippine mining industry warned that its dispute with the DENR over 75 cancelled mining agreements could cost the government billions of dollars. In a statement, the COMP said that “government might spend an estimated \$16 billion if arbitration cases are filed by mining firms whose MPSAs were cancelled.”

Jollibee craves for more stake in Smashburger

Jollibee Foods Corporation (JFC) wants more stake in US-based burger chain Smashburger. This is in line with the fast food giant's attempt to conquer foreign markets, which Jollibee has had modest success in compared to its local sales.

CA defers vote on Gina Lopez's appointment

Ms. Lopez, who is currently abroad, has met stiff resistance in the course of the CA hearings. But Mr. Duterte's remarks on Monday -- in a Malacañang briefing also attended by the two leaders of Congress -- is seen as a reaffirmation of presidential support ahead of Tuesday's executive session on Ms. Lopez's fate.

Joblessness worse, but job quality better

The ranks of those employed but who were seeking more work thinned to a record low in January, according to official data released yesterday that nevertheless showed the employment rate at its lowest and unemployment at its highest in two-and-a-half years.

BizBuzz: Anticompetitive port buyout, redux

The interesting developments continue at the North Harbor amid the continuing tension between businessman Reghis Romero II and his estranged son Michael Romero.

TODAY'S TOP ASIAN NEWS

Cathay Pacific reporting worst results in 8 years

In the three years Ivan Chu has been the chief executive officer at Cathay Pacific Airways Ltd., he has seen the marquee carrier's stock become Asia's worst performer on the Bloomberg World Airlines Index. He may have little to reassure investors at the company's earnings conference Wednesday.

SG tops Tokyo in terms of quality of living

Singapore tops the ranks in Asia as the city with the best quality of living, well ahead of Tokyo and Hong Kong because of its efficient infrastructure. The city-state gained one spot from last year and came in at No. 25 on a global ranking of 231 cities by consulting firm Mercer. In Asia, Tokyo was at 47 and Hong Kong at 71.

SHKP's Cullinan West flat lists at almost HK\$8 mn

Sun Hung Kai Properties (SHKP) has raised the launch price of a batch of apartment units by 11 per cent within four days, in what's probably the most extreme display of price elasticity among Hong Kong's property developers.

Li Ka-Shing firms cleared to pursue \$5.6B duet bid

Billionaire Li Ka-shing won the approval of his shareholders to pursue the purchase of Australian power provider Duet Group, paving the way for the Hong Kong tycoon to diversify away from his reliance on Europe.

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MORE ASIAN NEWS

Anbang to pay Kushners US\$400M for NY office tower

Coming a month before the Chinese and US presidents are scheduled to meet in Florida, this US\$400 million deal puts Anbang in business with the in-laws of the American First Family.

TODAY'S TOP GLOBAL NEWS

Asian stocks ease, cautious of Fed announcements

Asian equities opened slightly lower, as investors stayed cautious awaiting the outcome of several central bank meetings later on Wednesday. With the outcome of policy meetings at the Fed, the Bank of England and the Bank of Japan coupled with a Dutch election vote all due, there is no shortage of event risks in financial markets.

Majority of Scottish voters reject independence

A wide majority of Scots reject independence, a new poll shows, days after Scottish nationalists caught British Prime Minister Theresa May off guard by revealing plans for a second independence referendum. According to new figures published by The Times daily newspaper, 57 per cent of Scottish voters reject independence.

Euronet trumps Ant's offer to buy MoneyGram

U.S. electronic payments company Euronet Worldwide Inc launched a \$1 billion bid for rival MoneyGram International Inc on Tuesday, arguing that its all-American deal would face less regulatory scrutiny than a lower bid by China's Ant Financial Services Group.

Trump Tax Cut May Save Oil Explorers \$10B

The Trump administration's plan to slash corporate tax rates could free up more than \$10b a year for U.S. oil explorers, opening new opportunities to boost drilling at a time of uncertainty in the marketplace. Crude prices in New York have fallen 10% since the end of 2016.

Crunch time for a \$2B gamble on Venezuelan bonds

Just how much do you trust Venezuela? That's the question to ask as \$2 billion of bonds from the state-owned oil company that come due next month trade at about 95 cents on the dollar. Traders with nerves of steel might be able to bank a quick profit if all goes well and Petroleos de Venezuela SA honors the debt.

Student Loans In Default Soars To Over \$137B

Average amount owed is \$30,650 per federal student loan borrower. Average amount owed per borrower continues to tick up, rising 17% since the end of 2013, when borrowers owed on average of \$26,300. For federal loans originated by financial institutions and the US Department of Education, a total of \$137.4b in balances were in default, a 14% increase

AU \$1.7T pension pot spurs record ETF demand

Australia's A\$2.2 trillion (\$1.7 trillion) retirement savings pot is fueling record demand for exchange-traded funds in the nation. The number of do-it-yourself pension accounts holding ETFs surged to a record 100,000 in September, according to a report from BetaShares Capital Ltd. and Investment Trends Pty.

Cities Shop for \$10B of Electric Vehicles

Dozens of U.S. cities are willing to buy \$10 billion of electric cars and trucks to show skeptical automakers there's demand for low-emission vehicles, just as President Donald Trump seeks to review pollution standards the industry opposes.

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