

The Daily Dispatch

April 11, 2017
TODAY'S TOP NEWS

DoubleDragon more than doubles income in 2016

DoubleDragon Properties Corporation, a venture between a firm of Edgar "Injap" Sia II and Tony Tan Caktiong's company, saw its net income more than doubling to P1.47B in 2016, after its recurring revenue almost tripled. This marks a major milestone for DoubleDragon as it just breached its P1B net income target for 2016.

Phoenix boss Uy replaces Tagud as head of 2GO

Davao-based Dennis Uy, the chief of Phoenix Petroleum Corporation, is the new president and chief executive officer (CEO) of listed integrated transport solutions provider 2GO Group Incorporated. He was appointed by 2GO's board of directors in a meeting last Friday, April 7, after the decision of Sulficio Tagud Jr to retire.

Stocks, peso rally on upbeat sentiment

Share prices continued to climb yesterday, breaching the 7,600 level to close 34.16 points higher at 7,617.91. The peso was also on an uptrend, appreciating to its strongest level in more than two months amid heavy trading.

GERI income surges 50% in 2016

Global-Estates Resorts Inc.(GERI), the integrated leisure and tourism arm of Megaworld Corp., reported a 50 percent rise in its net income in 2016, driven by its residential business. In a disclosure to the PSE, GERI said its net income last year jumped to P1 billion, up from P667 million the previous year.

BOI investment pledges rise 10% to P68 B in Q1

Investment pledges approved by the Board of Investments (BOI) climbed by 10 percent in the first quarter on the back of slew of new construction and manufacturing projects in the country. The value of the investment commitments reached P67.97 billion from January to March, up 10 percent YoY.

Philippine Stock Market Update



Previous Close:

7,617.91

1 Yr Return:

6.57%

Open:

7,615.95

YTD Return:

11.65%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of April 10, 2017

| US Dollar | Philippine Peso |
|-----------|-----------------|
| 1 | 49.630 |

PDST-R2 Rates

As of April 10, 2017

| Tenor | Rate |
|-------|--------|
| 1Y | 2.9389 |
| 3Y | 3.9797 |
| 5Y | 4.2473 |
| 7Y | 5.1411 |
| 10Y | 5.2732 |
| 20Y | 5.0186 |

Daily Quote

"Tough times never last, but tough people do."

-Dr. Robert Schuller

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MORE LOCAL NEWS

Ang in talks with Alvarez for BMW partnership

Tycoon Ramon Ang, a known car enthusiast, and Palawan Governor and businessman Jose "Pepito" Alvarez are in talks for a partnership involving the BMW brand in the Philippines currently distributed by Alvarez through Asian Carmakers Corp.

PH auto industry still 2nd fastest growing in Asia

The Philippine automotive industry maintained its position as the second fastest growing market in Southeast Asia despite a slowdown in sales in February, but lost its regional leadership in terms of motorcycle sales growth.

China Bank pegs price of P15-b rights offering

China Banking Corp. said it priced its P15-billion stock rights offering at P31 per share. China Bank said in a disclosure to the stock exchange the offer price was finalized based on the 15-day volume weighted average price subject to a 24.1-percent discount, with a 25.3-percent discount to last close.

PEZA to seek US Millennium funding

THE Philippine Economic Zone Authority (PEZA) will ask for project funding from the United States' Millennium Challenge Corp. (MCC), PEZA Director General Charito Plaza said last week. PEZA is coming up with a masterplan and design of different economic zones to be built in every province and every city, Plaza said.

DoF urges Asean to counter protectionism

Finance Secretary Carlos Dominguez 3rd said Association of Southeast Asian Nations (Asean) member-economies, including the Philippines, should pursue strategies that would promote inclusive growth to counter the negative effects of emerging protectionist policies and a possible trade war between the United States and China.

New procedures for tax treaty relief

Towards improving the efficient administration of tax treaties, the BIR now adopts the self-assessment system and automatic withholding of taxes on income of non-residents deriving dividends, interest and royalties from sources within the Philippines at applicable tax treaty rates, subject to post reporting validation.

FDI inflows up 13.2% in Jan

Foreign direct investment (FDI) inflows recorded a double-digit growth of 13.2 percent in January as investors remained optimistic on the growth potential of the Philippines, the Bangko Sentral ng Pilipinas (BSP) reported yesterday.

TODAY'S TOP ASIAN NEWS

Huishan suffers blows w/ default and frozen assets

HSBC Holdings Plc has told China Huishan Dairy Holdings Co. that it's in default on a \$200 million loan agreement, according to a statement from the embattled milk producer which suffered a mysterious share price plunge last month.

HNA Group's offer for CWT may transcend logistics

Chinese conglomerate HNA Group's S\$1.4 billion privatisation offer for Singapore-listed CWT Limited will likely help the aviation giant grow its presence in the logistics industry in South-east Asia and globally, but the deal was about more than that, analysts said on Monday.

Saudis to seek bids for 700MW wind/solar projects

Saudi Arabia will begin seeking bids next week from renewable-energy companies to build wind and solar plants with a combined capacity of 700 megawatts as part of the kingdom's \$50 billion program to boost power generation and cut its oil consumption.

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MORE ASIAN NEWS

China playing a \$9T game of chicken with investors

Like many individual investors in China, Yang Mo has no idea what's in the wealth management products that make up a big chunk of her net worth. She says there's really no point in finding out. Sure, WMPs invest in all kinds of risky assets, but the government would never let a big one fail, she explains.

Distressed Asia bonds keep winning

Distressed bonds generated another winning quarter as money managers reached for the lower rungs of the \$99.5 billion junk-bond market in Asia, and demand is likely to continue even as rating companies predict more defaults.

TODAY'S TOP GLOBAL NEWS

Staley's whistle blower hunt puts tenure at risk

Barclays Plc's Jes Staley is already on his final warning less than 18 months into the job. The offense: repeatedly trying to root out the identity of a whistle-blower who made allegations against a senior banker the chief executive officer had worked with before.

AUS's biggest pension fund eyes US infrastructure

Trump's plan to fix America's crumbling infrastructure with \$1 trillion of private and public investment over a decade is drawing interest from 10,000 miles away. AustralianSuper Pty, Australia's biggest pension fund with over A\$100 billion in assets, is eyeing the US market for infrastructure debt and equity investment prospects.

Yellen warns Fed's independence under threat

The US central bank's shield from political interference is "under some threat" from Congress, a prospect that could erode progress in the economy, Federal Reserve chief Janet Yellen warned Monday.

Toyota to invest \$1.3 billion in Kentucky plant

In the latest move by a major automaker to enhance its American manufacturing operations, Toyota said on Monday that it would invest more than \$1.3 billion to upgrade its assembly plant in Kentucky. The announcement follows a push by President Trump for auto companies to expand in the United States, and it follows similar actions by General

AT&T to acquire Straight Path

AT&T Inc. agreed to acquire Straight Path Communications Inc., which holds licenses to coveted wireless airwaves, in an all-stock deal valued at \$1.6 billion. Straight Path is one of the largest holders of 28 GHz and 39 GHz millimeter-wave spectrum -- frequencies the U.S. Federal Communications Commission has already approved to power 5G.

Google offers \$1.2b injection in LG Display

Google has offered to invest at least 1 trillion won (S\$1.2b) to help South Korea's LG Display boost output of OLED screens for smartphones, the Electronic Times reported yesterday. The paper cited unnamed sources as saying Google offered the investment to secure a stable supply of flexible Oled screens for its next Pixel smartphones.

Oil hits five-week top on geopolitical tensions

Crude oil climbed to a five-week high on Tuesday, with prices underpinned by tensions following a U.S. missile strike on Syria and a shutdown at Libya's largest oilfield.

Economic Calendar

| Date | Release |
|------------|------------------------------|
| 04.04.2017 | PH: CPI YoY |
| 04.05.2017 | US: FOMC Meeting Minutes |
| 04.06.2017 | PH: Foreign Reserves |
| 04.10.2017 | PH: Ex-Im Trade Balance |
| 04.16.2017 | PH: Overseas Remittances YoY |

Source: Bloomberg Economic Calendar