

The Daily Dispatch

May 09, 2017
TODAY'S TOP NEWS

EDC allocates P7B capex to improve steam plants

Energy Development Corp. (EDC) is earmarking P7B in capital expenditure (capex) this year mainly to improve the reliability of its steam plants. After the company's stockholders' meeting on Monday, EDC President Tantoco said P3B of the programmed capex has been allocated for its 112.5MW Tongonan geothermal power plant in Leyte.

Max's eyes expansion to Europe

Max's Group Inc. (MGI) plans to continue strengthening its international presence and may even make its foray in Europe, its top official said. MGI president and CEO Robert Trota told reporters following the company's annual stockholders meeting yesterday that they remain on the lookout for opportunities overseas.

Dominguez wants DOF's lending transferred to DBP

The Department of Finance (DOF) is planning to transfer the lending operations of the Municipal Development Fund Office (MDFO) to state-lender DBP. Finance Secretary Carlos G. Dominguez III said yesterday that the transfer of MDFO's lending business catering to LGUs to the DBP may take effect in early next year.

Duterte trims choice for next BSP head to 2

President Duterte has reportedly trimmed down to the current two deputy governors of the Bangko Sentral ng Pilipinas as possibly the next BSP governor replacing Amado Tetangco, who will finish his second term of office on July 2, ending 12 years of successful management of the central bank.

Stocks rally to two-year high

Share prices rallied yesterday, hitting a two-year high as the market got a huge boost from a string of positive developments here and abroad. The PSEi surged to settle at 7,962.33 while the All Shares index ended at 4,731.25, tracking the uptrend in the regional market after Emmanuel Macron won the French presidential election.

Philippine Stock Market Update



Previous Close:

7,962.33

1 Yr Return:

16.25%

Open:

7,980.36

YTD Return:

16.32%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of May 8, 2017

US Dollar	Philippine Peso
1	49.876

PDST-R2 Rates

As of May 8, 2017

Tenor	Rate
1Y	2.8448
3Y	3.9333
5Y	4.2392
7Y	4.9788
10Y	4.7968
20Y	5.2447

Daily Quote

"I honestly think it is better to be a failure at something you love than to be a success at something you hate."

--George Burns

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MORE LOCAL NEWS

PH hosts China-led economic bloc meet

Trade officials from 10 member-states of the ASEAN and six trade partners began talks on a China-led economic bloc in Manila Monday, with a goal to achieve substantial conclusion this year. The meeting would discuss the rate of inclusion of goods in the proposed broader regional trade liberalization.

Max's opening 70 stores this year

Max's Group Inc., the country's leading casual dining restaurant company, plans to open 60 to 70 stores this year both here and abroad as it continues to expand to new markets. Max's Group president Robert Trota said in an interview at the sidelines of the annual stockholders meeting the company was negotiating new franchise deals.

Public Works studying proposed C3 Expressway

The Public Works Department said Monday it is evaluating the proposed P25-billion C3 Elevated Expressway jointly submitted by the Ayala-SM group. "It's in ICC [Investment Coordinating Committee] right now. We just received it, so we are still studying it," Public Works Secretary Mark Villar said.

PDIC to auction P1.7B properties, cars

State-run PDIC said it is auctioning off more than a hundred assets—its biggest so far—with a combined minimum value of P1.7 billion. In a statement on Monday, PDIC said interested buyers may choose from residential and commercial properties which include various condominium units with parking slots.

MB allows rural banks to invest in bonds

The board, in a circular released Monday, said rural and cooperative banks may invest in readily marketable bonds and other debt securities provided these instruments have complied with the new rules on registration of commercial papers.

Espenilla is Duterte's pick for BSP

MALACAÑANG on Monday night announced the appointment of central banker Nestor A. Espenilla, Jr. as the new Bangko Sentral ng Pilipinas (BSP) governor, replacing two-terminer Amando M. Tetangco, Jr. who steps down in early July.

Developers see Cebu as hub for investments

PROPERTY developers Arthaland Corp. and Cebu Landmasters, Inc. are taking advantage of the growing business opportunities in Cebu by launching their respective office and residential projects in the city.

JG Summit invests in internet platform Sea

Gokongwei-led conglomerate JG Summit Holdings Inc. has obtained a foothold in regional e-commerce by investing in Singapore-based Sea Ltd., an internet platform company focused on greater Southeast Asia.

TODAY'S TOP ASIAN NEWS

CH mulls plans to create three mega power firms

China is considering plans to create three power giants through mergers of eight coal-fired and nuclear generators with combined assets of almost 5.9 trillion yuan (US\$855 billion), according to people with knowledge of the plan.

DCORP to pick 30% in online broadcasting app

Thai listed energy and media firm Demeter Corporation Pcl (DCORP) plans to spend up to 74.37 mn baht (\$2.2 million) on acquiring 30% interest in Blue Finix Digital Pcl, the app developer for internet broadcasting.

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MORE ASIAN NEWS

ADB to set up fund to invest in hi-tech projects

The Asian Development Bank is setting up a trust fund that will invest in high-level technology integrating with innovative solutions in the design and implementation of its projects in Asia and the Pacific.

India's next growth driver: \$1.3T housing boom

India's unhoused may soon become a more potent economic growth driver. Prime Minister Narendra Modi's drive to bring homes to the country's 1.3 billion people, rising incomes and the best affordability in two decades will unleash a \$1.3 trillion wave of investment in housing over the next seven years, according to CLSA India.

CH stock shakeout creates divided market

All Chinese stock indexes are not equal. As Beijing intensifies a campaign to clean up markets and reduce leverage, state-owned enterprises that dominate old growth industries, such as banks and commodity producers, have been among the worst hit, while new-economy shares remain in favor among overseas investors.

IMF: Asia facing risks from rise in protectionism

The International Monetary Fund said Asia's economic outlook faces "significant" uncertainty and downside growth risks from any sudden tightening in global financial conditions or rise in protectionist trade policies. They also said loose monetary and fiscal policies across most of the region would underpin domestic demand.

SG startups tap region's exploding e-commerce

Singapore tech startups are pursuing regional expansion more aggressively than ever. On Monday, three companies unveiled major plans to deepen their presence across SEA - three months after Grab announced its US\$700M investment in Indonesia to support the country's goal of becoming the region's largest digital economy by 2020.

TODAY'S TOP GLOBAL NEWS

Oil cuts may go into 2018 - Saudi Arabia, Russia

Oil held on to gains yesterday as Saudi Arabia and Russia said they are prepared to extend production cuts into next year. Saudi Arabia's Energy Minister, Mr Khalid Al-Falih, said yesterday that while the rebound in United States shale oil has slowed Opec's efforts, the group will likely maintain output cuts this year and possibly into 2018.

Australia's AAA rating is back under the microscope

Australia's AAA rating is again under the microscope as the government prepares to deliver a budget Tuesday that appears long on spending pledges and short on savings. S&P Global Ratings put Australia on negative outlook in July following a knife-edge election that saw the government scrape together a lower house majority.

Western shoppers fueling revival for Asian goods

Buoyed by U.S. and European demand, shipments of everything from South Korean cars to Indian t-shirts have pushed exports from Asia to their highest levels to multi-year highs. Sleek smart-phone upgrades planned by Apple and Samsung are also helping as Chinese manufacturers hoover up components from around the region to build the

KKR said in talks with Toshiba for pre-emptive bid

KKR & Co. is in talks with Toshiba Corp. about a preemptive bid for the Japanese company's memory chips business that would accelerate completion of a sale and end negotiations with other potential acquirers.

Economic Calendar

Date	Release
05.01.2017	PH: Nikkei Philippines PMI Manufacturing
05.04.2017	PH: CPI YoY
05.04.2017	PH: Foreign Reserves
05.10.2017	PH: Trade Balance
05.14.2017	PH: Overseas Remittances

Source: Bloomberg Economic Calendar