

The Daily Dispatch

June 22, 2017
TODAY'S TOP NEWS

5 non-life insurance firms intend to close down

Five non-life insurance companies have signified their intentions to close down, as some expect they won't be able to comply with future capital requirements, the Philippine Insurers and Reinsurers Association said. Under the Amended Insurance Code, the capital requirement of insurance companies will increase every 3 years until 2022.

Ecozone investments seen tripling this year

The Philippine Economic Zone Authority expects approved investments this year to at least triple to P654.54 billion due to heightened foreign investor interest in the country, its top official said yesterday. Investment pledges approved by the agency was off to a strong start in 2017, reaching P51.34 billion in the first quarter.

PH electronics industry poised for continued growth

The electronics industry remains strong amid "noises" surrounding the country, the Semiconductor and Electronics Industries in the Philippines Foundation Inc. (SEIPI) said. An indication of the rosy prospects for the Philippine electronics industry is the continued downpour of new investments in the sector.

AC Energy, FBDC ink power supply deal for BGC

The developer of Bonifacio Global City (BGC) has signed a deal with Ayala-owned AC Energy Holdings Inc. for the provision of renewable power supply to its office and retail developments. The agreement will power up eight of Fort Bonifacio Development Corp.'s buildings.

LBC Express raises \$50m from Crescent Point

LBC Express Holdings Inc, a listed courier and logistics company, is raising up to \$50 million from Singapore-based private equity firm Crescent Point. LBC Express's board of directors approved the issuance of a \$50m convertible instrument due on 2024 in favour of CP Briks Pte Ltd, a special purpose vehicle of Crescent Point.

Philippine Stock Market Update



Previous Close:

7,886.37

1 Yr Return:

3.02%

Open:

7,886.59

YTD Return:

14.75%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of June 21, 2017

US Dollar	Philippine Peso
1	50.374

PDST-R2 Rates

As of June 21, 2017

Tenor	Rate
1Y	2.8554
3Y	3.8374
5Y	4.0317
7Y	4.4793
10Y	4.6414
20Y	5.4054

Daily Quote

"The more I want to get something done, the less I call it work." --Richard Bach

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MORE LOCAL NEWS

OFW remittances not covered by tax reform package

Money sent home by overseas Filipino workers will not be subject to duties under the Duterte administration's proposed tax reform program, the Department of Finance (DOF) said yesterday.

DoE announces Malampaya maintenance sched for Q3

Malampaya will undergo maintenance for two days on July 22 and 23, involving preliminary work on the 504-kilometer undersea pipeline ahead of more extensive work in August. The work scheduled for July involves "pigging," or sending a remote device known as a "pig" down the length of the pipe to clean it and inspect for faults.

CIC to allow more firms to access credit database

STATE-RUN Credit Information Corp. (CIC) is looking to launch a second on-boarding stage in August for financial entities who have not yet submitted their loan data to the country's credit information system database.

VAT on local suppliers will force more importation

The top industry official representing electronic exporters in the country said the government's proposal to impose value-added tax (VAT) on local suppliers of export-oriented companies would push the latter to depend on what would then be cheaper imports that, in turn, would "kill our local suppliers."

Emperador buys back P3.8M shares

Emperador Inc. (EMP) recently bought P3.85 million worth of its own shares as part of the company's buyback program to improve share value. A disclosure posted in the Philippine Stock Exchange on Wednesday showed that Emperador had picked up 550,000 of its own shares from the open market at an average price of P7.0094 per share.

CLI starts 38-storey Cebu residential tower

Newly-listed real estate developer Cebu Landmasters Inc. (CLI) has broken ground for a 38-storey New York-style residential condominium project in Cebu IT Park. The ground-breaking for this residential tower called 38 Park Avenue, which is projected to be completed on December 2020, was conducted last June 15.

TODAY'S TOP ASIAN NEWS

HK's gambling empire is losing horsepower

Disinterest among many young people and an upcoming bridge link to the glittering casinos of Macau threaten the future of the money-spinning gambling monopoly in Hong Kong. Already the amount bet on racing fell 1.7 percent in the latest season for which numbers are available, ending mid-July 2016, from the previous year.

Japanese firms 'more willing to invest in China'

Of the 8,852 Japanese businesses surveyed late last year for the white paper, some 40.1 per cent said they were willing to expand their business on the Chinese mainland, while 7.1 per cent wanted to scale down or withdraw. That compares to 38.1 per cent wanting to expand in 2015, and 10.6 per cent keen to scale down or leave.

SINOPEC, Linde Group launch \$161m JV

SINOPEC, the biggest integrated refining and chemical company in China, and The Linde Group, an industrial gases and engineering company, have established a \$161.8M JV to supply vital industrial gases to customers from key industries such as petrochemical, steel and electronics, within the Ningbo Chemical Industrial Zone in Zhejiang.

UberEats challenges Deliveroo and Foodpanda

Uber has teamed up with Li Ka-shing's favourite braised goose resto to take a bite out of Deliveroo and Foodpanda in the crowded HK food delivery scene. The SF-based disruptor for taxis is now making waves on the city's culinary landscape, launching an aggressive campaign to sign up Cantonese restaurants sought-after among foodies.

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MORE ASIAN NEWS

SZ's factory hub status draws young tech companies

Shenzhen's prominence as a manufacturing hub is gaining kudos among young tech companies, especially those with a hardware focus. Success stories such as drone maker DJI, and smartphone maker Huawei, both of which have chosen SZ as their headquarters, have drawn attention to the value of being closer to the tech manufacturing ecosystem.

Tencent's startup investment now in outer space

Tencent has invested in Moon Express, which aims to put drones on the moon; Argentina's Satellogic, which specializes in satellite imagery; and Planetary Resources, which is looking into asteroid-mining. They're an unusual trio for a company that seeks terrestrial entertainment content, artificial intelligence, and virtual reality.

Air Asia eyes Asean holding firm

Malaysian tycoon Tony Fernandes said the Air Asia Group would pursue the creation of a single, publicly traded holding company for its major business units in Southeast Asia, including the Philippines, saying this would spur investments and help bring down the price of air travel.

Chinese shares join MSCI

MSCI's decision to add mainland Chinese stocks to its benchmark emerging markets index has been welcomed by officials from mainland China and Hong Kong, as well as global investment managers. The addition is widely regarded as a landmark moment in China's road to opening up its vast domestic financial market to the world.

TODAY'S TOP GLOBAL NEWS

Soros: UK is approaching 'tipping point'

Economic reality is catching up with the U.K., where it is becoming clear that leaving the European Union will lead to lower living standards, billionaire investor George Soros said. Although the U.K. economy initially defied predictions of an immediate slowdown after the surprise Brexit vote, negative signs are now emerging.

America is now a 'second tier' country

America leads the world when it comes to access to higher education. But when it comes to health, environmental protection, and fighting discrimination, it trails many other developed countries, according to the Social Progress Imperative, a U.S.-based nonprofit.

Snap is said to buy mapping startup Zenly for \$200M

Snap Inc acquired Zenly, a French startup that makes a social map so people can see where their friends are hanging out, for US\$200 million in cash plus additional stock awards, according to a person familiar with the matter.

Toshiba picks Bain to buy chip unit

Toshiba Corp has chosen a consortium of Bain Capital and Japanese government investors as the preferred bidder for its chip business, aiming to seal a deal worth some \$18 billion by next week as it scrambles for funds to cover massive losses.

SoftBank invests \$100m in Cybereason

Cybereason said on Wednesday it received \$100 million in investment from its biggest investor SoftBank Corp, as the cybersecurity-focused startup looks to develop new technologies and increase distribution channels. SoftBank, a subsidiary of SoftBank Group Corp, is also one of Cybereason's biggest customer and distribution partners.

Economic Calendar

Date	Release
06.15.2017	PH: Overseas Remittances YoY
06.19.2017	PH: BoP Overall
06.22.2017	PH: Overnight Borrowing Rate
06.29.2017	PH: Money Supply M3 SRF YoY
06.30.2017	PH: Bank Lending YoY

Source: Bloomberg Economic Calendar