

The Daily Dispatch

June 28, 2017
TODAY'S TOP NEWS

Index tracks uptrend in foreign markets

The local stock market tracked positive sentiments abroad to start the week on a strong note. The Philippine Stock Exchange index (PSEi) rose 0.79 percent, or 62.20 points, to close at 7,876.37, while the broader All Shares index grew 0.53 percent, or 25.18 points, to settle at 4,704.47.

Melco doubling capital stock

Melco Resorts and Entertainment Philippines Corp., the operator of City of Dreams Manila, is doubling its authorized capital stock in preparation for future fund raising opportunities. Melco said its shareholders approved to increase the firm's authorized capital stock to 11.9B common shares at P1 apiece from the previous 5.9B shares.

Vista Land sets sights on integrated resorts

The Villar Group is venturing into tourism as another leg of business and is also open to the development of integrated resorts. Vista Land & Lifescapes president Manuel Paolo Villar said the company is now ready to go full blast on tourism development with the construction of hotels.

China Bank gets investment grade

China Bank, the country's eighth-largest lender in terms of assets, said it received an investment grade rating of 'Baa2' from Moody's, one of the world's major credit rating agencies. China Bank said the new rating was the same level as the Philippine sovereign rating and at par with the country's top three biggest banks.

Construction of LRT common hub to start

The Transportation Department said the construction of the long-delayed common station that will link Metro Manila's overhead train systems will start in September. "The groundbreaking will be in September," Sec. Tugade said, adding that Congress and the private sector already approved the location of the common station.

Philippine Stock Market Update



Previous Close:

7,876.37

1 Yr Return:

4.32%

Open:

7,889.80

YTD Return:

15.04%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of June 27, 2017

US Dollar	Philippine Peso
1	50.255

PDST-R2 Rates

As of June 27, 2017

Tenor	Rate
1Y	2.8496
3Y	3.8289
5Y	4.0294
7Y	4.7125
10Y	4.6055
20Y	5.0117

Daily Quote

"Plant your garden and decorate your own soul, instead of waiting for someone to bring you flowers."

-Jose Luis Borges

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MORE LOCAL NEWS

Investment in call center industry slows in Q1

THE Contact Center Association of the Philippines (CCAP) said investment in the industry slowed in the first quarter of 2017, an official said on Tuesday. "First quarter of CCAP this year slows in terms of investments compared with the same period to last year," Jojo Uligan, CCAP president told reporters.

LandBank completes PostalBank valuation

State-owned Land Bank of the Philippines has completed its valuation of the Philippine Postal Saving Bank, which is being eyed by the government to become the overseas Filipino workers' (OFW) bank by October, the Department of Finance (DoF) said.

Moody's affirms PH minimum investment grade

CREDIT rating agency Moody's Investors Service affirmed on Tuesday the Philippines' "Baa2" minimum investment grade rating and a stable outlook, saying the domestic economy would remain strong. But it warned of political risks and cited indications of overheating in the economy.

NGCP set to formalize deal for National Broadband

The National Grid Corp. of the Philippines (NGCP) is preparing to formalize its agreement for the government's national broadband program by using the fiber optics network in the transmission grid to improve internet speed in the country.

SC guidance sought on power supply competition

THE Energy Regulatory Commission (ERC) is planning to ask the Supreme Court for guidance on how the power industry should move after rules governing retail competition and open access (RCOA) was put on hold and left electricity users and providers unsure about the legality of their transactions.

Gov't makes full award of bonds

THE Bureau of the Treasury (BTr) made a full award of reissued 20-year Treasury bonds (T-bonds) yesterday, as bids by banks went down and were aligned with market expectations amid bets of lower domestic inflation and on the back of strong investor demand for longer-termed securities.

RLC forms unit for infra-related business

Gokongwei-led Robinsons Land Corp. (RLC) is diversifying its revenue stream through the creation of a new unit devoted to infrastructure and integrated development, including the setting up of warehousing facilities to cater to the logistics requirements of the growing domestic economy.

TODAY'S TOP ASIAN NEWS

Fresh cyberattack reaches Asia

A new cyberattack similar to WannaCry has reached Asia after spreading from Europe to the U.S. overnight, hitting businesses, port operators and government systems. The spread of the attack across the globe and into Asia underscores how ransomware is becoming a routine risk of doing business.

Thailand's tourist boom puts strain on airports

Thailand's tourism bounty comes with a big challenge for the head of state-run Airports of Thailand Pcl: expanding passenger capacity in Bangkok by about the size of South Korea's population. Growth in tourism is a bright spot for Thailand's economy, putting pressure on airport operators to ensure infrastructure keeps pace.

Watson to stick with stores, and spend \$160m

A.S. Watson plans to plough US\$160 million over the next three years on technology, logistics and staff training to stay competitive in a fast-changing retail landscape, as mobile and online sales continue to gain popularity. The group will open 400 new stores globally this year, and 500 in China.

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MORE ASIAN NEWS

US flying car designer & China's Geely

China's Zhejiang Geely, which owns Volvo and Lotus car brands, has agreed to buy Terrafugia, a US startup that designed the world's first practical flying cars, as the Chinese carmaker taps into cutting edge technologies that could allow urban commuters to take to the skies in their cars.

B2B plan to revive fortunes of HK's Silver Base

Silver Base Group, a Hong Kong-based distributor of high-end liquors, is shifting its business model towards operating a business-to-business (B2B) platform in a bid to reverse falling profits. The company's profits plunged last year, because of surging expenses – including those incurred by setting up the B2B liquor trading platform.

Hong Kong makes progress on fintech

10 fintech pilot apps under HKMA's regulatory 'sandbox' have launched, with 8 more in the process of completing trials. In Hong Kong there are many organisations, working groups, commissions, and thought leaders offering views on how the city's regulators, start-ups and financial institutions can adapt to a new fintech environment.

Alibaba increases stake in Lazada to over 90%

Alibaba Group Holding Ltd. that bought a controlling stake in Lazada Group SA last year, has increased its stake in the Singapore based e-commerce site to about 95%, by availing the option to buy out remaining shares from almost all of Lazada's investors, an executive with direct knowledge of the development told this portal

Samsung to sell off refurbished Galaxy Note7s

The world's biggest smartphone maker Samsung will next week start reselling refurbished Galaxy Note7 devices after a humiliating recall over exploding batteries last year, news reports said on Tuesday (June 27).

TODAY'S TOP GLOBAL NEWS

EU fines Google a record 2.4 billion euros

The EU hit Google with a record 2.4-billion-euro anti-trust fine Tuesday, June 27, for favoring its own shopping service, in a fresh assault on a US tech giant that risks the wrath of President Donald Trump. EU chief Margrethe Vestager said Google had "abused its market dominance" to give illegal advantage to its Google Shopping service.

Takeover of German drugmaker Stada falls apart

Shares in German generic drugmaker Stada slumped on Tuesday after a 5.3 billion euro (\$5.9 billion) agreed takeover bid by private equity groups Bain Capital and Cinven did not win enough shareholder support.

Canada allows Dow, Dupont merger

Canada's Competition Bureau said on Tuesday it would allow a planned merger between DuPont and Dow Chemical Co after both firms agreed to dispose of some assets. The announcement is similar to those made by U.S. and EU regulators, who also allowed the merger to go ahead as long as the firms made divestitures they already have outlined.

Nestle plans \$20.8 bn share buyback

Nestle (NESN.S) plans to buy back as much as 20 billion Swiss francs (\$20.8 billion) worth of shares over three years, it said on Tuesday, days after U.S. activist shareholder Third Point LLC began a campaign to boost performance at the company.

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