

The Daily Dispatch

June 08, 2017
TODAY'S TOP NEWS

DoE studying LNG infrastructure worth P100B

ENERGY Secretary Alfonso G. Cusi said his department is looking at the construction of a common liquefied natural gas (LNG) receiving and distribution infrastructure, which he said could help make the country an “LNG hub” for Southeast Asia.

Cebu Pacific to buy 7 Airbus jets for \$812 million

The Philippines' largest airline Cebu Pacific is ordering seven Airbus A321CEO aircraft in a deal worth \$812 million to meet growing domestic and regional demand, the airline said on Wednesday, June 7. Cebu Pacific, best known for its budget flights, said in a statement the new planes would start arriving next March.

DMCI homes hits P25.5B sales target for 2017 early

DMCI Homes is set to hit its year-end reservation sales target of P25.5 billion by this month — five months ahead of schedule. DMCI Homes President Alfredo Austria said they will hit the 12 months target in just seven months, explaining that they start counting from December to June.

Remaining tax reform packages to raise P152 bn more

Based on the latest DOF data, the gov. is expected to generate a total of P151.9B in additional revenues from the second to fifth tax reforms being initiated by the Duterte administration. The DOF earlier estimated that the House-approved tax reform package one will raise P133.8B in fresh revenues for the government.

BSP investigates BPI internal electronic glitch

The BSP is looking into the scope of the BPI glitch and if it has spread to other units. BSP Deputy Governor Espenilla, who is in charge of bank supervision, has commented that while the central bank is closely monitoring BPI's internal system error, it will leave it to the bank to resolve its own problem.

Philippine Stock Market Update



Previous Close:

8,002.32

1 Yr Return:

5.91%

Open:

8,007.04

YTD Return:

17.47%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of June 7, 2017

US Dollar	Philippine Peso
1	49.488

PDST-R2 Rates

As of June 7, 2017

Tenor	Rate
1Y	2.8221
3Y	3.8337
5Y	4.0431
7Y	4.4879
10Y	4.6339
20Y	5.4036

Daily Quote

"Empty pockets never held anyone back. Only empty heads and empty hearts can do that."

--Norman Vincent Peale

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MORE LOCAL NEWS

Phl cited for best mining mngm't practices

Finance Asst. Secretary Alvarez said the Phl. was repeatedly cited for its “exemplary” performance in the implementation of the Extractive Industries Transparency Initiative during its 37th board meeting in Oslo, Norway. The EITI is a global standard to promote the open and accountable management of oil, gas and mineral resources.

Tax reform to improve Phl fiscal stability — Fitch

International credit rating agency Fitch Ratings said the passage of the first package of the tax reform program shows the commitment of the Duterte administration to improve the country's fiscal stability and support its ambitious public investment program.

Govt to build P50-b expressway in Cebu

The Public Works Department said Wednesday it is ready to construct a 74-km expressway in Cebu province to decongest its major thoroughfares. “We have already completed the feasibility study of the P50-billion Metro Cebu Expressway Project. It will be implemented in three segments,” Public Works Secretary Mark Villar said.

Neda unit endorses P531-b rail projects

The NEDA its ICC endorsed three major rail projects with a combined cost of over P531 billion. Neda said in a statement the three projects—Mindanao Railway Project's Tagum-Davao-Digos segment, North South Railway Projects-South Line and Malolos-Clark Railway Project—were approved during a joint ICC-technical board

Buying binge lifts PSEi back to 8,000 level

Investors went on a buying binge Wednesday, positive that existing geopolitical jitters would not affect the Philippine market, and lifted the benchmark PSEi back to the 8,000 level. Despite the perceived risks in key event in major economies, investors resumed to take long positions, Regina Capital said.

P1-B rehab of 25 LRT-1 trains completed

The Light Rail Manila Corporation (LRMC) announced on Wednesday it has completed a P1-billion rehabilitation program for 25 of its Light Rail Transit-1 trains, expanding the fleet to 102 at the end of May 2017.

South Korea offers to fund PH infra projects

Export-Import Bank of Korea (KEXIM), the official export credit agency of South Korea, expressed willingness to allocate \$1 billion in concessional loans over 6 years for possible funding of some key infrastructure projects in the Philippines.

DOF to pitch reduced corporate income tax

The Department of Finance (DOF) will submit to Congress in October a revenue-neutral second tax reform package aimed at slashing corporate income taxes while putting a cap on the fiscal incentives being enjoyed by investors.

CIC aims to grow earnings by 15% this year

CONCEPCION Industrial, Corp. (CIC) expects profit and revenues to increase by 15% this year, keeping the company on track to meet its P50-billion revenue target by 2020.

Turmoil at world's 2nd biggest copper mine deepens

Turmoil at the world's second-biggest copper mine intensified on Wednesday as Freeport-McMoRan Inc.'s Indonesia unit said it had fired 3,000 workers amid a strike that has lasted more than five weeks. They said the workers at the giant mine failed to return after being asked five times and it now considers them resigned.

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TODAY'S TOP ASIAN NEWS

Noble's lenders in talks on \$2B credit line- FT

Noble Group's main banks are in talks to decide whether to give the commodity trader an extension on its credit line or force it into a restructuring or liquidation, the Financial Times said on Tuesday. Lenders have appointed legal advisers to consider the case for extending the US\$2 billion line of credit.

Patamar Capital to invest over \$6m in SE Asia

SF-based impact venture capital firm Patamar Capital is planning to invest more than \$6M in SE Asia this year. Patamar Capital invests in fast growing economies such as India, Indonesia, Vietnam and the Philippines. The company invests up to \$2M in agriculture, education, healthcare, employment access and financial inclusion.

Huawei aims at laptop and tablet computer markets

Huawei Technologies, one of the world's top three smartphone makers, is bent on expanding its footprint in the laptop and tablet computer segment to mount a challenge against global rivals after launching its latest Matebooks on the mainland. Huawei's latest generation of Matebook products began selling in China on Wednesday.

Basic Energy, VTE mull stake acquisition in Solmax

Basic Energy, and Vintage Engineering, are looking at acquiring controlling stakes in Solmax Power Limited of HK(Solmax) which has solar projects in Japan. Basic Energy said it is planning to undertake due diligence on Solmax with the end-view of investing in the company and its solar projects in Japan.

Tencent Holdings picks 7.71% in Coocaa for \$44

Tencent Holdings has invested \$44 million to take 7.71% shares in Coocaa, a smart TV unit of Chinese TV maker Skyworth Digital Holdings, in a deal that values the company at \$590M. Tencent would also make a strategic partnership by integrating its digital content with Coocaa's smart TV and other hardware products.

TODAY'S TOP GLOBAL NEWS

Apple jumps on China's QR code bandwagon

Apple has added QR code-reading to its cameras in an attempt to woo users in China, where the American technology giant has been losing ground to local rivals. Though they've enjoyed limited popularity in the west, the two-dimensional barcodes have become an everyday essential for China's more than 700 million mobile internet users.

Bill Gross: Market risk highest since pre-2008 crisis

U.S. markets are at their highest risk levels since before the 2008 financial crisis because investors are paying a high price for the chances they're taking, according to Bill Gross, manager of the \$2 billion Janus Henderson Global Unconstrained Bond Fund.

More acquisitions in tech: EY's Richard Watson

The 'big four' are evolving into technology consultancies, diversifying from their traditional strengths in the auditing and accounting space. The latest indication of this trend was when Ernst & Young acquired an identity and access management provider-Open Windows Australia to strengthen its cyber-security advisory capabilities.

Samsung to invest \$300 mn for appliances factory

Tech giant Samsung Electronics Co Ltd plans to invest \$300 million to build an appliances factory in the United States, the Korea Economic Daily reported on Thursday citing unnamed sources. The plant in Blythewood, South Carolina, will manufacture products such as washing machines and gas oven ranges, the South Korean newspaper said.

Economic Calendar

Date	Release
06.05.2017	PH: CPI YoY
06.07.2017	PH: Foreign Reserves
06.08.2017	PH: Unemployment Rate
06.08.2017	PH: Trade Balance
06.14.2017	PH: Overseas Remittances YoY

Source: Bloomberg Economic Calendar