

The Daily Dispatch

June 09, 2017
TODAY'S TOP NEWS

Super glitch strikes BPI again

Bank of the Philippine Islands shut down online access and its cash machines for a second day Thursday because of a glitch that drained some accounts but added money into others, creating at least one instant “billionaire.”

House plans takeover of casino, lotto licensing

Speaker Pantaleon Alvarez told reporters yesterday that they would file a bill that would take back the franchising functions Congress delegated to agencies, including the Philippine Amusement and Gaming Corp. (Pagcor), Philippine Charity Sweepstakes Office (PCSO) and Land Transportation Franchising and Regulatory Board (LTFRB).

Philippines eyed as LNG hub in Southeast Asia

The Philippines is pitching to become Southeast Asia's LNG hub given its geographical advantage in the region. “The Philippines already failed in aviation becoming a hub despite our geographical advantage and location, and in maritime. So this would probably be an opportunity. It's a dream,” Energy Secretary Cusi said.

PH among most preferred investment sites – UNCTAD

The Philippines still remains in the list of most promising investment destinations worldwide as reforms to facilitate foreign direct investment (FDI) inflows are made, according to the 2017 World Investment Report released by the United Nations Conference on Trade and Development (UNCTAD) yesterday.

BIR, Customs unlikely to meet targets

The inter-agency DBCC is estimating that the BIR and the Bureau of Customs will miss their collection targets this year. Based on the DBCC revenue outlook for 2017, the government's two main tax agencies will likely end the year with a total collection of P2.241T, lower by 2.4% against their original goal of P2.297T.

Philippine Stock Market Update



Previous Close:

7,958.63

18 2000

1 Yr Return:

7.83%

Open:

7,961.46

YTD Return:

16.93%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of June 8, 2017

US Dollar	Philippine Peso
1	49.518

PDST-R2 Rates

As of June 8, 2017

Tenor	Rate
1Y	2.8180
3Y	3.8536
5Y	4.0576
7Y	4.5236
10Y	4.9446
20Y	5.3911

Daily Quote

"Everyone wants to live on top of the mountain, but all the happiness and growth occurs while you're climbing it."

-Andy Rooney

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MORE LOCAL NEWS

MEG to sell P1.7B commercial lots in Pampanga

Megaworld Corporation, the country's largest developer of integrated urban townships, is expecting to generate P1.7 billion from the sale of shophouse lots over the next six months in its P30-billion township project here. It is claimed that the six-hectare Shophouse District will be the crown jewel of Capital Town Pampanga.

Local bourse rejects LBC's share offering

The Philippine Stock Exchange rejected the planned P1.2-billion share offering of LBC Express Holdings Inc. amid a civil case filed by Philippine Deposit Insurance Corp against affiliated companies of the group and certain members of the Araneta family.

Foreign reserves increase to \$82b

The country's gross international reserves rose to a seven-month high of \$82.07 billion in May on higher Bangko Sentral's investment income and gold prices. Data from Bangko Sentral showed the May reserves increased slightly from \$82.015 billion in April and were the highest level of reserves since they reached \$85.105 billion in October 2016.

SMC to finish MRT 7 by 2019

San Miguel Corp. said the construction of a mass rail transit system from Quezon City to Bulacan province is set to be completed by 2019. "There's some delays in the right of way delivery, but we expect it to complete by 2019," San Miguel president and chief operating officer Ramon Ang said.

Insurance to sustain double-digit premium growth

The Insurance Commission (IC) is bullish that the sector can maintain a 20% increase in its total premium income for 2017 after both life and non-life insurance firms booked a 19.51% rise in premiums to P57.035 billion in the first quarter.

AEV units pursue new projects in Cebu

ABOITIZ EQUITY Ventures, Inc. (AEV) said its business units are pursuing new revenue sources and launching more projects in Cebu as it positions its brand as a "significant player" in the southern city's development.

TODAY'S TOP ASIAN NEWS

SG's economic rebound not as good as it seems

Singapore's economy may be picking up, but consumers aren't feeling it. After two years of below-par growth, economists and even the government are becoming more positive on the outlook. While it's not boom time yet, the consensus is that 2017 growth will come in higher than last year's 2 percent.

China banks brace for June cash squeeze

China's deleveraging dilemma, how to squeeze excess liquidity out of the financial system without spurring a full-blown cash crunch, is facing its toughest test. June is traditionally a tight time for banks because of regulatory checks, and this year, lenders are grappling with an official campaign to reduce the level of borrowing as well.

Viet firm plans to spend \$1.4b on solar parks

Vietnam's TTC Group, a sugar, energy, real estate and tourism conglomerate, is planning to spend as much as US\$1 billion (\$1.38 billion) on an ambitious plan to build one of the country's largest portfolios of solar projects in an effort to capitalise on the nation's growing power needs.

SSE to acquire 25.1% stake in Kazakhstan exchange

The Shanghai Stock Exchange has signed an agreement with the Republic of Kazakhstan to acquire a 25.1% stake in the country's exchange. The Shanghai exchange will cooperate with the Astana International Finance Centre on strategy and technology consulting, business planning, product design and market expansion among other things.

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MORE ASIAN NEWS

IoT startup Zenatix to expand to SE Asia

Zenatix Solutions, an Internet of things (IoT)-based energy data analytics company is launching its operations in the Southeast Asian market. Zenatix provides a cloud-based energy analytics product that helps large energy consumers to reduce their electricity spend by at least 10%.

China's WH Group targets beef and poultry assets

Smithfield Foods Inc's owner, China-based WH Group Ltd (0288.HK), is scouting for U.S. and European beef and poultry assets to buy, in a move that would sharpen its rivalry with global meat packers Tyson Foods Inc and JBS SA.

Baidu's shift towards AI must start delivering

Baidu CEO Robin Li says it's now 'going all out' on AI, to stay in the race. Baidu continues to spend liberally on artificial intelligence research, to improve its existing products and accelerate the development of AI-enabled new businesses. But analysts are warning that heavy spending must quickly translate to profit.

Japan's Universal accuses Okada of improper loan

Universal Entertainment Corp (6425.T), a Japanese maker of slot machines, said on Thursday it was investigating what it suspects was an improper transfer of funds by Kazuo Okada, its founder and chairman, to a company he controls.

SoftBank agrees to buy robot maker from Alphabet

SoftBank Group Corp. announced that it's buying Boston Dynamics from Google parent Alphabet Inc., as it pushes deeper into robotics technology. As part of the transaction with Alphabet, SoftBank also agreed to buy Japanese bipedal robotics company Schaft. Terms of the deal were not disclosed.

TODAY'S TOP GLOBAL NEWS

Nordstrom may go private

Nordstrom said that some members of the Nordstrom family were considering taking the company private as it struggles with a sales slowdown. Going private would be a risky but potentially profitable bet by Nordstrom's founding family and largest shareholder bloc that the company can reshape itself and emerge from the retail meltdown.

Verizon plans to cut 2,000 jobs at Yahoo, AOL

Verizon Communications Inc is expected to cut about 2,000 jobs when it completes its \$4.48 billion acquisition of Yahoo Inc's core assets next week, a person briefed on the matter said. The cuts are expected to come from Verizon's AOL and Yahoo units and represent about 15 percent of the staff at the two units.

Airbus CEO worried by Qatar crisis, Brexit

The head of Airbus expressed worries about growing geopolitical uncertainties on Thursday, calling the rift between key customer Qatar and its Gulf neighbors troubling and warning of the impact of a "hard Brexit" on the planemaker's UK operations.

BSP keeping close watch over Middle East events

The BSP is closely monitoring developments in the Middle East and its impact on oil prices, inflation, and remittances from overseas Filipinos. BSP Deputy Governor Nestor Espenilla told reporters on the sidelines of a book launch that monetary authorities will assess the extent and coverage of the diplomatic crisis in the Middle East.

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