

The Daily Dispatch

July 13, 2017
TODAY'S TOP NEWS

Malacañang backs higher foreign ownership

Amid an ongoing review of the Foreign Investment Negative List (FINL), Socioeconomic Planning Secretary Ernesto Pernia said President Duterte prefers a higher 70 percent foreign ownership cap in public utilities such as telecommunications and water.

Uy taking logistics firm public

The SEC has approved the P8B IPO of Chelsea Logistics Corp. (CLC), a company owned by Dennis Uy. CLC plans to sell up to 546,593M new common shares at a maximum price of P14.63 each, proceeds of which will be used to accelerate the company's expansion, particularly for its cargo and passenger shipping businesses and for acquisitions.

SMC eyes electronic manufacturing

Ten years after diversifying into the infrastructure, power and oil sectors, San Miguel Corp. (SMC) now wants to get into the business of manufacturing the next generation of electronics as it looks for a new line of business.

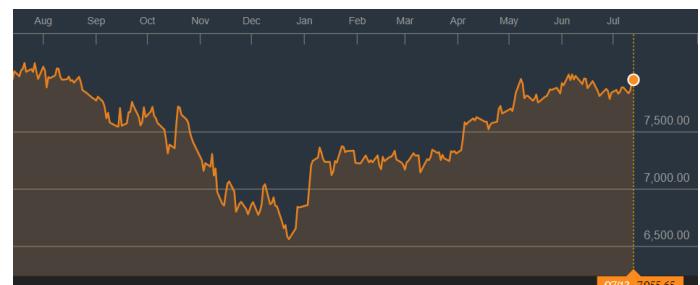
Foreign investment Negative List out next month

President Rodrigo R. Duterte would likely issue his first foreign investment Negative List next month, which the Department of Finance (DOF) said will be very liberal in enticing more foreign players into the country.

Aboitiz, Thai firm in shortlist for Meralco tie up

Aboitiz Power Corporation and two foreign firms are reportedly in the shortlist of the final choices that the power generation subsidiary of Manila Electric Company (Meralco) would be choosing from on prospective partnership for the 1,200-megawatt Atimonan coal-fired power project, according to highly placed sources.

Philippine Stock Market Update



Previous Close:

7,788.06

1 Yr Return:

1.04%

Open:

7,774.91

YTD Return:

13.31%

52-Week Range:

6,499.00 - 8,118.44

Source:

Bloomberg

Foreign Exchange

As of July 12, 2017

US Dollar	Philippine Peso
1	50.631

PDST-R2 Rates

As of July 12, 2017

Tenor	Rate
1Y	2.8736
3Y	3.9968
5Y	4.2537
7Y	4.8700
10Y	5.0161
20Y	5.1980

Daily Quote

"You don't become enormously successful without encountering some really interesting problems."

-Mark Victor Hansen

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MORE LOCAL NEWS

Mighty Corp offers to settle BIR tax cases for P25B

The Department of Finance (DOF) received a P25-billion offer from tobacco firm Mighty Corporation to settle its tax disputes with the government before the month ends, to be funded by a P45-billion sale of its assets to JT International Philippines (JTI).

MWIDE buys into Diliman-Espana railway project

Construction and infrastructure group Megawide Construction Corp. has acquired a controlling stake in the PNR East-West Railway project (EWRP), which involves putting up a 9.77-kilometer railway line from Diliman, Quezon City along the corridor of Quezon Avenue up to Espana Boulevard in Manila.

70% foreign equity in telcos pushed

The Duterte administration is pushing the removal of public utilities, including telecommunications, from the biennial “negative” list of sectors where foreign investors have only limited participation, the country’s chief economist said.

DoE weighs offers from 5 countries for LNG plant

THE Department of Energy (DoE) has listed five countries that have shown “great interest” in participating in the government’s plan to build an integrated facility for liquefied natural gas (LNG), which it targets to finish during the current administration.

Lepanto to start prod. from copper-gold project

In an e-mailed statement, Lepanto said on-going drilling revealed previously unrecognized gold-bearing vein systems, comprised of quartz, pyrite and gold (QPG), in five areas of its copper-gold project located next to its Victoria gold project in Mankayan, Benguet.

Apo Agua faces new hurdles in Davao bulk water

Apo Agua Infrastructura, Inc. (AAII), a joint venture between Aboitiz Equity Ventures, Inc. and J.V. Angeles Construction Corp., is facing a setback in its P10-billion bulk supply project here as the city council has returned the proposal to the committee level after the community at the water source filed a protest.

Vynex offers to buy listed Metro Alliance

Signage manufacturer Vynex Signs Phil. Inc. offered to acquire a majority stake in Metro Alliance Holdings Equities Corp., a dormant listed company controlled by businessman William Gatchalian. Metro Alliance said in a disclosure to the PSE it received a letter of intent from Vnyex Signs which indicated its desire to purchase.

JTI acquiring Mighty for P45b

Local cigarette manufacturer Mighty Corp. offered to settle P25 billion worth of tax liabilities with the government upon the completion of a P45-billion deal with Japan Tobacco International Inc., the Finance Department announced Wednesday.

2Go faces P1-M fine for bloating profits

LISTED transport and logistics firm 2Go Group, Inc. could face a P1-million fine once an inquiry proves it misdeclared its financial statements, a top Securities and Exchange Commission (SEC) official said late Tuesday.

TODAY'S TOP ASIAN NEWS

Yuan won't rival dollar without overhaul

China's massive size and continued rapid growth mean that it's bound to climb up the world's economic and financial rankings, given time. So it's striking when one seasoned China watcher makes a call that the nation's currency won't ever truly rival the dollar -- at least, without an overhaul in political and regulatory structures.

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MORE ASIAN NEWS

Stronger IPO flows in Asean seen in 2nd half

SOUTH-EAST Asia may see more IPO activity in the second half of the year amid rising business confidence in this part of the world, top bankers told The Business Times. "Most South-east Asian equity indices are trading in significant positive territory in 2017 year to date," Credit Suisse's Asean head said.

CapitaLand, Mitsubishi to redevelop Golden Shoe

CAPITALAND, CapitaLand Commercial Trust (CCT) and Mitsubishi Estate Co are redeveloping Golden Shoe Car Park in the heart of Singapore's financial district into a mixed-use project for an estimated S\$1.82 billion before acquisition costs.

Apple to build massive data centre in Guizhou

Apple is looking to double down on its business in mainland China by establishing a data centre in Guizhou province to comply with rigid cybersecurity laws, while supporting Beijing's efforts to develop one of the country's poorest areas into a world-class hi-tech hub.

Wanda and Sunac after CN's largest property deal

Wang Jianlin, China's wealthiest magnate, announced a surprise sale of the majority of his hotel and tourism portfolio for 63B yuan to Sunac China. After his disposal, Wang's business empire still encompasses more than 200 shopping malls and plazas across China. He also remains the operator of the world's largest cinema chain.

Volkswagen eyes China to boost its electric car

The world largest car maker, Volkswagen, has set a target to sell one million electric cars annually by 2025, with sales in the mainland Chinese market being a key driver of that growth.

TODAY'S TOP GLOBAL NEWS

ANZ Bank nears deal to sell AmBank stake

Australia and New Zealand Banking Group is near a deal to sell its Malaysian banking stake to a pension fund and exit the Southeast Asian nation in a transaction that could be worth around \$900 million.

Asian stocks to gain as Yellen spurs US rally

Asian equities advanced with government bonds after Chair Janet Yellen signaled the Federal Reserve won't rush to tighten monetary policy. The dollar held losses. Yellen made no mention of asset prices, a week after her comment that some looked "somewhat rich" added to selling in stocks and bonds.

Microsoft announces broadband initiative

Microsoft plans to partner with rural telecommunications providers in 12 states. The strategy calls for a combination of private and public investments and regulatory cooperation from the Federal Communications Commission to get about 2 million rural Americans connected to high-speed internet in the next five years.

Google wins tax case, avoiding \$1.3B Bill

Google emerged on Wednesday as the victor in its latest legal battle in Europe, after a French court said the technology behemoth did not have to pay \$1.3B in back taxes. At issue was whether Google had avoided taxes in France by routing sales in the country through an Irish-based subsidiary over a five-year period ending in 2010.

Economic Calendar

Date	Release
07.02.2017	PH: Nikkei Philipines PMI Manufacturing
07.04.2017	PH: CPI YoY
07.06.2017	PH: Foreign Reserves
07.10.2017	PH: Trade Balance
07.16.2017	PH: Overseas Remittances YoY

Source: Bloomberg Economic Calendar