

The Daily Dispatch

August 18, 2017
TODAY'S TOP NEWS

MGHI to take over agribusiness conglomerate Calata

Philippine-based Millennium Global Holdings Inc (MGHI) is set to take over 81 per cent controlling stake in local agribusiness conglomerate Calata Corp. Calata's board agreed on Thursday, August 17, to sell to MGHI 2.5 billion shares from the company's increase in authorised capital stock.

Gov't spending, agriculture lift PH GDP in Q2

After months of promises, the Duterte administration's much anticipated spending spree finally kicked in to lift the country's economy in the 2nd quarter of 2017. The Philippines' gross domestic product (GDP) recovered from 3 quarters of slowdown to hit 6.5% in the 2nd quarter of 2017, beating market expectations.

PH courts China, Japan for \$135B power push

The Philippines is seeking investment from China and Japan for \$135 billion worth of power projects that President Rodrigo Duterte's government is ready to fast-track. The Southeast Asian nation has held discussions with China, Japan, Russia and other countries about helping it boost generation capacity in the next few years.

UAE businessmen eye tourism investments in PH

Dept. Businessmen from the UAE are looking to invest in the PH tourism sector, lured by incentives offered by the government. DOT Asst. Secretary for Office of Public Affairs, OPACSP Frederick Alegre said the department is eyeing to put up a foreign office in the UAE due to heightened interest from investors in the Middle East.

Air Juan plans to buy more aircraft

Air Juan Aviation Inc. is planning to acquire additional aircraft in the next five years as it aims to double capacity and grow the business. Air Juan marketing head Paolo Misa said in a briefing yesterday the company is looking to invest in additional aircraft as it wants to double capacity in the next five years.

Philippine Stock Market Update



Previous Close:	1 Yr Return:
8,018.05	-0.34%
Open:	YTD Return:
8,015.68	15.58%
52-Week Range:	Source:
6,499.00 - 8,106.74	Bloomberg

Foreign Exchange

As of August 17, 2017

US Dollar	Philippine Peso
1	51.290

PDST-R2 Rates

As of August 17, 2017

Tenor	Rate
1Y	2.9419
3Y	3.8516
5Y	4.7439
7Y	4.8475
10Y	5.0689
20Y	5.4771

Daily Quote

"Music expresses that which cannot be put into words."

--Victor Hugo

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MORE LOCAL NEWS

Consunji Group ventures into retail electricity

The Consunji Group is making its foray into retail electricity supply after obtaining a license last year. In a recent briefing, DMCI Holdings chairman Isidro Consunji said SEM-Calaca RES Corp. is now looking for customers after receiving its license to operate.

UnionBank launches first risk-based fund in PH

UnionBank, has recently launched the very first US-dollar denominated risk-based fund in the Philippines, in partnership with top Swiss private bank and global asset manager Lombard Odier. This fund mirrors the Swiss bank's successful discretionary portfolio management strategy for its private clients all over the world.

Mega Manila Subway project up for NEDA approval

The planned underground mass transportation system connecting major business districts and government centers in Metro Manila is up for approval by the National Economic and Development Authority (NEDA) board next month, a Cabinet official said.

Snacks firm proposes fix on sugar tax impasse

Snacks maker Mondelez Philippines, Inc. (MPI) would only support the proposed excise tax on SSBs if it would be based on the product's sugar content. According to Shanahan Chua, MPI head of corporate and government affairs, the sugar content basis would have a more "proportionate impact" on the different beverages.

Regulatory challenges pull down LWRC earnings

Stricter regulations for gaming firms weighed on Leisure and Resorts World Corp. (LRWC)'s operations in the second quarter, pulling down its attributable profit by over 71% during the period.

Solar challenges Citicore's power supply offer

Solar Philippines Power Project Holdings, Inc. confirmed on Thursday that it had challenged the P3.50 per kilowatt-hour (kWh) offered by Citicore Power, Inc. to Meralco. "The exact rate will be made public next week, but what we can disclose is it should be the lowest true cost of generation in Philippine history"

Software firm, banks in talks for cloud technology

International software company Oradian is currently in talks with several Philippine banks for partnerships on the foreign firm's cloud-based technology to be used in the lenders' core banking business.

BPI-managed fund more bullish on stocks over bonds

Bank of the Philippine Islands (BPI)-managed ALFM Mutual Funds is betting on equities rather than fixed-income instruments as it looks to continue to bulk up investments and maintain its lion's share of the industry.

Uber files fresh appeal; Arcade City defies LTFRB

Uber has filed a second appeal with the LTFRB, offering to pay a P10 million fine to avoid a one-month suspension. In a statement, Uber said that it was "urging the LTFRB to accept a fine rather than a suspension as a solution, to reduce the burden on the Filipino rider and driver community."

Shakey's to exceed target of 20 new stores

Listed pizza chain Shakey's Pizza Asia Ventures, Inc. (SPAVI) said it is poised to exceed its target of 20 new stores this year as it ramps up its expansion plan. "Last count I think we had 17 up—the stores opened this year. This is the 17th for this year," SPAVI President Vic Gregorio told reporters.

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TODAY'S TOP ASIAN NEWS

Cathay Pacific caters to 'price-sensitive travellers'

Cathay Pacific Airways is considering new measures to cater for price-sensitive travellers without creating its own budget airline. These may include more "value for money" tickets as the airline attempts to rebound from a HK\$2.05 billion loss recorded in the first six months of the year.

Emerald Lake closes \$60m round for co-living platform

Emerald Lake, a newly found Hong Kong based real estate private equity firm, has closed an initial funding round for its first platform – Weave Co-Living at just under \$60 million, an amount that will be used for acquisition of the platform's first property in Hong Kong and building of operational backbone for it.

Uber hires ex-Goldman banker for Asia business

Uber Technologies Inc. is hiring Goldman Sachs Group Inc.'s former chairman for Southeast Asia to lead the development of its business from Japan to Singapore. Brooks Entwistle, who announced his retirement in 2012, will become Uber's chief business officer in the Asia Pacific.

SG bank stocks battered by more O&M bad news

Singapore banks' exposure to the oil and gas sector is back in the spotlight after the surprise suspension of Ezion Holdings and heavy quarterly losses - totalling almost S\$1 billion - suffered by Nam Cheong and Marco Polo Marine.

TODAY'S TOP GLOBAL NEWS

Apple plans \$1b spend on TV shows

Apple Inc. plans to spend about \$1 billion on original programming in the next 12 months, intensifying efforts to compete with Amazon.com Inc. and Netflix Inc. in video streaming, according to people familiar with the plan.

Global economy looks set for faster, firmer growth

The world economy looks well on its way to a year of faster, firmer growth after rising at its most rapid pace in 2 1/2 years in the second quarter. The expansion is broad based as long-time laggards Japan and the euro area perk up. Even more encouraging: The gains look sustainable.

Jack Ma is ahead of Jeff Bezos in grocery ambitions

Jack Ma is ahead of Jeff Bezos in one area: grocery stores. For years, it looked to some like Ma's Alibaba Group Holding Ltd. was simply following in the footsteps of Bezos' Amazon.com Inc. But when Amazon's \$13.7 billion bid for Whole Foods Market Inc. sent shockwaves across the retail industry, Ma looked prescient.

US can 'be patient' in raising rates

US central bankers remain divided over inflation risks, and some argue they can afford to "be patient" before raising rates again, according to the minutes of the last policy meeting released Wednesday. The Federal Reserve had been expected to raise the benchmark lending rate a third time this year.

Energy Capital said to plan \$17B Calpine takeover

Private equity firm Energy Capital Partners has reached an agreement to buy U.S. power generator Calpine Corp. for \$5.5 billion in cash, people familiar with the matter said. Energy Capital may announce the takeover as early as Friday.

Economic Calendar

Date	Release
08.15.2017	PH: Remittances YoY
08.15.2017	PH: OFW Remittances
08.16.2017	PH: GDP YoY
08.18.2017	PH: BOP Overall
08.31.2017	PH: Budget Balance

Source: Bloomberg Economic Calendar