

The Daily Dispatch

August 31, 2017
TODAY'S TOP NEWS

DoubleDragon eyes P7.5 B from follow-on shares offer

DoubleDragon, the listed property and mall developer of Mang Inasal founder Edgar “Injap” Sia II and Jollibee Foods Corp. chairman Tony Tan Caktiong, is raising up to P7.5 billion through a follow-on-offering to fund its enhanced 2020 plan for the company.

MGB cool to Congress franchise for mining ops

The MGB against a bill in Congress that may require mining firms to obtain a legislative franchise before they begin operations. “MGB is not keen to support it. Mining is not a public utility that requires a legislative franchise. It requires the amendment of the Constitution,” MGB director Wilfredo Moncano said.

Goldilocks confirms talks with SM, sees strategic fit

Goldilocks Bakeshop Inc., assured the public and its stakeholders that it would remain committed to upholding the same standards of excellence that have made it the country’s number one bakeshop. Goldilocks pres. Richard Yee issued the statement amid ongoing talks with the SM Group for a possible acquisition or JV with the company.

New technologies not a threat to BPO jobs

Instead of massive job losses, the business process outsourcing (BPO) industry will continue to employ thousands of Filipinos annually in the coming years amid emergence of new technologies as global demand is expected to remain strong.

GNPower raises \$800 M for refinancing of its debt

The corporate vehicle of the 690MW GNPower Mariveles coal-fired power project had cash infusion of US\$800mn, mainly for debt refinancing and the rest for general funding purposes. GMCP signed on August 29 “a notes facility agreement with a consortium of lenders,” on said loan procurement.

Philippine Stock Market Update



Previous Close:

8,018.05

1 Yr Return:

-0.34%

Open:

8,015.68

YTD Return:

15.58%

52-Week Range:

6,499.00 - 8,106.74

Source:

Bloomberg

Foreign Exchange

As of August 29, 2017

US Dollar	Philippine Peso
1	51.153

PDST-R2 Rates

As of August 29, 2017

Tenor	Rate
1Y	2.9076
3Y	3.7871
5Y	4.6268
7Y	4.4507
10Y	4.6925
20Y	5.4696

Daily Quote

“Don’t live the same year 75 times and call it a life.”

--Robin Sharma

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MORE LOCAL NEWS

San Miguel completes new STAR Tollway bridge

The infrastructure unit of San Miguel Corporation (SMC) built a new bridge along the Southern Tagalog Arterial Road (STAR) Tollway in Batangas City, after the old one was damaged due to the onslaught of Typhoon Nina (Nock-ten). SMC on Wednesday, August 30, said it has completed the new STAR Tollway bridge within 6 months.

DD to spend over P4B for industrial hubs, hotels

DoubleDragon Properties Corporation plans to spend P4.8 billion to develop 100,000 square meters (sqm) of industrial leasing hubs and 5,000 hotel rooms across the Philippines by 2020. Under the plan, DoubleDragon will build two industry hubs each in Northern Luzon, Southern Luzon, the Visayas, and Mindanao.

Aboitiz affiliate to borrow \$800M for refinancing

Aboitiz Power Corp. on Wednesday said its affiliate, GNP Power Mariveles Coal Plant Ltd. Co. (GMCP), would borrow \$800 million to refinance existing loans. AboitizPower subsidiaries Therma Mariveles Holdings Inc. and Therma Mariveles Camaya B.V. are part of the partnership behind GMCP.

SECB prepares P20-B LTNCD offering

SECURITY BANK Corp. (Security Bank) is planning to raise P20 billion in fresh funds through the issuance of long-term negotiable certificates of time deposits (LTNCD), with the offer still subject to regulatory approvals.

ERC approves SMC power supply deal with Cotabato

THE Energy Regulatory Commission (ERC) has granted provisional approval to the power supply contract between San Miguel Consolidated Power Corp. and Cotabato Light and Power Co. (CLPC) jointly filed by the two companies.

Alcantara's powerplant to supply Zamboanga

The Alcantara Group is going ahead with its 105-megawatt (MW) power plant project in Zamboanga City, with the supply taken up by the Zamboanga City Electric Cooperative (Zamcelco) for the city's exclusive use.

MPIC set to secure P8-b credits

The tollway unit of MPIC plans to secure an P8-billion credit line from local or foreign financial institution to support its infrastructure investments. MPIC said in a disclosure to the PSE the board of MPTC approved a resolution to form a special committee, to study potential toll road and other infrastructure investments.

AI takes over some call center tasks in PH

The Philippine contact center industry expects to sustain an 8-percent annual growth over the coming years, despite the growing popularity of artificial intelligence that began to take over simple voice services. "Automation is not a thing of the future. It is happening now..." CCAP chairman Benedict Hernandez said.

TODAY'S TOP ASIAN NEWS

Affinity Equity Partners targets \$5b for Fund V

Affinity Equity Partners, a Hong Kong-based pan-Asian manager, is seeking to raise \$5 billion for its fifth fund. The latest fund exceeds its 2013 vintage fund, which had a corpus of \$3.8 billion. This would make Affinity Asia Pacific Fund V and Carlyle's Asia buyout fund, the two largest pan-Asian funds launched in 2017.

Beijing's plan for electric cars looks good

To true believers it is a demonstration of the economic superiority of central planning. In 2015, Beijing declared its plans to dominate the world's electric car industry by the year 2025. And to benchmark progress it set targets: in 2016 Chinese car manufacturers would sell 500,000 electric vehicles into the domestic market.

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MORE ASIAN NEWS

Expats cashing in on China's internet celeb boom

The fickle and often fleeting business of internet celebrity is booming in China – and not just for the locals. Social media personalities generated more than US\$7.9 billion in revenue last year, according to the Chinese Academy of Social Sciences, and foreigners are helping themselves to a growing share of the pie.

Ind. AirAsia looking to list through logistics firm

Indonesia AirAsia is looking at a backdoor listing via IDX-listed logistics and warehousing firm Rimau Multi Putra Pratama (RMPP), the parent company AirAsia Berhad said in a statement. The deal will see AirAsia injecting 57.25 per cent of its Indonesia unit into RMPP, making the company the new holding of Indonesia AirAsia.

CH \$2T of shadow lending focuses on smaller banks

REGIONAL BANKS in China's rust-belt provinces are driving the rapid expansion of shadow banking in the country, fueling a web of informal lending that poses wider risks to the financial system, according to a study by UBS Group AG.

Green finance facility eyed for Asia-Pacific

THE ADB has proposed the creation of national green financing vehicles to catalyze environmentally and financially sustainable infrastructure investments in Asia and the Pacific. In a report titled "Catalyzing Green Finance," the Manila-based multilateral lender highlighted the constraints for developing a large pipeline of bankable green

TODAY'S TOP GLOBAL NEWS

Buffett: Stocks 'less attractive' but beat bonds

Warren Buffett, the billionaire chairman and chief executive officer of Berkshire Hathaway Inc., said the rally in markets over the last several years has made it harder to find bargains, but that stocks remain his choice over bonds.

Gold is winning new fans

After nosing above \$1,300, gold is winning new fans as tepid U.S. inflation anchors Federal Reserve policy and President Donald Trump's growth agenda risks running into the sand. The metal should trade above that level in 2018 as the dollar weakens and the Fed sticks to just two rate hikes, in December 2017 and then March.

Russia expands grip on wheat exports

Russia, the world's biggest wheat exporter, is about to grab even more customers in the fast-growing economies of Asia – a region that normally gets most of its imported grain from somewhere else. That's because droughts are eroding production in Australia, the U.S. and Canada.

New Uber CEO promises change, sees IPO

Uber Technologies Inc's new Chief Executive Dara Khosrowshahi told employees on Wednesday the ride-services company would change its culture and may go public in 18 to 36 months. Khosrowshahi, made the remarks as he introduced himself to Uber's workforce on Wednesday at its San Francisco headquarters.

Bain brings in Apple for \$18B bid for Toshiba unit

A consortium led by Bain Capital has made a revised last-ditch offer for Toshiba Corp's chip unit worth about \$18B, bringing in Apple Inc to help bolster its bid, sources with direct knowledge of the matter said. The new offer comes as separate sources say the embattled Japanese conglomerate and Western Digital Corp are struggling to strike a deal.

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