

The Daily Dispatch

August 04, 2017
TODAY'S TOP NEWS

Manila Water signs Pangasinan venture

Manila Water Company Inc. said Thursday it signed a joint venture agreement with the Calasiao Water District for a 25-year project to improve and expand the provision of water supply in the municipality of Calasiao, Pangasinan province.

Uber criticizes rules as taxi operators play catch-up

Current transportation rules do not jibe with technological advancements and the government should keep this in mind in attempts to regulate ride-sharing, an Uber official said on Thursday. "Let's simplify processes. We are not against applying for accreditation. What we are against is inefficient process for TNVS," Gonzales said.

First Gen sells 31.5% of EDC

Lopez-led First Gen Corp. is selling up to 31.5 percent of subsidiary Energy Development Corp. (EDC) to the consortium of investment fund managers managed by Macquarie Infrastructure and Real Assets (MIRA) and Arran Investment Pte Ltd of Singapore-based GIC for P64.5 billion.

Aboitiz consolidates water investments

Cebu-based conglomerate Aboitiz Group has consolidated all its water investments under its infrastructure unit Aboitiz InfraCapital Inc. (AIC) to strengthen its presence in the water business. The company recently completed two acquisitions in the water sector – Lima Water Corp. (LWC) and Balibago Waterworks System Inc. (BWSI).

PSE expects 4 more listings this year

The Philippine Stock Exchange expects four companies to list in the second half, on track to meet its target of raising P200 billion from the capital market. "It's a moving target but we're still hoping to reach that," said PSE president Ramon Monzon.

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 3, 2017

US Dollar	Philippine Peso
1	50.270

PDST-R2 Rates

As of August 3, 2017

Tenor	Rate
1Y	2.8897
3Y	3.8963
5Y	4.6721
7Y	4.7954
10Y	4.6501
20Y	5.1650

Daily Quote

"Risk more than others think is safe. Dream more than others think is practical."

--Howard Schultz

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MORE LOCAL NEWS

Gov't eyes additional P1B in 'sin' tax per month

As a result of its tough stance against cigarette manufacturer Mighty Corp. for alleged tax evasion, the government would collect an additional P1 billion in "sin" taxes monthly, Finance Secretary Carlos G. Dominguez III said.

Competition commission to start probing cartels

The Philippine Competition Commission (PCC) is investigating players in the manufacturing, public services and agriculture industry for possible anticompetitive practices, and may impose penalties on violators following the expiration of the transitory period to comply with the Philippine competition law.

More Manila traffic woes as shipping expands

A trade expert and former Cabinet secretary under the Ramos administration said the government should come up with a policy that would move shipping traffic to ports outside Metro Manila, a crucial shift in reviving the manufacturing sector.

PHA, Dusit team up on Puerto Princesa

A unit of investment holding firm Premiere Horizon Alliance Corp. (PHA) is collaborating with Thai hospitality group Dusit to develop hotels in its tourism estate project in Puerto Princesa, Palawan. Through subsidiary West Palawan Premiere Development Corp. (WPPDC), the group recently signed a MOU with Dusit Group.

Asean members urged to affirm commitments

The Association of Southeast Asian Nations (Asean) should reconsider its consensus-based approach to resolving issues and work on presenting a unified front to address emerging challenges. This was the sentiment of experts who spoke at a panel discussion during the "Asean at Fifty: Going Forward" forum.

Apex bolts mining chamber

Apex Mining Co has resigned from the Chamber of Mines of the Philippines, expressing "disappointment and frustration" over the group's response to President Rodrigo Duterte's call to preserve the environment.

Anti-trust body still reviewing Mighty sale

The Philippine Competition Commission (PCC) on Thursday said it was still studying whether or not to approve the sale of tobacco firm Mighty Corp.'s assets to the local unit of Japan Tobacco. In a press conference in Malacanang, PCC Chairman Arsenio Balisacan confirmed receipt of notices from the parties involved.

Bourse to 'handhold' SMEs into going public

THE Philippine Stock Exchange (PSE) is again looking to lure small and medium enterprises into listing via a new "handholding" program. "We're basically going to focus on getting more SMEs listed. We are in fact, creating a program, a group in the PSE to engage SMEs," PSE President Ramon Monzon told a news conference.

TODAY'S TOP ASIAN NEWS

The Ascott to develop 9-storey serviced residence

CapitaLand's wholly owned serviced residence business unit, The Ascott Ltd, is investing S\$170.3 million, through its serviced residence global fund with Qatar Investment Authority (QIA), in the serviced residence component of the Funan integrated development.

Goldman Sachs buys into Saudi Aramco's \$10b loan

Goldman Sachs has bought a slice of Saudi Aramco's \$10B credit facility as it seeks a role in the historic listing of the oil company, sources familiar with the matter told Reuters. It is common practice in capital markets to first establish banking relationships through loan transactions which are then followed by other deals.

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TODAY'S TOP ASIAN NEWS

Sunac raises \$1B to refi debt after deal spree

Sunac China Holdings Ltd has issued \$1B worth of bonds offshore to refinance some of its existing debt, in the developer's latest fundraising after a recent spate of deals. The highly-leveraged company is tapping multiple financing channels offshore after its credit risks came under scrutiny in China on a string of high-profile purchases.

Warburg-backed Vincom plans \$600m IPO this year

Vincom Retail, the Vietnamese mall operator backed by Warburg Pincus, is planning a domestic initial public offering that could become the country's biggest share sale in a decade, people with knowledge of the matter said.

Barito Pacific readies to buy stake in Star Energy

Indonesian petrochemical firm Barito Pacific is readying \$700 million to acquire 66 per cent stake in Star Energy Group, an affiliated entity controlled by tycoon Prajogo Pangestu. According to a report by local media KONTAN, Barito has transferred \$300 million to secure the deal while looking for the remaining \$400 million.

Hong Kong's tiny flats pile up unsold

Tiny flats are flooding Hong Kong as developers rush to target first-time buyers struggling to get into the world's priciest market. Inventories of new flats smaller than 431 square feet (40 square meters) rose to about 1,400 at the end of June, according to Centaline Property Agency.

TODAY'S TOP GLOBAL NEWS

SoftBank invests \$250m in lending startup Kabbage

SoftBank Group Corp. has plowed \$250M into online lender Kabbage Inc., the latest in a flurry of big bets on mature startups by the Japanese technology company. Kabbage will use the new money to expand its lending products for small businesses and, if there's a demand, offer new products like insurance and payroll services.

Egypt may exceed \$10B FDI target this year

Egypt may exceed its \$10 billion target for foreign direct investment this year as the weaker pound reduces the cost of doing business in North Africa's largest economy and a new investment law comes into force, the investment minister said.

Toyota, Mazda said to jointly build \$1.6b US plant

Toyota Motor Corp. and Mazda Motor Corp. are nearing a deal to buy stakes in one another and jointly build a \$1.6 billion U.S. factory, according to people familiar with the matter. The plant will have the capacity to produce 300,000 Toyota Corolla compact cars and Mazda crossovers per year.

Brazil J&F Investimentos agrees to sell Vigor

Brazil's holding company J&F Investimentos SA said it signed an agreement to sell dairy company Vigor Alimentos SA to Mexico's Grupo Lala SAB de CV. In a statement, J&F, which is the controlling shareholder of JBS SA, the world's largest meatpacker, said the enterprise value of the company is 5.7 billion reais (\$1.8 billion).

Australia slams brakes on property investment

One of the key engines of Australia's five-year housing boom is losing steam. Property investors, who have helped stoke soaring home prices in Australia, are being squeezed as regulators impose restrictions to rein in lending.

Economic Calendar

Date	Release
08.03.2017	PH: CPI YoY
08.06.2017	PH: Foreign Reserves
08.09.2017	PH: Trade Balance
08.10.2017	PH: BSP Overnight Borrowing Rate
08.14.2017	PH: Overseas Remittances YoY

Source: Bloomberg Economic Calendar