

# The Daily Dispatch

August 08, 2017  
TODAY'S TOP NEWS

## Guidelines for big-ticket power projects out soon

Guidelines to fast-track the implementation of major power projects will be unveiled this month, the Department of Energy (DoE) said. The DoE said it has received all the concerns raised by stakeholders and is now working on the permitting process framework for big-ticket energy investments.

## MPIC readies bid for P60-B C5 Expressway

Metro Pacific Investments Corp. unit NLEX Corp. is planning to submit within the year the complete proposal for the P60B C5 Expressway. NLEX Corp. president and chief executive officer Rodrigo Franco said in a text message the firm may submit the proposal within the year. "But we will need to confer with the DPWH," he said.

## Mindanao to lead halal product development

The Mindanao Development Authority (MinDA) said the region will lead the push for developing the halal agenda in the country, especially after the Implementing Rules and Regulation (IRR) of Republic Act 10817 or the "Philippine Halal Export Development and Promotion Act of 2016" were signed last month.

## Japan investments plunge 57%

The flow of Japanese investments has started to slow down in the PH, blamed partly on certain policy changes such as the government's pivot to China and Russia. Preliminary data from the Japan External Trade Organization showed Japan's outward FDI in the Philippines plunged 56.6% in the first five months of the year to \$561M.

## Ayala Land profit jumps 18% to P11.5B

PROPERTY giant Ayala Land, Inc. (ALI) said net income jumped by 18 percent in the first half of this year on the back of solid contributions from its property development and leasing businesses. ALI said net income in the first six months grew to P11.5 billion from P9.7 billion a year ago.

## 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 7, 2017

US Dollar	Philippine Peso
1	50.449

## PDST-R2 Rates

As of August 7, 2017

Tenor	Rate
1Y	3.0417
3Y	3.8856
5Y	4.7296
7Y	4.9350
10Y	5.0993
20Y	5.5100

## Daily Quote

"Let me tell you the secret that has led me to my goals: my strength lies solely in my tenacity."

--Louis Pasteur

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## MORE LOCAL NEWS

### Cimatu gets tough, warns errant miners

A recent statement from DENR cited Cimatu saying that mining companies must comply with all existing mining and environmental laws if they want their operations to continue. He promised that from now on, the DENR will be strict in exercising its regulatory powers to reduce to the minimum the environmental impacts of mining.

### Davao business to grab growth options from Duterte

The office of Davao Rep. Mylene J. Garcia-Albano has been the center of attention among business and government leaders, following her filing of the bill to create the Davao Airport Authority three years ago.

### Chelsea tops shipping, sets sights on e-commerce

When Chelsea Logistics Holdings Corp., owned by Davao-based businessman Dennis A. Uy, debuts at the Philippine Stock Exchange on Tuesday, it will take the crown as the country's largest publicly listed shipping firm, shaking up the industry in the process.

### GIR dips to \$80.78 B at end-July – BSP

The country's GIR decreased to \$80.78B as of end-July or down by \$535M compared to what was reported previously, based on BSP data. This is the second month in a row that GIR fell because of outflows and payment of past foreign currency government debts. Compared to July 2016, reserves declined by \$4.72B.

### DoubleDragon plans to sell over P7B of shares

DoubleDragon Properties Corporation, owned by Mang Inasal founder Edgar "Injap" Sia II and Jollibee chief Tony Tan Caktiong, announced on Monday, August 7, that it plans to raise P7.5 billion through a follow-on offering, in a deal worth more than 6 times its initial public offering (IPO).

### Mall operations continue to drive SM's net income

Mall operations remained the top contributor to SM Prime Holdings Incorporated's net income, which increased by 15% to P7.79 billion during the 2nd quarter of the year. This is compared to the P6.75 billion registered in the same period in 2016.

### MPIC set to build 4,000-MW power portfolio

The Metro Pacific group, which has been increasing its stake in the power sector, expects to build up a group-wide power generation portfolio of 4,000 megawatts based on its current pipeline of power plants.

## TODAY'S TOP ASIAN NEWS

### China's debt crackdown gets a big shrug

The Chinese leadership has this year made its strongest commitment yet to curb financial risks and rein in spendthrift local officials, yet the campaign has spurred barely a ripple of concern among global investors.

### HK's NewOcean to build US\$1.2B oil refinery

Hong Kong's NewOcean Energy Holdings Limited said on Monday (Aug 7) it planned to build a 5.1 billion ringgit (\$1.63 billion) petroleum refinery complex on Malaysia's east coast along with two partners.

### SG is Asia's 4th most active commercial RE market

Singapore climbed to its highest position in five years on a list of most active commercial real estate markets in the Asia-Pacific in the first half of 2017. Several large deals powered Singapore's ascent to the fourth position, behind Hong Kong, Tokyo and Shanghai.

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## MORE ASIAN NEWS

### HNA's Sing. REIT partner said to reduce ties

HNA Group Co.'s partner is an overseas property trust is exploring ways to potentially scale back its ties to the embattled Chinese conglomerate, people with knowledge of the matter said. AEP Investment Management Pte is weighing options for reducing HNA Group's involvement in the planned Singapore IPO of HNA Commercial REIT.

### VinaCapital invests \$11m in Vietnamese firm Tasco

Vitenam-based asset manager VinaCapital has invested \$11 million for a stake in listed toll road and real estate developer Tasco JSC via a private placement. Through the Vietnam Opportunity Fund (VOF), VinaCapital participated in the company's \$23-million private placement of 21% post-investment shares

### Thai Carabao Group, Showa Denko set up JV

Thai energy drink manufacturer Carabao Group has teamed up with Tokyo Stock Exchange-listed chemical engineering firm Showa Denko to form a joint venture to produce aluminum cans in Thailand. Both companies will invest 700 million baht (\$21 million) in the JV firm, named Asia Pacific Can Company

### CH sets up clearing house for online payment

China's central bank has ordered the establishment of a nationwide clearing house for online payment services, instructing them to route their transactions via the new platform, to shield consumers and the financial system from an internet-enabled model of finance that's already made up almost 3 per cent of the country's non-cash payments.

## TODAY'S TOP GLOBAL NEWS

### Tesla planning \$1.5B bond offering

Having tapped the equity market eight times for capital over the past seven years to fund Tesla Inc.'s growth -- and cover its losses -- Elon Musk is turning to the bond market.

### Mega hedge funds are reporting big gains

Rallying stock markets are helping lift returns at mega-hedge funds including Viking Global Investors and Renaissance Technologies. Investors are benefiting as strong job growth and corporate earnings push stocks to records. The S&P 500 Index is up 12 percent this year through July.

### UK house price growth weakest in more than 4 yrs.

British house prices rose at their slowest pace in more than four years in the three months to July as households felt the pinch of inflation which is rising faster than wages, mortgage lender Halifax said on Monday. Economists in a Reuters poll had expected a two per cent rise.

### AUS slams brake on property investors, prices cool

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.

### SoftBank CEO says interested in Uber, Lyft

Softbank Group Corp's Masayoshi Son expressed interest in the U.S. ride-hailing market, saying that he would be willing to invest in Uber or Lyft. It's the clearest indication yet that Son is serious about putting cash on the table.

## 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