

The Daily Dispatch

September 11, 2017
TODAY'S TOP NEWS

Consumer confidence declines in PH during Q3 2017

Confidence among Filipino consumers declined in the 3rd quarter of the year, as conflict in Marawi City continues, rainy season starts, and bird flu scare happens. But the central bank's latest consumer confidence survey showed that the overall index remained in the positive territory since Pres. Duterte assumed office in June 2016.

Cebu Landmasters invests more in Cagayan de Oro

Property developer Cebu Landmasters Incorporated has acquired a 7.2-hectare property in Cagayan de Oro City for P133.4 million as part of its strategy to expand its presence in Visayas and Mindanao. The CDO property will be developed into a residential project that will carry the company's Velmiro Heights brand.

AirAsia PH unit's planned IPO postponed to 2018

Budget carrier Philippines Air Asia's plan to go public this year was pushed back to 2018. This was revealed in a presentation to investors by operator Air Asia Berhad of Malaysia. Philippines Air Asia was earlier planning to hold a \$200-million initial public offering within the second half of 2017, Air Asia Group CEO Tony Fernandes said in June.

Sale of Pagcor casinos to start next year

The government is set to privatize starting next year the 17 casinos being operated by the state-run Philippine Amusement and Gaming Corp. (Pagcor), Finance Secretary Carlos G. Dominguez III said.

Close supervision of HMOs

The financial troubles that Caritas Health Shield Inc., one of the country's biggest health maintenance organizations (HMO), is reportedly going through are causing jitters to its 600,000 or so policyholders.

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 Sept 8, 2017

US Dollar	Philippine Peso
1	50.815

PDST-R2 Rates

As of Sept 8, 2017

Tenor	Rate
1Y	2.8854
3Y	3.6007
5Y	4.4821
7Y	4.2771
10Y	4.5379
20Y	5.0830

Daily Quote

"It isn't hard to be good from time to time. What is tough is being good every day."

--Willie Mays

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MORE LOCAL NEWS

VECO urges customers to join net metering program

VISAYAN ELECTRIC Co., Inc. (VECO) is asking customers with solar facilities within its franchise area in Cebu City to enroll in its net metering program and earn from their excess generated power, company officials said.

AC Energy keeps focus on Indonesia, Vietnam

AC Energy President and CEO Eric T. Francia said in an interview the subsidiary of Ayala Corp. prefers to develop greenfield renewable energy projects in the region, but remains open to potential investments in conventional energy.

Peso to weaken next year – DBS

DBS Bank Ltd. of Singapore sees the peso weakening further to a range of 52.50 to 53.30 to \$1 next year as the Philippines is set to book its first current account (CA) deficit in 15 years this year. "Investor focus is generally on the weak peso which has performed differently from the past few years," it said.

Phl woos Russian business moguls

After seeking investments from royal families in the Middle East, the PH has now set its sights on wooing Russian tycoons to bring in their wealth to the country. PEZA deputy director general Panga said the move is seen to diversify investors in the country's special economic zones.

MICC decision on open-pit mining out next month

The Mining Industry Coordinating Council (MICC) is expected to decide next month on whether the ban on open-pit mining stays. The MICC convened anew last Friday during which the Mines and Geosciences Bureau (MGB) presented before the TWG on Economic Affairs and Environment the technicalities of the open-pit mining

EMotors, The Net Group team up for shuttle services

Local manufacturer and assembler of electric three-wheel vehicles EMotors Inc. is partnering with The Net Group (TNG) for the use of electric shuttles in BGC. TNG will utilize EMotors' electric vehicles to serve the transport needs of its own staff, officers, and tenants in its two buildings in BGC, namely the Net Park and Net Lima.

Banks' property exposures still manageable – BSP

Banks and trust units' real estate exposures increased by 18.55 percent year-on-year to P1.92 trillion in the first half of the year. BSP Deputy Governor Diwa Guinigundo, assessing both 2016 and end-March results, said the quality of bank credit to the real estate and construction sectors are considered reasonable or controlled.

China offers \$400M for Agus-Pulangi rehab

The Chinese government is offering \$400 million (P20.35 billion) to rehabilitate the Agus-Pulangi hydropower complex in Mindanao, Energy Secretary Alfonso Cusi said. "I think ang China government is providing around \$400 million," Cusi told reporters on Thursday.

DBP to offer P1.5-B loan facility for PUV upgrades

The Development Bank of the Philippines will provide a P1.5-billion financing facility to jumpstart the Public Utility Vehicle Modernization Program (PUVMP), the DOTR said on Sunday. A memorandum of understanding will be signed by Transportation Secretary Arthur Tugade and DBP Chairman Alberto Romulo on Monday, September 11.

TODAY'S TOP ASIAN NEWS

CH latest default a cautionary tale for investors

Foreigners have been slow to warm to China's domestic bond market, the world's third-largest by value. A look at the latest corporate default may explain why. Wuyang Construction Group Co., a builder in the eastern province of Zhejiang, defaulted on two putable notes totaling 1.36 billion yuan (\$211 million) last month.

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MORE ASIAN NEWS

CH sends one of West's critical materials soaring

The price of one of the most critical materials for the Western world's economy and defenses is spiking faster than any major commodity. Tungsten, used to harden steel in ballistic missiles and in drill bits, has surged more than 50 percent in the last two months amid growing concern about supply cutbacks in China.

Celebi keen to buy Air India's ground handling unit

Turkey's Celebi Aviation Holding has shown interest in buying state-owned Air India's ground handling operations. Celebi, which also provides ground handling services in India, has written to the ministry showing interest to bid for the Indian flag carrier's ground handling operations.

S Korea's Lotte mulls sale of supermarkets in China

South Korea's Lotte Shopping is considering selling its supermarkets in China and other options should political tensions between Seoul and Beijing continue next year. "It is natural that we should have various alternatives, but no discussions or decisions have been made regarding detailed plans,"

Blackstone: India's distressed assets with IARC

Blackstone Group Lp, the world's largest alternative asset manager, is set to acquire a controlling stake in Mumbai-based distressed asset buyer International Asset Reconstruction Co. Pvt. Ltd (IARC), according to two people aware of the development.

Bain-Hynix consortium ups bid for Toshiba chip unit

A group including Bain Capital and South Korea's SK Hynix has raised its offer for Toshiba Corp's chip business to 2.4 trillion yen (\$22.3 billion) including a 200 billion yen investment in infrastructure, sources familiar with the matter said.

Loyz Energy inks deal with Arctos to diversify

Marred by weakness and volatility in the energy sector globally, Singapore grown oil and gas exploration and production firm Loyz Energy has planned to diversify into fund management, investment and trading in a bid to reduce its reliance on the original business and increase revenue streams.

ReWork raises \$3m

Indonesian co-working space provider ReWork has raised \$3 million in a pre-series A financing led by ATM Capital and Convergence Ventures. China's co-work unicorn UrWork, Social Capital, Fortune Union Investments, ACE Capital as well as new and existing investors participated in the round.

TODAY'S TOP GLOBAL NEWS

What to expect at Apple's biggest event in years

On Tuesday, Apple Inc. CEO Tim Cook will take the stage for the first time in the Steve Jobs Theater at its new campus. The location represents a new chapter for the world's most valuable technology company, and the event will usher in a new era for the iPhone.

B&S said to plan IPO valuing it at \$2.4B

B&S BV is weighing an IPO that could value the 145-year-old Dutch consumer goods wholesaler at about 2 billion euros (\$2.4 billion). ABN Amro Group NV, ING Groep NV and Morgan Stanley have been selected to work on the sale, along with Deutsche Bank AG and Cooperatieve Rabobank UA, the people said.

Economic Calendar

Date	Release
09.04.2017	PH: CPI YoY
09.06.2017	PH: Foreign Reserves
09.11.2017	PH: Unemployment Rate
09.11.2017	PH: Trade Balance
09.14.2017	PH: Overseas Remittances YoY

Source: Bloomberg Economic Calendar