



Market & News in Brief

**Market View**

**China tumble leads Asian markets lower**

Chinese shares plunged Monday, close to their low reached during last summer's crash, while authorities appeared to sit on the sidelines, overshadowing their recent moves to calm markets by steadying the yuan. The Shanghai Composite Index fell 5.3% to 3016.70. It has shed 15% so far this year. Australia's benchmark S&P/ASX 200 lost 1.2% and South Korea's Kospi fell 1.2%. Shares in Hong Kong sank to their lowest in roughly 2 years. The Hang Seng Index was off 2.8% at 19888.50, closing below 20000 for the first time since June 2013.

**US Stocks regain ground after volatile session**

The Dow industrials eked out a gain, capping a day of wide swings that snapped a three-session losing streak. Meanwhile, small-cap stocks briefly fell into a bear market. The Dow Jones Industrial Average rose 52.12 points, or 0.3%, to 16398.57. Stocks veered between gains and losses all session long, with the blue-chip index trading in a 229-point range. The S&P 500 gained 1.64 points, or 0.1%, to 1923.67. The Nasdaq Composite Index fell 5.64, or 0.1%, to 4637.99.

**News in Brief**

**Economy**

**Indonesia: Finance Ministry to streamline tax ID registration process**

The Indonesian government will streamline for taxpayers the process of registering for a tax identification number in order to boost this year's tax revenue. Taxes paid by individuals only contributed to around 11% of the overall tax revenue in 2014, according to the latest data available for public. Indonesia's individual tax ratio against the country's gross domestic product was also lower than its peers' in the region. Indonesia's individual tax ratio reached 0.04, compared to Singapore's 2.06, Malaysia's 2.29 and Thailand's 8.10.

**Philippines: FDI up to USD451mm in October**

Net foreign direct investments (FDI) expanded in October, reflecting favorable investor sentiment, the Bangko Sentral Pilipinas (BSP) reported yesterday. Data released by the central bank showed net FDI inflows amounted to USD451mm in October last year, USD6mm higher than the USD445mm in October 2014. This brought the GDP expansion to 5.6% in the first nine months of last year and inflation eased to 1.4% last year from 4.1% in 2014 amid stable food prices, lower oil prices, and cheaper utility rates.

**Corporate**

**Southeast Asia: ADB states Global carbon trade could help Southeast Asia**

A global carbon trading market could boost Southeast Asia's efforts to combat climate change. The region had the fastest growth in carbon dioxide emissions in the world from 1990 to 2010, and will continue to rely mainly on coal-fired plants for its power needs, making it one of the top contributors to global greenhouse gas emissions. The ADB reiterated that the region's GDP could decline by up to 11% by 2100 if no steps are taken to curb climate change. That was up from a 2009 report, which put the decline at 7%.

**Philippines: AboitizPower vying for Naga plant rehab contract**

AboitizPower Group expects to get the contract to rehabilitate the Naga Power Plant Complex (NPPC) in Cebu after the Supreme Court nullified the earlier contract given to SPC Power Corp. These include the 52.5 MW Cebu 1 and 56.8 MW Cebu 2 coal-fired thermal power plants, and the 43.8-MW Cebu diesel power plant composed of six 7.3-MW bunker oil power units.

**Philippines: ERC green lights VECO power deal**

The Energy Regulatory Commission (ERC) has cleared the 50MW power supply deal between Southwest Luzon Power Generation Corp. (SLGPC) and Visayan Electric Co. (VECO). The power regulator gave the provisional authority between SLGPC, and VECO, the second largest electric utility in the country owned by Aboitiz Power Corp. The supply will be sourced from the Semirara 2x150MW coal-fired power plant in Calaca, Batangas.

**Singapore: Singapore Airlines takes offer for Tiger Air unconditional**

Singapore Airlines has taken its offer for Tiger Airways unconditional and disclosed it now owns, controls or agreed to acquire 79.22% of the target's shares. The final offer price values Tiger Airways at approximately SGD1.125bn. It represents a price premium of 45% over the company's last traded price of 31 cents before the offer was announced. Singapore Airlines announced the offer on November 6 2015 at an initial offer price of 41 cents. On January 4 2016, it raised this to 45 cents, which will also be paid to shareholders who accepted at the initial offer price.