

THE DAILY NEWS

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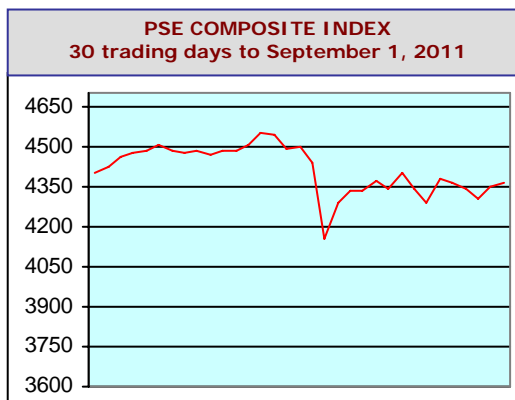
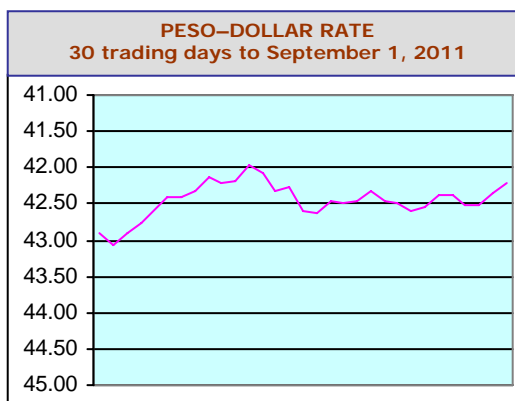
- Rizal Commercial and Banking Corp. is merging its 2 subsidiaries
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- SPi Global has included Australia in its global resource network

WEATHER FORECAST



METRO MANILA 24°C to 30°C
 Moderate to Strong Southwest Manila Bay: Moderate to Rough

COUNTRY	Currency in Peso	Currency in US\$1	1 Peso in Currency
US (dollar)	42.34400	1.00000	0.02362
Japan (yen)	0.55280	0.01306	1.80897
UK (pound)	68.80480	1.62490	0.014534
Hong Kong (dollar)	5.43690	0.12840	0.18393
China (yuan)	6.63890	0.15673	0.15063
Canada (dollar)	43.26560	1.021764	0.02311
Australia (dollar)	45.26570	1.06900	0.02209
New Zealand (dollar)	36.22550	0.85551	0.027605
EMU (euro)	60.86950	1.43750	60.86950



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Ramon Jimenez is new tourism chief

President Benigno Simeon Aquino III has confirmed that marketing and advertising bigwig Ramon Jimenez will take the place of Tourism Secretary Alberto Lim, whose resignation took effect on Wednesday. The President said Mr. Jimenez accepted the position and had been studying the things he would need to do for the past 2 weeks. *"He's a marketing, advertising guy and tourism is primarily a marketing effort because the product is already there. (We must be) enhancing the product that we have in the Philippines and at the end of the day, he will be informing a lot of the citizens of the world that there are such and such sites, accessible, it should be visited,"* President Aquino said over coffee with the media here Wednesday night on the sidelines of his state visit. Prior to his new assignment, Mr. Jimenez was chief executive officer and senior consultant of Woo Consultants Inc., executive chairman of Jimenez Basic Advertising and vice president and executive creative director of Ace Saatchi & Saatchi Advertising, an award-winning advertising firm. He is a graduate of the University of the Philippines' College of Fine Arts.

New BOC head known Sept. 16

Customs Commissioner Angelito Alvarez will be in office until Sept. 16, President Aquino said. He did not say who would replace Mr. Alvarez although it had been widely reported that it would be former Muntinlupa representative Rozzano Biazon. President Aquino said the incoming Customs chief had asked for some "peace and quiet" until Sept. 16 before a formal announcement of his appointment is made. He added would no longer entertain the arguments of Mr. Alvarez. Earlier, Mr. Alvarez said he would reveal the identities of the people that he branded as "smugglers" operating in the BOC.

Watchlist order vs Mike Arroyo lifted

The Department of Justice (DOJ) lifted yesterday its order placing former first gentleman Jose Miguel Arroyo on its watchlist for his alleged involvement in the supposedly anomalous purchase of police helicopters in 2009. The DOJ lifted the order a week after the Supreme Court stopped its implementation through a temporary restraining order. The alleged irregularities in the purchase of helicopters by the Philippine National Police (PNP) are now being investigated by the Senate. In a press conference, Justice Secretary Leila de Lima said she based her decision on a letter from Sen. Teofisto Guingona III, chair of the Senate Blue Ribbon committee, informing her that Mr. Arroyo's presence is no longer needed in their investigation of the anomalies in the purchase of the choppers.

PH to rebid NorthRail project

The Philippines is seeking to re-bid the NorthRail contract between the government and Chinese firm China National Machinery and Equipment Corp. (CNMEC) in the hope of getting better terms. Transportation Secretary Manuel Roxas II said that the Chinese have agreed to "reconfigure" the NorthRail project, but the terms would have to be discussed by his department and his Chinese counterpart. He said this development became apparent during the meeting between President Aquino and Chinese President Hu Jintao. Mr. Roxas said the project would have to be redesigned and that CNMEC would be compensated for its efforts. He said CNMEC had completed only 1 kilometer of the 90 kilometers in the contract and the advance payment of the Philippine government would likely even exceed the amount that would be paid to the contractor. He said engineers and finance experts would determine the amount.

ECONOMY & BUSINESS

Growth target review set

A downward revision of this year's growth targets will be on the table when the Development Budget Coordination Committee (DBCC) meets to assess the first semester's sluggish economic growth. *"The revision of the growth targets is a possibility,"* Socioeconomic Planning Secretary Cayetano Paderanga, Jr. said. *"The DBCC will study what we can do in terms of improving government spending and guarding against the global slowdown. We will also take into consideration the upside factors such as the strong performances of agriculture and services. Then, we will decide whether to revise,"* he explained. The interagency DBCC -- responsible for setting the country's macroeconomic targets -- is expected to meet "soon," Mr. Paderanga said. A definite date, however, has yet to be scheduled. Budget Secretary and DBCC Chairman Florencio Abad said the panel would wait for the recommendations of the *Bangko Sentral ng Pilipinas (BSP)* and the Department of Finance (DoF) before deciding whether to revise the government's "fighting" target of 7-8% growth for 2011. The Philippine economy performed dismally in the first semester, with gross domestic product growth registering at only 4%. According to the National Economic and Development Authority, the expansion would have to hit 10% in the second half to reach the 7-8% goal.

'Hot money' exceeds \$3Bn as of Aug 19

The net inflow of foreign portfolio investments or "hot money" topped the \$3 billion level as of Aug. 19 as foreign capital continued to flood emerging market economies, including the Philippines in light of the fragile economic growth in advanced countries as well as the downgrade of the triple A credit rating of the U.S. and debt concerns in Europe. Latest data released by the *Bangko Sentral ng Pilipinas (BSP)* show that the net inflow of foreign portfolio investments quadrupled to \$3.06 billion as of Aug. 19 this year from \$756.58 million as of the same period last year on the back of strong investments in shares listed at the Philippine Stock Exchange (PSE) and peso-denominated government securities BSP officer in charge Diwa Guinigundo said in a text message to reporters inflows improved in the third week of August after slowing down in the second week.

SEC clears PSE's proposed rules on energy firms' listing

The Securities and Exchange Commission (SEC) has cleared the Philippine Stock Exchange's proposed supplemental listing and disclosure requirements for petroleum and renewable energy companies. The approved rules aim to relax the 1-year operating history requirement under the second board listing rules to allow more petroleum and renewable energy companies to list on the bourse. The supplemental rules are a result of a collaboration initiated by the PSE with the Department of Energy and the SEC. Prior to the new rules, the exchange did not have industry-specific listing requirements for petroleum and renewable energy companies which fully capture the business and the risks involved in the operations of such companies.

Gov't to lose P2.4Bn revenue sans new sin tax law

The government stands to lose P2 billion to P2.4 billion in additional revenues if no new sin tax measure will be passed by 2013, Finance Undersecretary Gil Beltran said. The amount represents additional revenues that are generated from sin taxes under Republic Act 9334 or the indexation of excise tax on tobacco and alcohol products. The law, signed in 2004 by former President now Pampanga Rep. Gloria Macapagal-Arroyo, calls for an 8% increase in the excise tax rates on tobacco and alcohol products every 2 years starting in 2007. The last adjustment takes effect this year, according to the law. There are currently different versions of sin tax legislation pending in Congress. The version supported by the Department of Finance is expected to raise P60 billion every year.

CORPORATE BRIEFS

Rizal Commercial and Banking Corp. (RCBC) is merging its subsidiaries Rizal Microbank and Pres. JP Laurel Rural Bank, with the former as the surviving entity...Rizal Microbank is a thrift bank, formerly named the Merchant Savings and Loan Association Inc., acquired by RCBC in 2008. Pres. JP Laurel Rural Bank was taken in the following year...the new Rizal Microbank will have total resources worth P1.2 billion and a combined branch network of 18 (8 from Merchant Savings and 10 from JP Laurel). RCBC Senior Vice-President and Head for Microfinance Ma. Lourdes Jocelyn S. Pineda said the target is to reach 30 branches by 2014...**Mic Holdings Corp.**, recently taken over by the son of businessman Reghis Romero II, is jacking up its capitalization to P2.6 billion from a mere P100 million...the company's board likewise approved the waiver of the requirement to conduct a rights or public offering of the shares to be subscribed by Sultan 900 Capital Inc., a private investment company owned by Romero...**Benguet Corp.** (BC) disclosed yesterday that it has agreed with St. Augustine Mining Ltd. (SAML), an affiliate of Russell Mining & Minerals Inc. (RMMI), to accelerate the payment of the acquisition price of the Kingking project and related claims...in a disclosure to the Philippine Stock Exchange (PSE), Benguet said the 2 companies have agreed on a discounted payment for the balance which in the original agreement has to be paid over a period of 7 years...as previously disclosed, the original agreement provides a total consideration amount of \$25 million out of which, an initial payment of \$8 million was made by SAML on Oct. 22, 2010...PLDT subsidiary **SPi Global** has included Australia in its global resource network to tap opportunities in getting BPO clients from the prosperous continent...SPi Global president and CEO Maulik Parekh said more companies in Australia are now exploring the possibility of outsourcing to the Philippines because of the country's reputation for excellent customer service.

WORD-FOR-WORD

Manila Times Editorial says:

"With about 100 persons—mostly politicians—offering themselves to President Benigno Aquino 3rd for the governorship of the Autonomous Region in Muslim Mindanao (ARMM), it cheers us to note that one of the names being mentioned is that of a technocrat and non-politician.

This is the incumbent Agrarian Reform Region XI Director Datu Yusoph Boyog Mama who comes from Lanao del Sur. Director Mama is the longest serving Department of Agrarian Reform regional executive since the creation of the Comprehensive Agrarian Reform Program (CARP) during the term of the late President Corazon Aquino.

He is admired for his track record. He has met and even surpasses CARP land distribution targets in every area he has been assigned to.

Datu Mama has also been a commercial attaché, in Nigeria and Austria. He was also an Economic Adviser-Designate to the United Nations International Atomic Energy Agency (IAEA).

A development that might raise Datu Mama's chances of getting President Aquino's nod is the endorsement he has received from the Mindanao Business Council (MinBC), which is highly thought of as the foremost business organization in Mindanao. Based in Davao City, the MinBC has thrown its full support to this Muslim technocrat and eschewed the politicians aspiring for the ARMM governorship.

Vicente Lao, chairman of MinBC and a member of the President's delegation to China, wrote a letter in behalf of his organization endorsing Datu Mama. He told The Times correspondent Julmunir Jannaral that the business community in Mindanao has chosen Datu Mama over politicians because they are impressed with his track records and capability to institute the much-needed governance reforms in the ARMM.

Lao also told The Times that MinBC's choice of Datu Mama is because MinBC completely supports the good-governance thrusts of President Aquino in the ARMM. Datu Mama is also the president of the National Council of Career Executives Service Organizations. His experience and expertise in management is what must be transmitted to the other officials of ARMM and the provinces that comprise the autonomous region.

MinBC also told The Times that Datu Mama's being a technocrat and aware of the economic aspects of development will help in making the region undergo a holistic transformation.

The Muslim technocrat also has the royal title of Masirikampo sa Marawi (traditional ruler of the royal confederation of Marawi).

Another worthy name mentioned for the ARMM governorship is Atty. Adel Tamano. He is also really a non-politician, his true calling being that of an educator.

He distinguished himself in his years as president of the Pamantasan ng Maynila. Tamano is the eighth son of the late Senator Mamintal Tamano and civic leader Hadja Putri Zorayda Abbas Tamano. Senator Tamano was among the outstanding lawmakers in the Senate from 1969 to 1972 and again in 1987 to 1992.

Whoever is appointed OIC governor of ARMM—and OIC leaders of the ARMM provinces—will have a tremendous impact on the future of Mindanao—as well as the future of entire Philippine Republic.”