

**BSP to move to Interest Rate Corridor System**

The Bangko Sentral ng Pilipinas (BSP) will make the transition to an Interest Rate Corridor (IRC) system starting June 3, 2016. The system is expected to boost capital markets by allowing financial institutions to better manage their liquidity. The BSP will introduce a term deposit auction facility (TDAF), which will be BSP's main tool to mop up excess liquidity from the financial system. The facility will involve the auction of term deposits in 7-day and 28-day tenors weekly. The BSP also announced rate settings effective June 3: 1) 3.5% for the overnight lending or repurchase (RP) rate 2) 3.0% for the overnight borrowing or reverse purchase (RRP) and 3) 2.5% for the special deposit account (SDA) rate.

**EMP eyes USA and Asia for its brandy**

Emperador, Inc. (EMP) wants to bring its homegrown brandy to more foreign markets, particularly in Asia and the United States, following its Php13.8bn takeover of the 286 year-old Bodegas Fundador, allowing the expansion of its presence in over a hundred countries. In 2014, the company also acquired Scotch whisky company Whyte and Mackay Group Limited — owner of the brands Whyte and Mackay, Jura and The Dalmore — for 430 million pounds. EMP registered a net income of Php1.40bn for 1Q16, registering flat growth QoQ.

**RRHI posts flat net income in 1Q16**

Robinsons Retail Holdings, Inc. (RRHI), reported flat net income for 1Q16, as forex losses of Php73mn offset its record same-store sales during the election period. RRHI reported Php785mn in net income attributable to equity holders or 57 centavos per share, as compared to the 56 centavos per share the previous year. RRHI operates a total of 1,514 stores and expanded its total gross floor area by 7.8% to around 967,000 square meters as of end-March.

**DMC bags Php2.9bn worth of projects in 1Q16**

D.M. CONSUNJI, Inc. (DMCI), the construction arm of DMCI Holdings, Inc. (DMC), has bagged Php2.9bn worth of projects in 1Q16. The projects include Ayala Land's mixed-use development City Gate in Makati CBD; a 50mn liter water reservoir in Quezon City; and two 23 MW gas turbine plants in Batangas. DMCI is eyeing more public-private partnerships to be awarded in the next administration.

Indices	16-May	13-May	% chg
PSEi	7,511.74	7,436.79	1.01
All shares	4,451.16	4,412.26	0.88
Financials	1,679.15	1,674.59	0.27
Industrial	12,029.77	11,946.42	0.70
Holding	7,572.35	7,463.57	1.46
Services	1,490.95	1,496.37	(0.36)
Mining and Oil	11,157.07	10,884.95	2.50
Property	3,143.42	3,095.50	1.55

**16-May**

Total volume	2,333,175,899.00
Total value Php	9,659,830,493.22
Net foreign buying (selling) Php	272,565,184.83

source: PSE, Technistock

	16-May	13-May	% chg
PHP/USD	46.450	46.590	(0.30)

Foreign indices	16-May	13-May	% chg
DJIA	17,710.71	17,535.32	1.00
NASDAQ	4,775.46	4,717.68	1.22
S&P 500	2,066.66	2,046.61	0.98
Nikkei 225	16,466.40	16,412.21	0.33
Hang Seng	19,883.95	19,719.29	0.84
Shanghai	2,827.11	2,835.86	(0.31)

Commodities	16-May	13-May	12-May
WTI Crude (USD/bbl)	47.72	46.21	46.70
Gold Spot (USD)	1,274.16	1,273.45	1,263.68

source: Bloomberg

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