

U.S. stocks fell Tuesday on weaker-than-expected economic data. Expectations of a possible Federal Reserve interest rate increase lifted the dollar to near a two-month high. This stoked safe-haven bids for gold and less riskier U.S. and German government debt. Oil futures faded into the red after rising earlier on higher expected U.S. gasoline demand for summer driving. Ahead: Britain's June 23 referendum on European Union membership.

PSEi gains were erased, ending the day -0.84% to 7,401.6. Yesterday marked the effectivity date of the MSCI realignment. **PSEi current support 7295/7274. However if broken, may retest 7000.**

ALI to spend P3.6 billion for Phase 2 development of 100ha township - Altaraza in Bulacan.

To start development by end-year, completed in 2-3 years. To develop a 9,600-sq.m. BPO office building, which will require an investment of P360 million. For the first phase residential projects, 564 units were launched from Avida Settings and Amaia Steps and had an 81% take-up as of the end of April.

LTG's ETON Properties to more than double capital expenditures (capex) to P7 billion this year, largely to fund office and retail projects

LTG looking to increase capex to P30 billion over the next 5 years to support diversification to hospitality, leisure, and larger district and mixed-use developments. Recently launched mixed-use Eton WestEnd Square in Makati, which includes a boutique mall, an office tower, and a high-rise residential condominium. To introduce its 5th BPO facility in Eton Centris, the 25-storey Centris Cyberpod Five. Plans to construct 4 BPO buildings at a cost of P9 billion over the next 5 years.

MEG to build 2 new BPO office towers in Lanang, Davao

One Republic and Emperador House will add 30,000 sq.m. of office space to total the groups inventory in the 11ha Davao Park District to 50,000 sq.m. (15-storey Davao Finance Center accounts for the 20,000 sq.m. MEG to also put up retail shops, a hospital and a school in the township.

MER looking to borrow P10-15 billion for about half of 2016-2017 capex

For 2016, ERC approved a P15.47-billion capital expenditure program for Meralco, P2 billion short of the amount it applied for during the period. For 2017, MER has a pending application for a capital expenditure program amounting to around P15.2 billion for 23 major projects costing P5.6 billion and residual projects at P9.6 billion.

PNB allots P3 billion for capex this year

More than half of the budget going to information technology upgrade in a bid to streamline operations intending clients to get hold of 3-5 products offered in its 670-branch network. PNB aims to sustain its double-digit growth in loans (1Q +18%). Loan portfolio consisted of corporate (54%), commercial (27%), retail sector 18%), government/public (10%)

PSEi	7,401.60 -62.74 -0.84%
Day Range	7,401.60 - 7,519.17
52wk Range	6,084.28 - 7,697.33
Advances - Declines - Unchanged	78 - 118 - 44
Volume (shares)	3.410 billion
Value (Php)	32.804 billion
Block Sale Value (Php bn)	0.393
Foreign Buying (Php)	25.70 billion
Foreign Selling (Php)	23.40 billion
Net Foreign B(S) (Php)	2.3 billion

Most Active	Change	Advancers / Decliners	Change
SECB	+3.57%	GLO	+4.33%
AC	+1.93%	MEG	+3.69%
AEV	+1.28%	SMC	+2.12%
MBT	+1.28%	AC	+1.93%
TEL	-0.05%	PCOR	+1.74%
JGS	-0.66%	ALI	-2.99%
BDO	-1.66%	FGEN	-3.04%
URC	-1.76%	GTCAP	-3.79%
BPI	-2.79%	EMP	-4.56%
ALI	-2.99%	ICT	-6.14%

WORLD INDICES		
Dow Jones	17,787.20	-0.48%
S&P 500	2,096.96	-2.10%
NKY 225	17,234.98	+0.98%
SSEC	2,916.62	+3.34%
CURRENCIES (USD:)		
PHP	46.78	
JPY	110.69	
EUR	0.90	
CNY	6.59	
COMMODITIES		
WTI Crude (USD/bbl.)	49.50	
Brent Crude (USD/bbl.)	49.76	
Gold (USD/oz.)	1,209.45	
Copper (USD/lb.)	209.80	
Nickel (USD/lb)	2.8109	+0.0082
Laterite Nickel Ni 1.5%, Fe15-25% (USD/wmt)	20 - 21	Average 20.05 (-0.5)
Laterite Nickel Ni 1.8%, Fe15-20% (USD/wmt)	34 - 36	Average 35 (-1)

SMC's San Miguel Brewery (SMB) expects 2016 Net Profit to reach P12 billion to P15 billion (from P13.5 billion in 2015) on higher sales volume (up to +15%)

SMB does not expect the incoming administration's plan on nationwide liquor ban after 1AM to affect profitability. 1Q16 Revenues and Net Income grew 23% to P23.3 billion and P4 billion, respectively. Sales volume grew 25% to 51 million cases.

SMC's RSA said the sale of telco assets was "at cost" to the amount that SMC had spent in buying the rights and contractual obligations to obtain the frequency.

The Philippine Competition Commission (PCC) awaits documents related to the P70-billion sale of SMC telco assets to TEL, GLO before it could take any action.

PCC said if the submission of documents were in order, the anti-trust body has 30 days to issue a decision—on whether the concerned transaction is against the competition law—or up to 90 days if there were some issues with the papers submitted.

Commercial bank lending +15.6% to P5.22 trillion

In April, the increase in outstanding loans to residents and non-residents, net of reverse repurchase (RRP) placements with the BSP, was higher than the 14.8% in March. Bank lending inclusive of RRP's rose 14.8% to P5.5 trillion, also faster than the previous month's 13.5% growth.

The National Renewable Energy Board has submitted to the Energy Department the third round of feed-in tariff rates for solar and wind power projects

The entire 400MW capacity for the wind installation target was fully taken. The final list for those who qualified for the 450MW second wave of solar installation targets with a lower rate of P8.69 per kilowatt-hour has yet to be released. The first round of 50MW was granted a rate of 9.68 per kilowatt-hour. Sources say the proposed third round rate is set at P8 per kilowatt-hour. There are 750MW to 800MW of total capacity of solar projects being evaluated however the ERC wants to limit solar capacity to 500MW until the impact on rates can be determined.

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