

PSEi closed 7,622.07, up 1.49% on Friday, up 9.64% YTD. Net Foreign Buying figure ended at its highest for the year (on a weekly basis) at P21.856, slightly up from P21.15 the prior week. Last week saw the Fed maintain raise interest rates for June, boosting appetite for risky investments like equities. Uncertainty still looms ahead of the referendum this Friday, when Britain votes to stay within or exit the European Union.

U.S. stocks fell Friday after a volatile week as investors focused on the consequences of the coming U.K. vote on whether to stay in the European Union. YTD, the S&P is up 1.3% from 3.7% as of June. Also since June 8, oil prices have fallen back below \$50 a barrel, and yields on the 10-year Treasury note on Thursday sank to their lowest close since August 2012. Over the past week, uncertainty as polls showing a tightening race in the British vote, weighed on such risky assets as stocks and oil, while lifting prices of German government bonds and gold.

EDC plans to build six more power projects that will add 1,500MW

EDC received approval from DoEt o conduct studies on six potential wind power projects in Luzon and the Visayas.

DoE gave approval for 153MW Matnog 1 and 206MW Matnog 2 wind projects in Matnog, Sorsogon; 213MW Iloilo 1 in Batad and San Dionisio and 500MW Iloilo 2 in Concepcion, Iloilo, and for the expansion of the 183MW Burgos wind project in Burgos, Ilocos Norte.

The NREB proposed an additional 500MW installation target for wind projects under the feed-in tariff regime; a lower feed-in tariff rate of P6 to P7 per kilowatt-hour for wind projects under the third round of installation targets;

MPI acquires 65% of wastewater business ESTII for P1.8 billion

Metropac Water Investments Corp. (MWIC) acquired the Class A common shares for P1.7 billion (P141.67 apiece) and the Class C common shares for P100 million (P100 each) in cash.

ESTII is engaged in the business of designing, supplying, constructing, installing, and operating and maintaining wastewater and sewage treatment plant facilities.

PCC insists P70-billion acquisition of SMC assets by TEL, GLO not deemed approved, still under review

“The review is intended to ensure that the transaction will, in the end, result in sustained gains for the public by not restricting competition.”

GLO official said they would be reviewing their options moving forward while TEL has yet to comment.

SMPH firming up plans to invest P39.44 billion to redevelop the 40-year-old SM Harrison Plaza complex as a partner of the city government of Manila.

To be a mixed-use development, SMPH to develop the shopping center and put up BPO offices.

Industry sources say the lease contract with the city government of the long-time concessionaire of the property, the Martel family, had yet to expire. Sources also say Martel family was paying less than P20 million in annual rental to the Manila City government, which was deemed too low.

PSEi	7,622.07 +57.60 +0.84%
Day Range	7,607.95 - 7,656.33
52wk Range	6,084.28 - 7792.34
Advances - Declines - Unchanged	114 - 68 - 54
Volume (shares)	2.58 billion
Value (Php)	10.78 billion
Block Sale Value (Php bn)	293.56 million
Foreign Buying (Php)	7.88 billion
Foreign Selling (Php)	6.47 billion
Net Foreign B(S) (Php)	1.40 billion

Most Active	Value (mn)	Price Change	Advancers / Decliners	Change
JGS	1,579.01	-0.48%	PCOR	+4.86%
SMPH	1,336.97	+0.20%	BLOOM	+3.69%
ALI	908.66	+1.32%	LTG	+3.33%
TEL	700.43	+0.40%	URC	+3.29%
GLO	585.89	-0.26%	BDO	+2.45%
URC	432.08	+3.29%	EDC	-1.87%
GTCAP	325.82	-0.56%	GTCAP	-0.56%
MBT	254.77	+1.04%	JGS	-0.48%
AC	236.49	+0.96%	SMC	-0.38%
BDO	225.37	+2.45%	SM	-0.36%

WORLD INDICES	06-17	06-20	Chg
Dow Jones	17,733.10	17,675.16	-0.33%
S&P 500	2,077.99	2,071.22	-0.33%
NKY 225	15,434.14	15,599.66	1.07%
SSEC	2,872.81	2,885.10	0.43%
CURRENCIES (USD:)	06-17	06-20	Chg
PHP	46.41	46.44	0.06%
JPY	104.05	104.28	0.22%
EUR	0.89	0.89	0.00%
CNY	6.58	6.59	0.15%
COMMODITIES	06-17	06-20	Chg
WTI Crude (USD/bbl.)	46.37	47.98	3.47%
Brent Crude (USD/bbl.)	47.44	49.17	3.65%
Gold (USD/oz.)	1,284.50	1,294.80	0.80%
Copper (USD/lb.)	205.85	205.10	-0.36%
Nickel (USD/lb)	4.0188	4.1043	2.13%
Laterite Nickel Ni 1.5%, Fe15-25% (USD/wmt)	18 - 20 Ave. 19	18 - 20 Ave. 19	0.00%
Laterite Nickel Ni 1.8%, Fe15-20% (USD/wmt)	32 - 34 Ave. 33	32 - 34 Ave. 33	0.00%

MEG to spend P180 billion in the next 10 years to develop existing properties in the provinces; 2016 capex P55 billion, set to expand footprint beyond 1 million sq.m.

MEG has launched 21 integrated urban townships covering around 3,061 hectares across the country. Of these, 12 cover around 2,807 ha and are located in provinces.

MEG opened commercial and retail areas to the public in 7 of its provincial township projects found in Iloilo, Lapu-Lapu City, Davao, Batangas, Cavite and Laguna, Boracay. Another 4 townships scheduled for development within the next 3 years are located in Negros Occidental, Bacolod City, Pampanga and Cavite. MEG said the maturity of such developments usually take 10 to 15 years, depending on their size and components.

For 2016, MEG allocated P55 billion in capex (vs. P54.5 billion last year), of which, a tenth was set aside for possible land acquisitions. MEG set to expand its retail and office footprint beyond 1 million sq.m. this year

VVT eyeing P3 billion in additional equity investments to finance further expansion of its power generation portfolio

As of end-2015, generation capacity reached 252 MW. Expects 55% expansion once ongoing projects are completed, for which the firm needs additional equity infusion.

VVT has invested over P2.5 billion in 2 projects involved in the construction of two thermal power generation plants. VVT owns 40% and 20% equity stakes in Minergy Power Corporation (MPC) and Therma Visayas, Inc. (TVI), respectively; adding 120MW of attributable capacity to its portfolio by 2017-2018.

MPC is currently constructing a 3 x 55-MW coal-fired power generation facility in Misamis Oriental; to be completed by end-2017.

TVI, is building a 300-MW coal-fired power generation facility in Toledo City, Cebu; to be completed by end-2017, to be followed by a second unit three months after.

VVT's core businesses are power generation and electricity distribution. VVT continues to explore opportunities to expand and strengthen its portfolio through acquisitions, green and brownfield initiatives or joint venture projects.

FY15 Net Profit -22% to P1.1 billion due to soft prices which impacted on the power generation business.

London-based think tank Capital Economics: BSP likely to keep interest rate at 3%, following the launch of the interest rate corridor system on June 3.

Capital Economics said while consumer price inflation increased in May to 1.6%, it was still below Bangko Sentral's target range of 2-4%. It also said that said the economy continued to grow at a decent pace, which meant there was little need for rate cuts.

REFERENCES Philippine Dailies, PSE, Bloomberg, Reuters, DA Market Securities, Inc. **DISCLAIMER** This report is provided for informational purposes only and is not intended to solicit buying and selling of securities or to participate in any particular trading strategy. DA Market Securities, Inc. (DMSI) makes reasonable effort to use reliable, comprehensive information, but makes no representation or warranties as to the accuracy, completeness, or timeliness of the data provided. DMSI shall not have liability for any damages of any kind relating to such data. This report may not be reproduced or published for any purpose. DA market officers, directors and employees, including persons involved in the preparation or issuance of this report, may have investments in securities or derivatives of securities of the companies mentioned in this report.