

PSEi stayed above the 7800 mark even as it lost 38.41 points or 0.49% as “Brexit” rally waned across regional markets. The market was closed Wednesday in observation of a national holiday, Eid’l Fitr (Feast of Ramadhan).

July 6

US markets stocks snapped a 4-session rally on a day marked by light-trading volume following Independence Day as Brexit concerns resurface. The Bank of England is expected to cut rates from an already record low of 0.5% when it meets next week. A sharp drop in crude-oil prices contributed to overall sentiment, weighing on energy shares. Gold and silver rallied to close at their best levels since 2014.

July 7

US markets shook off worries from Brexit, and closed higher Wednesday. Nudging investor back to equities were a stronger-than-expected report on nonmanufacturing activity and majority of policymakers at the Federal Reserve’s June policy were in favor of keeping rates on hold. Gold surged to a 2-year high, amid continued rush to safety. Oil prices dropped again while the dollar inched higher.

Duterte administration cuts 2016 GDP growth target to 6-7%; 2Q16 likely grew 7%; 2017 target also lowered to 6.5-7.5%; Growth form 2018-2022 set at 7-8%

Inflation picks up to 14-month high of 1.9% in June on higher food and beverage prices; FY16 est. to be below/around low end of gov’t. target of 2-4%

Fastest since the 2.2% posted in April 2015; Faster than the 1.2% in June 2015 and the 1.6 percent a month ago.

BSP noted that there was no need to change the stance of monetary policy but will continue to monitor developments, particularly policy actions of advanced economies in light of Brexit.”

SMC takes full ownership of MRT-7 for \$100 mn

Wholly-owned subsidiary San Miguel Holdings Corp. completed the acquisition of the remaining 49% interest in Universal LRT Corp. BVI Ltd. (ULC BVI) has the exclusive right to finance, design, construct, supply, complete and commission the MRT-7 project under a concession agreement. SMC likewise purchased 100% equity interest in ULCOM Co. Inc., the designated facility operator of the MRT-7 project.

The P69.3-billion MRT-7 project will traverse from North Avenue in Quezon City to San Jose del Monte in Bulacan; to be completed over the next 3-4 years.

AP completes acquisition of Aseagas Corp. for P605mn, marks first foray into biomass

Aseagas is the project company for the 8.8MW biomass energy plant which utilizes organic wastes.

The acquisition increasing AP’s attributable net sellable capacity to 4000MW by 2020.

SMPH President 60-year old Hans Sy retires; to be replaced by SMPHI chief financial officer Jeffrey Lim

PSEi	7,808.13 -38.41 -0.49%
Day Range	7,797.94 - 7,910.88
52wk Range	6,084.28 - 7,980.75
Advances - Declines - Unchanged	85 - 102 - 50
Volume (shares)	1.58 billion
Value (Php)	8.16 billion
Block Sale Value (Php)	403 million
Foreign Buying (Php)	3.93 billion
Foreign Selling (Php)	3.00 billion
Net Foreign B(S) (Php)	932 million

Most Active Index	Value (mn)	Most Active (All)	Value (mn)	Advancers / Decliners	Change
SMPH	472	SMPH	472	MEG	+1.94%
MEG	447	MEG	447	SCC	+1.63%
URC	437	URC	437	EMP	+1.51%
TEL	301	MRSIGI	308	AC	+1.18%
JGS	259	TEL	301	ICT	+0.87%
MPI	259	RRHI	290	AEV	-3.29%
ALI	232	NOW	275	BDO	-2.18%
SM	231	JGS	259	SMPH	-1.96%
MBT	231	MPI	259	URC	-1.85%
BDO	216	SECB	246	BLOOM	-1.36%

WORLD INDICES	07-05	07-07	Chg
Dow Jones	17,949.37	17,918.62	-0.17%
S&P 500	2,102.95	2,099.73	-0.15%
NKY 225	15,775.80	15,378.89	-2.52%
SSEC	2,988.60	3,017.29	0.96%
CURRENCIES (USD:)	07-05	07-07	Chg
PHP	46.86	47.08	0.47%
JPY	102.59	101.34	-1.22%
EUR	0.90	0.90	0.00%
CNY	6.67	6.69	0.30%
COMMODITIES	07-05	07-07	Chg
WTI Crude (USD/bbl.)	48.66	47.69	-1.99%
Brent Crude (USD/bbl.)	50.10	49.07	-2.06%
Gold (USD/oz.)	1,352	1,370.30	1.35%
Copper (USD/lb.)	221.70	215.30	-2.89%
Nickel (USD/lb)	4.5329	4.4694	-1.40%
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%

Silent majority opposes TA's proposed \$1bn 900MW coal power plant in Pangasinan

A "silent majority" of residents of Sual town in Pangasinan province are opposing the construction of TA's proposed \$1 billion (P47bn) 900MW coal-fired power plant due to pollution concerns. The plant is nearby Team Energy's 1,200-MW coal-fired power plant in Barangay Pangascasan.

ALHI boosts capex +30% to P6.5 billion to develop more residential projects, acquire properties and expand recurring income stream

To start construction work in 3 developments - Anchor Grandsuites (P7.5bn sales, completion in 5 years), T. Alonzo Project Residential & Hotel Development in Binondo, Manila (P1.8bn sales, 4 years) and ALHI Corporate Center in Parañaque City (65,000 sq.m., 2019)

Continues to develop 4 residential projects in Manila, and 3 recurring income developments - One Soler, a warehousing facility near Divisoria; Admiral Hotel along Roxas Boulevard in Manila; and 5-storey Commercial Building in Parañaque City.

In 2015, ALHI booked revenues of P3.5 bn, 84.3% came from real estate sales and 6.9% from rental income.

FOOD to spend \$2.3 million to acquire machines, to lead to cut in operational costs and improve profitability

FOOD also intends to train workforce to improve operating performance

In 2015, FOOD incurred net loss \$6.39 million as revenues dropped 9% to \$73.74 million due to "challenging environment."

As of 1Q16, FOOD profits surged 9x to \$513,630 due to optimization efforts, lower cost of materials and cost-cutting measures.

Food intends to expand local sales to 30% from 20% of total revenue with bulk still from exports. FOOD plans to expand its client base abroad by offering its tuna products in the US, Middle East and Japan but would hinge on availability of tuna supply.

SLI set to develop in key cities nationwide to take advantage of the growing tourism potential

Plans to develop properties in Dagupan City, Iloilo, Cebu, Palawan, General Santos City, Davao and the Calabarzon area

The DoT said the Philippines earned P227.62 billion (+5.92%) last year from 5.36 million visitors.

In December 2015, SLI raised P5 billion from the issuance of fixed-rate peso bonds for general corporate purposes, capital expenditures and refinancing of existing secured loans.

Over the years, SLI has expanded its tourism portfolio by building over 12 world class golf courses, country clubs and multiple hotel developments nationwide. It has also embarked on providing hotel accommodations in Quezon City, Tagaytay, Cainta and Cebu, as well as new developments in Iloilo and Davao City.

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