

PSEi +18.06 pts. or +0.23% with most counters also closed in the green, except the industrial and mining and oil indexes as the DENR suspended 4 mining firms after an industry wide audit of mining companies (Listed: BC). The index bucked regional trend which was trading cautious ahead of the US jobs report. The 4-day trading week lost 58.83 pts. or 0.75%.

US stocks recovered post-Brexit losses as the US economy added 287,000 jobs last month vs. consensus of 175,000. While wiping out expectations that the US Fed Reserve might cut interest rates, it did not alter longer-term expectation that the Fed Reserve will keep US interest rates on hold for at least a year.

- The S&P 500 ended within 1 point of its record close of 2,130.82 hit last May after briefly topping that level in intraday trade. The S&P's all-time intraday high is 2134.72, touched May 20, 2015. U.S.
- Oil lost 7.3% for the week, its worst since February 5. Gold futures for August delivery settled \$3.70 lower at \$1,358.40 an ounce.

Arranger JPMorgan said P25.1bn Cemex IPO oversubscribed multiple times, not including retail orders yet. Of the offer, 30% (~P7.53bn) has been taken by cornerstone investors.

#### AC set to open first showroom in September; start producing KTM motorcycle units toward end-year

The motorcycle business will be under the Ayala Automotive unit while production will be subcontracted to IMI, Ayala's electronics manufacturing arm. About 70% of the output will be exported to China. The rest will be sold in the country.

KTM AG is currently the world's fourth biggest motorcycle producer and Europe's largest with an annual production volume of 180,000 units.

#### The Philippine Competition Commission (PCC): GLO-TEL purchase of SMC asset not deemed approved and is subject to review

- The Philippines has the second slowest internet in Asia, second only to war-torn Afghanistan.

#### LIB announces tender offer pursuant to delisting Minority shareholders hold 165,883,221 common shares.

- The "offer price for the tender offer will be based on a valuation report and fairness opinion issued by an independent accredited auditor"
- Vega Telecom owns 97.46% of total issued and outstanding capital stock of LIB. Public float is at 12.82%.

#### SMPH cleared to issue P60 billion worth of fixed-rate bonds over a period of three years to finance expansion projects.

First tranche would be up to P5 billion worth of 10-year bonds with an oversubscription of P5 billion, which if exercised would boost total proceeds to P10 billion. The property firm expects to conduct the bond offering this month.

#### DBS keeps growth forecast at 6.3% target this year on possible moderation in private sector investment that may offset the increase in spending of the Duterte administration.

PSEi	7,771.52 +18.06 +0.23
Day Range	7,52.02 - 7,774.39
52wk Range	6,084.28 - 7,980.75
Advances - Declines - Unchanged	104 - 86 - 40
Volume (shares)	10.17 billion
Value (Php)	11.31 billion
Block Sale Value (Php)	3.58 million
Foreign Buying (Php)	6.25 billion
Foreign Selling (Php)	4.05 billion
Net Foreign B(S) (Php)	2.19 billion

Most Active Index	Value (mn)	Most Active (All)	Value (mn)	Advancers / Decliners	Change
ALI	1,117	ALI	1,117	BLOOM	+3.04%
SMPH	407	SMPH	407	MBT	+2.13%
SM	400	SM	400	SMPH	+1.48%
MEG	371	MEG	371	ALI	+0.79%
TEL	315	TEL	315	GTCAP	+0.68%
MBT	306	CNPF	306	ICT	-2.82%
URC	197	MBT	245	AP	-2.60%
MPI	188	SECB	197	PCOR	-2.34%
AC	157	URC	188	SCC	-1.90%
JGS	153	MPI	170	GLO	-1.88%

WORLD INDICES	07-08	07-11	Chg
Dow Jones	17,895.88	18,146.74	1.40%
S&P 500	2,097.90	2129.90	1.53%
NKY 225	15,276.24	15,106.98	-1.11%
SSEC	3,016.85	2,988.09	-0.95%
CURRENCIES (USD:)	07-08	07-11	Chg
PHP	47.01	47.12	0.23%
JPY	101.01	100.37	-0.63%
EUR	0.90	0.90	0.00%
CNY	6.68	6.69	0.15%
COMMODITIES	07-08	07-11	Chg
WTI Crude (USD/bbl.)	45.51	45.41	-0.22%
Brent Crude (USD/bbl.)	46.82	46.76	-0.13%
Gold (USD/oz.)	1,362.00	1,358.40	-0.26%
Copper (USD/lb.)	212.50	211.90	-0.28%
Nickel (USD/lb)	4.4135	4.4838	1.59%
Laterite Nickel Ni 1.5%, Fe15-25% (USD/wmt)	19 - 21 Ave. 20	19 - 21 Ave. 20	5.26%
Laterite Nickel Ni 1.8%, Fe15-20% (USD/wmt)	33 - 35 Ave. 34	33 - 35 Ave. 34	3.03%

**PNX refinances short-term commercial papers (STCP) worth P1.108 billion, maturing April 13**

- It was part of the three-tranche, P3.5 billion worth of STCP issued last January to bankroll its expansion. The company has previously issued P3.5-billion STCPs in 2010 and in 2013.
- PNX 5 stations in 2005, retail network is at 454 today. FY15 Net Income +47% to P905.90 million, mainly due to higher sales. Retail sales volume grew 30 percent in line with the growth in the number of service stations.

FNI wholly-owned subsidiary's MPSA granted another 25-year term to develop 4,376 hectares of the Cagdianao Mining Tenement in Surigao del Norte.

- The MPSA was originally granted 1992 expiring on 2017.
- An MPSA is a contract wherein government shares in the production of the contractor, whether in kind or in value, as owner of the minerals. The miner, in return, provides the necessary financing, technology, management and personnel for the mining project.

**DENR, Gov't suspends 4 mining firms, in accordance to the Writ of Kalikasan issued by the SC, for violating environmental safety standards (BC)**

- These firms are BenguetCorp Nickel Mines Inc., Zambales Diversified Metals Corp., LNL Archipelago Minerals Inc. and Eramen Minerals Inc

**Majority of mining firms now complaint with ISO 14001**

- Companies fully compliant - Benguet Corp., Lepanto Consolidated Mining Co., Philex Mining Corp., OceanaGold Philippines, Inc., Benguet Corp. Nickel Mines, Inc., Eramen Minerals, Inc., Rio Tuba Nickel Mines Corp., Filminera Resources Corp., Carmen Copper Corp., Greenstone Resources Corp., Hinatunan Mining Corp., MarcVentures Mining and Development Corp., Taganito Mining Corp. **(BC, PX, NIKL, AT, MARC)**
- Yet to secure certification - are LNL Archipelago Minerals, Inc., Berong Nickel Corp., Apex Mining Co., Inc., TVI Resources Development, Inc., CTP Construction and Mining Corp., Pacific Nickel Philippines, Inc., Platinum Group Metals Corp., Philsaga Mining Corp. **(DMC, FNI)**
- "If a mine will have an ISO certification 14001, it means that its basic operations will be at par with international standards."

**CCAP: Phl still world's top call center destination for voice despite growing challenge from other countries**

- Contact Center Association of the Philippines (CCAP) By 2017, the Philippine information technology and business process management (IT-BPM) sector is projected to be the country's largest source of income.

- From 525,000 employees in 2010 and \$8.9 billion in revenue, the industry is expected to generate 1.3 million jobs and over \$25 billion in revenue this 2016.
- Over 150 foreign investors are being invited to International Contact Center Conference and Expo in September.

**June GIR hits 3-year high at \$83.97 billion**

- Highest since hitting a record high of \$85.27 billion in January 2013; higher than \$82.93 billion (May 2016) as gold holdings increased 8.6% to \$8.34 billion in end-June and foreign investments +0.54% to \$72.07
- GIR reached \$80.67 billion (2015), \$79.54 billion (2014); slightly lower than the revised GIR level target of \$80.7 billion for 2015.
- End-June GIR level could cover 10.3 months' worth of imports of goods and payments of services and income; equivalent to 5.9x the country's short-term external debt based on original maturity and 4.3x based on residual maturity.
- The increase was partially offset by payments made by the national government for its maturing foreign exchange obligations.

**ADB support to be tailored to the government's socio-economic and poverty reduction priorities, and to the country's middle-income status.**

- ADB president Takehiko Nakao met with two of Duterte's economic managers—Finance Secretary Carlos Dominguez III and Economic Planning Secretary Ernesto Pernia

**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.