

PSEi retests 8K intraday; NFB P2.5bn

PSEi YoY +14%, from January low +30.5%

- The PSEi hit an intra-day high of 8,005.73 before paring gains and closing at 7,944.02, still up 6.07 points or 0.08%, rising for the fourth straight session. The index was led by SMPH (+1.87%) and supported by rallies of ALI, MBT, AC, BPI and TEL.
- PXP surged by 14.47% in heavy volume, benefiting from the UN Tribunal’s favorable ruling on the Philippines’ maritime rights in West Philippine Sea.

Dow, S&P inch higher setting record highs

- DJIA +24.45 pts. or 0.1%, to 18372.12, while the S&P500 +0.29 points, or less than 0.1%, to 2152.43.
- For indexes to keep pushing higher, some investors said they were waiting for signs of improvement in corporate earnings or a reversal of bets on havens. Government-bond yields fell again Wednesday, and gold prices rose.
- In the U.K., Theresa May became the country’s prime minister. “Brexit is still a live risk that markets seem to underestimate...It will lead to a slowdown in the U.K., which will spill over to Europe.”

MER Pres. Oscar S. Reyes confirmed that: SMC offering to divest contracted capacity of 1200MW Ilijan natural gas-fired facility to MER

- As IPPA, SMC unit SPPC takes charge of selling and trading at the WESM, the contracted volume of the Ilijan plant. However, contractual arrangement for the asset had already turned legally complicated - an ongoing legal suit over the P12 billion worth of outstanding obligations being pursued by PSALM, although this was not fully exercised because of a previous restraining order from the Courts.
- PSALM first terminated its IPPA deal with SPPC, but this was reversed temporarily via the temporary restraining order handed down by a regional trial court.

BDO partnered with Japan’s 10th largest bank, Shizuoka Bank, Ltd. (SB)

- BDO to service the banking requirements of its clients should they decide to expand their operations in the Philippines.
- According to SB, most of its clients interested to invest in the Philippines are SMEs.
- SB ranks 3/64 in the Shizuoka prefecture, which has progressed into a leading manufacturing area. It also provides various banking and other financial services in 3 major economic centers — Tokyo, Osaka and Nagoya. It currently operates 174 branches and 25 sub-branches in Japan; three overseas branches in Los Angeles, New York and Hong Kong; two representative offices in Shanghai and Singapore; and, a subsidiary in Brussels.

CIC allots P10bn for acquisitions

- Ready to pour in as much as P10 billion to acquire other brands and companies - “consumer appliances...industrial side...”
- CIC expects to exceed year-end sales forecast of 15% after strong 1H which increased 50% to P180 million due to a 21% sales expansion.
- For 2H, expects to beat target growth of 20-25% for earnings and 20% for sales

PSEi	7,944.02 +6.07 or 0.07%
Day Range	7,944.02 - 8,005.73
52wk Range	6,084.28 - 7,980.75
Advances - Declines - Unchanged	102 - 87 - 57
Volume (shares)	1.87 billion
Value (Php)	11.41 billion
Block Sale Value (Php)	111 million
Foreign Buying (Php)	6.86 billion
Foreign Selling (Php)	4.40 billion
Net Foreign B(S) (Php)	2.46 billion

Most Active Index	Value (mn)	Most Active (All)	Value (mn)	Index Advancers / Decliners	Change
SMPH	1.36	SMPH	1.36	PCOR	+3.16%
ALI	1.12	ALI	1.12	EDC	+2.70%
MPI	653	MPI	653	COSCO	+2.69%
MEG	523	MEG	523	AGI	+2.09%
MBT	497	MBT	497	SMPH	+1.87
SM	424	SM	424	EMP	-2.59%
URC	408	URC	408	GLO	-1.53%
BDO	347	PXP	351	MPI	-1.41%
AC	340	BDO	347	RLC	-1.29%
BPI	317	AC	340	BDO	-1.22%

WORLD INDICES	07-13	07-14	Chg
Dow Jones	18,347.67	18,372.12	0.13%
S&P 500	2,152.14	2,152.43	0.01%
NKY 225	16,095.65	16,231.43	0.84%
SSEC	3,049.38	3,060.69	0.37%
CURRENCIES (USD:)	07-13	07-12	Chg
PHP	47.37	47.22	-0.32%
JPY	104.86	104.36	-0.48%
EUR	0.90	0.90	0.00%
CNY	6.69	6.69	0.00%
COMMODITIES	07-13	07-12	Chg
WTI Crude (USD/bbl.)	46.29	45.14	-2.48%
Brent Crude (USD/bbl.)	47.29	46.26	-2.18%
Gold (USD/oz.)	1,344.90	1345.90	0.07%
Copper (USD/lb.)	221.15	223.70	1.15%
Nickel (USD/lb)	4.7196	4.6433	-1.62%
Laterite Nickel Ni 1.5%, Fe15-25% (USD/wmt)	19 - 21 Ave. 20	20 - 22 Ave. 21	5.00%
Laterite Nickel Ni 1.8%, Fe15-20% (USD/wmt)	33 - 35 Ave. 34	34 - 36 Ave. 35	2.94%

MPI considering submitting unsolicited project proposals to government, mostly infra; Other conglomerates prefer PPPs

- Submitted revised proposal for the rehabilitation of the Metro Rail Transit Line 3 (MRT-3). In 2011, it offered more than \$500 million worth of investment to rehabilitate and upgrade but failed to advance because it entailed raising fares.
- Other conglomerates i.e. AC, AEV prefer projects already included in the government's PPP pipeline, for now. AC remains keen on projects such as the North-South Commuter Railway, and Light Rail Transit Line 6 (LRT-6) stretching from Bacoor, Cavite to Dasmariñas City. AEV said it will definitely bid for PPPs.
- The Aquino administration left 53 projects in the PPP pipeline - awarded 12 contracts worth P217.4 billion, although the contractor for the modernization of the National Orthopaedic Hospital opted to withdraw. The pipeline also includes 15 projects in various stages of procurement, with 2 for rollout, 5 up for government approval and 3 conducting studies.

IMI now the 6th largest global provider of electronic manufacturing services (EMS), up by a notch YoY

- In 2015, Automotive EMS revenues grew 9.2% to \$349.86 million. IMI is expanding its manufacturing plants in Jiaxing (China), Botevgrad (Bulgaria), and Guadalajara (Mexico). Overall, IMI is among the top 50 EMS providers in the world based.

PPC (Pryce Corp.) allocates P1B for LPG plant expansion

- Plans to spend about P1 billion to build 20 liquefied petroleum gas (LPG) refilling plants in Luzon.
- PPC focused on building, acquiring or leasing LPG refilling plants in selected areas in Luzon, as a way to expand its market reach. This followed the start of commercial operations of its LPG import terminal in Barangay Tiblong, San Fabian, Pangasinan in January 2014.
- The expansion comes after May 19, 2016 when its board authorised the sale of all of Pryce's memorial parks or to transfer them to another unit to facilitate the sale under a tax-free exchange system.

PERC gets FIT certificate from ERC

- ERC approves certificate of compliance of PetroSolar Corp.'s Tarlac-1 Solar Power Project as a feed-in-tariff (FIT) power plant.
- Last March 30, PERC was given provisional authority to operate as a FIT power plant for its 50MW facility on March 30.
- The Tarlac-1 solar facility covers 55ha of industrial land within the PEZA-registered Central Technopark in Tarlac City.
- PetroSolar is a joint-venture 56% owned by PetroGreen Energy Corp. (PGEC) and 44% by EEI Power Corp. PGEC is PERC's renewable energy holding company.

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