

The President's adherence to false statements is eroding public trust at home and abroad.

STOCK MARKET

FINANCE

WINNERS FOR THE WEEK ▲

STOCK	SYMBOL	52-wk LOW	52-wk HIGH	PRICE 3/24	PRICE 3/31	CHANGE
Popular Inc.	BPOP	26.49	45.96	38.69	40.73	2.04
OFG Bancorp	OFG	6.26	14.48	10.95	11.80	0.85
Triple-S Management Corp.	GTS	16.49	27.70	16.73	17.57	0.84
First BanCorp	FBP	2.52	7.05	5.45	5.65	0.20
Evertec Inc.	EVTC	12.98	18.60	15.75	15.90	0.15

LOSERS FOR THE WEEK ▼

STOCK	SYMBOL	52-wk LOW	52-wk HIGH	PRICE 3/24	PRICE 3/31	CHANGE
-	-	-	-	-	-	-

U.S. STOCKS

	M	T	W	TH	F
DOW	-0.22%	0.73%	-0.20%	0.33%	-0.31%
S&P	-0.27%	0.56%	0.23%	0.32%	-0.22%
NASDAQ	0.00%	0.48%	0.57%	0.03%	0.02%

EUR/USD

	M	T	W	TH	F
OPEN	1.0796	1.0863	1.0810	1.0764	1.0672
CLOSE	1.0865	1.0813	1.0767	1.0675	1.0652

U.S. FUELS AVERAGE PRICE MARCH 27

Regular Gasoline	\$2.315
Premium Gasoline	\$2.812
Diesel	\$2.532

USD/JPY

	M	T	W	TH	F
OPEN	111.22	110.65	111.12	111.03	111.90
CLOSE	110.66	111.16	111.05	111.92	111.39

Think Strategically: Trump, Brexit, Jamie Dimon on America & P.R. Bonds Tank

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TRUMPS LEGACY

President Trump's approach to "crash and burn" is intentional or not, and immediately following the American Healthcare Act fiasco; the President has issued an executive order that alters all U.S. climate-change rules. Not only does it make one of humanity's greatest challenges more difficult, but it also opens the door for others to assume America's leadership role. There is clear evidence of the last 14 years being the hottest on record and that the glaciers are melting at 10 meters per year.

Trump invited the press when he signed two executive orders on trade enforcement and manufacturing revival; he had planned an event around it. As the media started asking questions about former National Security Advisor Michael Flynn's immunity request around Russian links, the President stormed out of the meeting forgetting to sign the orders. The President's adherence to false statements is eroding

INITIAL PUBLIC OFFERINGS FOR THE WEEK APRIL 3

Company	Ticker	Exchange	Price Range	Deal Size(m)
Schneider National	SNDR	NYSE	\$18.00 - \$20.00	\$550
Azul	Azul	NYSE	\$18.00 - \$21.81	\$478
Okta	OKTA	Nasdaq	\$13.00 - \$15.00	\$250
Hess Mainstream	HESM	NYSE	\$19.00 - \$21.00	\$154
Elevate Credit	ELVT	NYSE	\$12.00 - \$14.00	\$100

public trust at home and abroad. Notwithstanding, Standard & Poor's gained 5.7% in the first quarter, the best since 2015.

ON BREXIT, JAMIE DIMON & AMERICA

On March 29, 2017, the formal exit process of Article 50 of the Treaty of Lisbon was triggered and thus began Britain's divorce from the European Union (EU). This moment of truth ends a 40-year plus relationship that will alter Britain and the EU forever. The separation process must cease in 24 months and as we face this historic moment from which there is no apparent turning back, we expect the EU will make this transition hard for Britain to dissuade other countries

from following this path.

On another note, during a recent financial industry panel, Jamie Dimon, chairman & CEO of JP Morgan Chase provided us with his vision of America. He said politicians should not denigrate each other and should work in union to solve the problems facing America; the elections are over—get to work. On America's advantages, he stated "our peaceful neighbors Canada and Mexico, and excellent strategic protection by having both the Pacific and Atlantic Oceans as barriers. All the food, water and energy resources we need. The best military in the world would remain so, as long as we have the best economy. Universities that are the best in the world and educate most of the

kids that become entrepreneurs, creating billions in new wealth. An exceptional rule of law and the best financial market in the world; if you don't agree, only look at Venezuela, Brazil, Argentina, India or China. America is great and we must make it better."

P.R. UPDATE-GOS, COFINA SUBS PRICES TANK

Puerto Rico general-obligation (GO) bonds and (Sales Tax Financing Corp.) Cofina Subs, which had increased in prices are now experiencing deep discounts. We reviewed the Municipal Securities Rulemaking Board trading database and compared the closing price of these securities on Feb. 23, 2017, versus March 30, 2017: the data shows that GOs decreased an average of 15.3% and Cofina Subs decreased an average of 40.5%. The limit-to-debt service by the Financial Oversight & Management Board (FOMB) of \$800 million weighs heavily, as well as the ongoing claims between GO and Cofina bondholder groups. Residents of Puerto Rico currently hold about \$15 billion of the public debt and they would face additional losses of \$6 billion to \$7 billion, almost half of the holdings. Diversify, diversify, diversify.

FINAL WORD

The FOMB hosted its sixth public meeting at the P.R. Convention Center; this session focused on

economic development, and the FOMB invited a broad representation of all areas of the economy. The most eye-opening dissertation was the economic panel headlined by economists Andrew Wolfe, Jose J. Villamil and Gustavo Vélez. They predicted an economic contraction of 4% during each of the next two fiscal years; according to them, this contraction is part of the transition that seeks to downsize the government and thus, its expenses and economic impact.

They emphasized this would allow the private sector to generate new business and substitute the former government footprint in the economy; Puerto Rico is facing very transformative times. ■

Francisco Rodríguez-Castro, president & CEO of Birling Capital with over 25 years of experience, has been a key executive in government, global, multinational and public companies as well as a key corporate adviser to multiple entities in a diverse array of market segments. He has participated in structuring over \$10 billion in municipal finance, corporate, commercial, asset-based, P.R. Industrial, Tourism, Educational, Medical & Environmental Control Facilities Financing Authority (Afica), and mergers & acquisitions transactions.