

# FINANCE

## WINNERS FOR THE WEEK ▲

STOCK	SYMBOL	52-wk LOW	52-wk HIGH	PRICE 4/13	PRICE 4/21	CHANGE
Popular Inc.	BPOP	26.72	45.96	38.54	39.37	0.83
Triple-S Management Corp.	GTS	16.49	27.70	17.87	18.31	0.44
Evertec Inc.	EVTC	13.11	18.60	15.45	15.85	0.40
OFG Bancorp	OFG	7.60	14.48	10.65	11.05	0.40
First BanCorp	FBP	3.34	7.05	5.33	5.40	0.07

## LOSERS FOR THE WEEK ▼

STOCK	SYMBOL	52-wk LOW	52-wk HIGH	PRICE 4/13	PRICE 4/21	CHANGE
-	-	-	-	-	-	-

## U.S. STOCKS

	M	T	W	TH	F
Dow	0.90%	-0.55%	-0.58%	0.85%	-0.15%
S&P	0.86%	-0.29%	-0.17%	0.76%	-0.30%
Nasdaq	0.85%	-0.14%	0.15%	0.81%	-0.03%

## EUR/USD

	M	T	W	TH	F
Open	1.0612	1.0642	1.0728	1.0708	1.0714
Close	1.0643	1.0734	1.0711	1.0717	1.0718

## USD/JPY

	M	T	W	TH	F
Open	108.66	108.89	108.40	108.84	109.39
Close	108.91	108.42	108.86	109.32	109.17

## U.S. FUELS AVERAGE PRICE APRIL 21

Regular Gasoline	\$2.423
Premium Gasoline	\$2.922
Diesel	\$2.537

# Think Strategically: Shambolic & P3s Summit

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## 'SHAMBOLIC' 100 DAYS FOR TRUMP

We have been attempting to determine the correct baseline to judge success in any government administration. After much thought, we must determine how we can grow our economy. How we can create new jobs. How to return to 4% GDP growth. How do we provide a better life to all citizens? How do we create a happier environment for all citizens? So far, no one has been able to properly answer if there are any politicians they would like in office for a long time. Considering that President Trump marks his first 100 Days in Office this week, and to accurately assess his achievements, or lack thereof, one adjective comes to mind, "Shambolic." This presidency has had the worst start of any president in history. It began with the executive order to block the entry of citizens from six Muslim-majority countries, the resignation of now-former

national security adviser Mike Flynn, the American Healthcare Act fiasco and others. In between are some successes for the administration, such as the confirmation of Neil Gorsuch as Supreme Court justice and the attack on Syria. One of the most-used benchmarks for the presidency is the approval rating, which at 43% is one of the lowest in history. As announced this week, President Trump will be unveiling his Tax Reform and seeking massive tax cuts for business and individuals. We know 100 days is a very short time to measure anything, much less the presidency, but hope he improves his performance.

## PUERTO RICO UPDATE: P3S SUMMIT

As part of its new initiatives, the Rosselló administration, on April 20-21, held the Public-Private Partnership P3 Summit at the Convention Center, with more than 900 investors from 23 countries participating, which highlighted most of the major P3s that the government is undertaking. P3

opportunities encompassed the areas of Energy, Water, Transportation, Maritime, Aviation, Waste Management, Social Infrastructure, Information Technology and Communications. The level of interest from financial markets and lenders in P3 projects is critical for successful development while reducing the size of government. Emphasis was placed on projects with self-generating revenue, such as toll roads, broadband and monetization from a surplus of government-owned land and buildings. Highlighting government initiative was former Transportation Secretary Raymond LaHood, now with DLA Piper. LaHood stated that Puerto Rico has all the right conditions to revamp its economy by using the P3 model as its weapon for economic development. A highly significant topic that may be understated during the Summit was Natalie Jaresko, executive director of the Fiscal Oversight Board, who discussed how to develop "critical infrastructure projects" by using Chapter V of the

## Initial Public Offerings Priced on 4/20

Company	Ticker	Offer Date	Price 4/20	Deal Size	Return
Select Energy Services	WTTR	4/20/17	\$14.37	\$122M	2.6%

P.R. Oversight, Management & Economic Stability Act, or Promesa.

Title V would authorize project sponsors to submit applications to the revitalization coordinator and "relevant P.R. agencies" to consider its classification as a "critical project." Act 76 provides a streamlined, expedited permitting process and the collaboration of local government, federal agencies and the private sector, which may last as little as 90 days. One of the key takeaways from the Summit is to create an ample menu of "critical projects" to accelerate the P3 process. Key presentations made by Metropistas and Aerostar show how both companies are thriving, as the most recent P3s in Puerto Rico. These are representative examples of how a successful P3 should operate.

## PUERTO RICO CREDIT UPDATE

As reported by several media outlets, Puerto Rico's negotiations with bondholders have not started smoothly. After some initial meetings between creditor groups and the government, attorney Andrew

Rosenberg is claiming the government is disregarding the rules of mediation by talking publicly about the process. The government's attorney, John Rapisardi, responded that "the government has been merely expressing the desire and perspective to receive constructive proposals from the creditors." Let's see how this evolves before the May 1 deadline.

## FINAL WORD

Expanding the use of P3s, with a goal of up to \$5 billion, is an initiative we support. With this P3 strategy, we must ensure that for every asset class we have the right focus, with crystal-clear goals and clear and easily understood revenue targets, and the right partner. As my grandfather often said, "Complication is the biggest enemy of transparency." We have all the tools; let's put our words into action. ■

*Francisco Rodriguez-Castro, president & CEO of Birling Capital, has over 25 years of experience working with government, multinational and public companies.*