

FINANCE

WINNERS FOR THE WEEK ▲

STOCK	SYMBOL	52-wk LOW	52-wk HIGH	PRICE 4/21	PRICE 4/28	CHANGE
Popular Inc.	BPOP	26.72	45.96	39.37	41.91	2.54
OFG Bancorp	OFG	7.60	14.48	11.05	11.70	0.65
First BanCorp	FBP	3.55	7.05	5.40	5.88	0.48
Evertec Inc.	EVTC	13.11	18.60	15.85	15.85	0.00

LOSERS FOR THE WEEK ▼

STOCK	SYMBOL	52-wk LOW	52-wk HIGH	PRICE 4/21	PRICE 4/28	CHANGE
Triple-S Management Corp.	GTS	16.49	27.08	18.31	18.10	-0.21

U.S. STOCKS

	Mon	Tues	Wed	Thurs	Fri
Dow	1.05%	1.12%	-0.10%	0.03%	-0.20%
S&P	1.08%	0.61%	-0.05%	0.06%	-0.14%
Nasdaq	1.21%	0.73%	-0.13%	0.54%	0.22%

EUR/USD

	Mon	Tues	Wed	Thurs	Fri
Open	1.0889	1.0867	1.0924	1.0902	1.0866
Close	1.0868	1.0926	1.0903	1.0873	1.0897

U.S. FUELS AVERAGE PRICE APRIL 21

Regular Gasoline	\$2.398
Premium Gasoline	\$2.914
Diesel	\$2.531

USD/JPY

	Mon	Tues	Wed	Thurs	Fri
Open	110.24	109.75	111.08	111.05	111.23
Close	109.77	111.09	111.06	111.27	111.42

Think Strategically: Trump's Fandango; Don't Pass Go, Head Into Title III

BY FRANCISCO RODRÍGUEZ-CASTRO
frc@birlingcapital.com

TRUMP'S FANDANGO

Most presidential administrations take a while to settle in and feel conformable with the job. So, upon reaching the 100 Days in Office, President Trump stated, "I loved my previous life, and I thought being president would be easier and is more work than my former life." Just about any of the top advisers to the president could have told him so. However, we like the fact that he thinks it's a hard job, that he feels the pressures of being president. We see a pattern in the president's style and performance. There will be many broken campaign promises that President Trump will not honor because most are much harder to do than he ever envisioned. Take the repeal of the Affordable Health Care Act, a.k.a. Obamacare. Just about anyone could have pointed out that it took nearly 40 years to pass Obamacare. Another item the president changed his mind on is

the North American Free Trade Agreement (Nafta). As it turns out, Nafta will continue and will be renegotiated. Escalating tensions continue between the U.S. and North Korea's Kim Jong-Un. President Trump said that if China does not help, the U.S. will act. How will the U.S. attack North Korea when South Korea is just 35 miles to the south, and would face the brunt of any retaliation from the north. In addition, China and Japan would not approve of a North Korean attack. So, the key point here is for the U.S. to develop a new policy that keeps the North Korean ruler at bay. How have the markets performed during these past 100 days? Quite well, actually; the S&P 500 is up 2.9%, the Dow Jones Industrial Average is up 3.6%, and the Nasdaq 100 ETF (QQQ) has had a 6% return.

P.R. UPDATE: DON'T PASS GO;

HEAD INTO TITLE III

This past Friday, April 28, the Financial Oversight & Management Board (FOMB) approved

the Fiscal Plan for the Government Development Bank (GDB), P.R. Aqueduct & Sewer Authority (Prasa), P.R. Electric Power Authority (Prepa) and P.R. Highways & Transportation Authority (HTA).

The saddest but expected action was the phaseout of the soon-to-be 75-year-old GDB. As one of the most important institutions in Puerto Rico, the GDB drove economic development and supported the island's growth. The GDB's demise is a sad ending to a venerable institution that should have been protected and preserved.

On its website, the FOMB published a resolution it may consider in executive session, including: "Any filings authorized under Title III of Promesa [P.R. Oversight, Management & Economic Stability Act], in each case set forth as part of the vote..." As we have pointed out in other columns, with the stay under Promesa ending May 1, and the news that most proposals made to bondholder groups by the government have been

IPO CALENDAR WEEK OF MAY 1, 2017

Company	Ticker	Trade Date	Deal Size
Antero Midstream	AGMP	5/1/17	\$875M
Liberty Oilfield Services	BDFC	5/1/17	\$400M
KKR Real Estate	KREF	5/1/17	\$210M
Biohaven Pharmaceutical	BHVN	5/1/17	\$125M
Ovid Therapeutics	OVID	5/1/17	\$80M
Urogen Pharma	URGN	5/1/17	\$45M

rejected, and Prepa emerges as the only [group] that reached an agreement, the only option the government has is going directly into Title III and seeking the Promesa equivalence of bankruptcy court. We see a small chance of reaching a consensus agreement with bondholders and, even as we hope they reach one, we see Title III proceedings starting very soon.

FINAL WORD

We are very much perplexed by demonstrations from government labor unions to repudiate House Bill 938, which is now law. While the private sector has lost nearly 200,000 jobs and more than 100,000 families have moved to the U.S., we have not witnessed a single march, demonstration or strike to support them. One of the largest problems we face is that most want change at the expense of others—every time we see someone advocating to eliminate this

or that law or benefit, but "make sure you do not modify mine." You only have to look at the senseless student strike at University of Puerto Rico. Where were these patriots when the private sector suffered. ■

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.