balita

No. 3678, January 12, 2017

GUEST SPEAKER

BERNARDO M. VILLEGAS, Ph.D.
Professor, University of Asia and the Pacific
Research Director, Center for Research and Communications
Visiting Professor, IESE Business School, Barcelona, Spain

KABALITA

Let the Crimson La Sallian Economist show us the key to the present administration's economic landscape while dissecting the Philippine economy at Asia's First Rotary Club.

What's Inside

PROGRAM

RCM's 24th for Rotary Year 2016-17
Thursday, January 12, 2017, 12N, Manila Polo Club McKinley Room
OIC/Moderator : **PP "Archit" Bartolome**

Program Timetable

11:30 AM	Registration and Cocktails	
12:25 PM	Bell to be Rung: Members and Guests are requested to be seated:	**PP "Archit" Bartolome** OIC/Moderator
12:30 PM	Call to order	**Pres. "Teddy" Ocampo**
	Republic of the Philippines National Anthem	**RCM WF Music Chorale**
	Invocation	**Rtn. "Joel" Valdes**
	RCM Hymn	**RCM WF Music Chorale**
	The Four (4) Way Test Credo	**All Rotarians**
12:35 PM	Introduction of Guests and Visiting Rotarians and Personalities seated at the Head Table	**STAR Rtn. "Jun" Alvarez**
	Welcome Song	**RCM WF Music Chorale**
12:40 PM	Maligayang Bati (Birthday Celebrant) Jan. 12…STAR Rtn. "Monch" Cruz	
	Happy Birthday Song	**RCM WF Music Chorale**
12:45 PM	Induction of Honorary Member to **RC Manila** **Formal Induction Ceremony** **H.E. Camilo Eduardo Sanhueza Bezanilla** Charge d' Affairs, Embassy of Chile	**Pres. "Teddy" Ocampo**
12:50 PM	President's Time	**Pres. "Teddy" Ocampo**
12:55 PM	Introduction of Guest Speaker	**Rtn. "Jack"Rodriguez** Co-Chairman, Program Committee
	Address: **Bernardo M. Villegas, PhD** Visiting Professor of IESE Business School in Barcelona; Professor at the University of Asia and the Pacific (UA&P) & Research Director of the Center for Research and Communication, Manila	
	Public Forum	
2:00 PM	Response, Presentation of Token of Appreciation to **Bernardo M. Villegas, PhD** and Meeting Adjournment	**Pres. "Teddy" Ocampo**

PRESIDENT'S CORNER

Last week, we had a fruitful start for 2017 with our perennial year opener, Hon. Amando Tetangco, Jr. , Bangko Sentral ng Pilipinas Governor and Chairman of the Monetary Board, ringing in the good tidings for what to expect in our money bags this year. It was a jampacked luncheon meeting indicating a good start for 2017 with a full house crowd of Rotarians from both our club and that of the Rotary Club of Forbes Park as well as the businessmen in attendance.

As for update within our club, I was given the rare opportunity to speak before the Rotary District 3810 Radio Program last January 10, 2017 regarding our club, its history and all there is to it which I perceive is a good start for our road to our centennial celebration in 2019. The radio program is anchored by SDG Mariano Enrique "Nito" Siasat.

Update from around the district include the attendance of CoS/IPSDG/PP Cesar Ubaldo and SDG/DCoS/Dir. Albert Alday at the January Area Meeting of the district which was held at the Aristocrat Restaurant along Roxas Boulevard in Manila last January 10, 2017.

Today, we welcome economic juggernaut, Dr. Bernardo Villegas, Professor at the University of Asia and the Pacific, Director of the Center for Research and Communications and Visiting Professor at the IESE Business School as he presents his fearless forecast of the Duterte Administration economic climate for 2017. I look forward to your cooperation as we endeavor to make our stars shine this Rotary Year 2016-2017 through meaningful projects and fellowships that will strengthen the bonds of Asia's First Rotary Club.

GUEST SPEAKER'S PROFILE

Bernardo Malvar Villegas is a Visiting Professor of IESE Business School in Barcelona, Professor at the University of Asia and the Pacific (UA&P) and Research Director of the Center for Research and Communication, Manila. He has a Ph.D. in Economics from Harvard University (1963) and is a Certified Public Accountant, having been one of the CPA board topnotchers. He obtained Bachelor's degrees in Commerce and the Humanities (both Summa Cum Laude) from De La Salle University where he established a record by obtaining straight A's in the LIACOM course, a five-year program he finished in four years. At Harvard, at the age of 21, he was one of the youngest ever to be a teaching fellow in the College of Arts and Sciences. His special fields of study are development economics, social economics, business economics and strategic management. He is the author of several economics textbooks widely used in Philippine schools and universities. He has also written a number of management best-sellers like *The Philippine Advantage, Book of Virtues and Values, Productivity: Path to Global Competitiveness*, *The Filipino Phenomenon*, *The Philippines at the Threshold of the Third Millennium*, and the *Positive Dimensions of Population Growth*. He has received several prestigious awards such as the Ten Outstanding Young Men (TOYM), 1972, Fulbright, Johnson Foundation, Asia Foundation and the Instituto de Cultura Hispanica. He is currently a member of the boards of directors or advisory boards of leading national and multinational firms, such as the Benguet Corporation, Alaska Corporation, PHINMA Property Holding Corporation, AES and Transnational Diversified. He served in the boards of Bank of the Philippine Islands, Globe Telecom, Insular Life, McDonalds and IBM. He is a consultant on management development and strategic planning for numerous leading firms operating in the Philippines and Asia Pacific. He has served in the boards of leading non-governmental organizations like the Makati Business Club, Pilipinas Shell Foundation, PHINMA Foundation, the Parents for Education Foundation and the Dualtech Foundation. Through his work at the University of Asia and the Pacific and the Center for Research and Communication, he is often asked to give advice to top government officials in many policy issues, especially in industrial policy and countryside development. He was a member of the Constitutional Commission that drafted the Philippine Constitution under the government of former President Corazon Aquino. He is very often on road shows briefing international audiences on the Philippines and the Asia Pacific region. In July 1992, Dr. Villegas was appointed member of the Council of Economic Advisers of President Fidel Ramos. In July 1998, he was asked by President Joseph Estrada to help promote the Philippines among local and foreign investors. Under the Administration of President Gloria Macapagal Arroyo, he served as a private sector representative in the boards of the National Development Corporation and the Philippine Infrastructure Corporation. Under the Administration of President Benigno Aquino III, he helped government agencies—both at the national and local levels—to promote investments in the Philippines. He will continue promoting investments in the Philippines under the Duterte Administration, especially in the regions outside the National Capital Region. He served in the Pacific Board of Economics of Time Magazine and writes regularly for both local and international newspapers, such as the International Herald Tribune and the Asian Wall Street Journal

PREVIEW OF FORTHCOMING GUEST SPEAKER

January 26, 2017, 12N,
Manila Polo Club McKinley Room

Hon. Sherwin Gatchalian

Senator, Republic of the Philippines

R.I. District 3810 Governor "Ernest" Yuyek Official Visit to RCManila

"Chinese New Year Celebration" Courtesy of PVP "Manny" Dy

THE WEEK THAT WAS

RCM Pres. "Teddy" Ocampo calls the 24th meeting, a joint meeting of **Rotary Club of Manila (RCM)** and **Rotary Club of Forbes Park (RCFP)** to order. **RCFP Pres. "Lito" Buñag** takes his turn in calling the joint meeting to order.

RCM Rtn. "Dennis" Montecillo as OIC/Moderator, directs the program of activities.

RCM PE "Jimmie" Policarpio, Chairman, Program Committee, delivers an ecumenical prayer.

RCFP PP "Frankie" Adriano introduces the guests, visiting Rotarians and personalities seated at the presidential table.

The **Coro Obcento Choir** performs a special song entertainment numbers.

RCM Pres. "Teddy" Ocampo for some brief acknowledgement and announcements during the President's Time, which was followed by **RCFP Pres. "Lito" Buñag**.

RCM DE/Dir. "Susing" Pineda does the honor and pleasure of introducing **Governor Amando M. Tetangco, Jr.,** Bangko Sentral ng Pilipinas, as guest of honor and speaker.

Chairman of the Monetary Board and Bangko Sentral ng Pilipinas **Governor Amando Tetangco, Jr.** spoke before Manila Rotarians, Forbes Park Rotarians, Visiting Rotarians and guests on his predictions for the Philippine economic landscape this 2017 while summarizing the country's 2016 economy.

Marking Time: Anchoring Strengths Amidst Uncertainties[1]

I am pleased to join you today as speaker for your first general assembly of the year. It's become a tradition of sorts between the BSP and the Rotary Club of Manila. And today marks the 12th consecutive year that we are doing this together. We are, as they say in a game of sport, 12 for 12.

For the Rotary Club of Forbes Park, on the other hand, our relationship is somewhat younger. Nevertheless this does not detract from the significance that we put on engagements with stakeholders such as yourselves.

As I have done in my past appearances in your meetings, I shall share with you today the BSP's views on the economic landscape going forward and what you may expect from the BSP in terms of policy thrusts. I hope you will find this time well spent and the information I will share useful.

A surreal 2016 in a nutshell

Last year, I opened my remarks by saying that if we were to use the first seven days of the year as an indicator, 2016 was going to be "far from boring". In particular, I said that it could be "riveting and challenging". Well, that was just what had come to pass. In fact, Merriam-Webster Dictionary suggested that *surreal is* a word that describes the events of last year.

Webster defines "surreal" as being "marked by intense irrational reality of a dream"[2], also "unbelievable" or "fantastic". Being the most searched word, *surreal* was declared the "word of the year" for 2016. The dictionary publisher further explained that word searches surge around specific news events.

For many market observers, *surreal* aptly captures the occurrence of the unexpected and seemingly irrational extreme events of 2016. While there were risks and uncertainties that persisted throughout the year, such as the worry over the possibility of a hard economic landing in China; the anxiety over the direction of oil prices, and commodity prices in general; and the market meandering due to the uncertainty in the timing, pace, and magnitude of the US Fed's policy rate normalization, there were specific events that shocked the market. These include the unexpected outcome of the Brexit referendum in June, and the upset in the close race in US Presidential election in November. Financial markets did not get both of these right. Trading positions betted on the other side of the table, so to speak, and underestimated the underlying political sentiment. The surprise resulted in episodes of elevated financial market volatility.

We are mindful of these global market volatilities because the Philippines is not immune to the repercussions of global headwinds. In addition, we also have home-grown risks and "noise" to deal with. Indeed, the evolving nature of uncertainty in both the global and local environments requires that we be vigilant.

Vigilance: Mapping the Risks for 2017

For this afternoon therefore, let me highlight three risks and describe how the BSP sees these panning out in 2017:

First, the global economy is seen to remain tentative. Growth prospects for advanced economies continue to be weak. Among emerging_economies, the growth outlook in China is also a concern. As you know, China has moved away from dependence on exports to more domestically-oriented sources of growth such as services and consumption. While this move has helped stave off a hard landing for China, it remains to be seen whether this rebalancing is sustainable over the medium term.

In the meantime, we are seeing the rise of populist sentiment around the globe. Brexit and the Trump win are manifestations of this trend. In addition, both of these events reflect a preference for protectionist policies. Some analysts have called the latter a "retreat from multilateralism". With continued global growth weakness, this retreat from multilateralism is encouraging countries to also look more towards domestic sources of growth.

If the shift to "inward-looking policies" gains traction, this can potentially further shrink global trade, which could lead to even lower global growth. In economics, this is a classic case of the Prisoner's Dilemma, wherein because of the absence of cooperation, the simultaneous actions of economic agents lead to sub-optimal outcomes.

Closer to home, the "retreat from multilateralism" could dampen the country's OF deployment and remittances, as well as cause slowdown in the BPO sector, thereby hurting domestic consumption.

Before I move on to the next risk, let me just say that on the more specific issue of Brexit, the direct exposure of the Philippines to the UK is relatively limited. The bigger concern, however, is whether the other EU economies will follow the UK's lead; given that our trade exposure to the EU is larger at around 12pct.

As for the Trump election, we will need to see how his campaign rhetoric translates to actual policy. Our eyes and ears are tuned to January 20, when he actually takes over the White House.

The second risk comes from the US Fed's future policy rate actions. At its meeting in December 2016, when the Fed raised its target rate for the first time for the year, the Fed indicated that it would raise rates three more times in 2017. If the Fed veers from this, volatility in both the global and domestic FX and fixed income markets could rise.

A steeper than expected hike in US interest rates could lead to a faster rise in domestic commercial and government securities interest rates also, as well as stronger depreciation pressures on EME currencies, including the peso. Such price movements may adversely affect the balance sheets of domestic corporates and banks, especially of those that have FX and floating-interest rate obligations. This adverse result would be magnified if the markets panic, overreact, and thus amplify the initial increases in interest rates and weakness of the peso. Moreover, a tightening in domestic financial market conditions could also dampen domestic credit activities in the near-term.

However, if the reason for Fed tightness is that the underlying US economic growth has become stronger, then that may offset some of the near-term negative impact of the Fed tightening and lead to over-all support for global growth in the medium-term.

On the other hand, if the Fed turns dovish (i.e., fewer or no further hikes in 2017), then that could encourage "risk on" market behavior, stall domestic interest rate increases and dampen depreciation pressures in emerging markets. But such result is unlikely, as Trumponomics, which is reported to focus on increased fiscal spending, is widely expected to be inflationary.

Third. In addition to these external risks, we also have risks emanating from the domestic front such as political noise and adverse weather disturbances. Moreover, while the administration has committed to ramp infrastructure spending, they could be forced to cut back on this, should revenues from the proposed tax reform package fall short of expectation as indicated by the Secretary of Finance. If critical infrastructures are not built in time, this could hold back the country's current economic growth momentum.

A Sound Basis for Optimism

Given this outlook, how do we expect the Philippine economy to fare in 2017? For the reasons I will share shortly, our view is that the economy should be able to weather 2017 relatively well barring surprises that are more surreal than those in 2016.

Economic growth remains impressive. Q3 GDP growth was reported at 7.1 percent, making the Philippines the fastest-growing among major South East Asian emerging economies. We clocked in 71 consecutive quarters of positive economic growth, and we are upbeat about Q4 outcomes given the boost from holiday spending.

We also emphasize the quality of growth. Economic expansion is driven by broad-based factors. On the supply side, while services has remained the key driver of growth of the Philippine economy, the share of industry output has been expanding. On the demand side, growth has been historically buoyed by robust private consumption. This is complemented by strong capital formation as contribution of investments to overall GDP has been increasing.

Moreover, the positive alignment between growth and inflation has been a sustained narrative. Headline inflation stands at 1.8 percent for full-year 2016. While average inflation is below the Government's target range, inflation is projected to rise toward the midpoint of the target range in 2017 and 2018. In other words, inflation is seen to be manageable.

The sound and stable condition of Philippine banks has also been one of the anchors of the sustained robust performance of the domestic economy. Moreover, we have put in place reforms to further strengthen governance and risk management in banks.

Given the external headwinds, our defense system is reliable. Our flexible exchange rate policy provides us with a tested tool to shield the economy from temporary gyrations, while our adequate reserves and sustained current account surplus fundamentally anchor our external position.

Each of these strengths is a cornerstone that we stand upon. We can therefore conclude that the economy continues to enjoy a position of strength.

An Arsenal to Manage the Risks

Indeed, the economy performed well in 2016 even amidst evolving economic and financial conditions. But having strong fundamentals is just the first step, we also need to implement the structural reforms already in the pipeline, including capital markets reforms, to unleash further productivity and enhance the efficiency of intermediation. Should the risks I mentioned earlier materialize, we have ample policy space to respond. There is enough room for monetary policy to support the economy. Consider, for example, the prospects of monetary policy in the midst of US Fed normalization. The present and future stance of domestic monetary policy remain data-dependent. We will therefore act on (global) developments only to the extent that it alters the domestic inflation path. Our assessment now is that the current policy settings remain appropriate. Thus, we do not need to adjust in sync with the Fed's rate hikes.

The BSP also has a deeper policy toolkit now. This includes: (i) macroprudential regulations that can be targeted to specific sources of risks, (ii) contingency measures such as liquidity-enhancing facilities, and (iii) rediscounting windows and regional firewalls that boost the flexibility and effectiveness of our actions. We intend to further refine these tools as appropriate.

In terms of supervision, we continue to review and align our financial regulations and policies with international standards to improve risk management as well as ensure the competitiveness of our banks in view of ASEAN integration. We intend to further enhance our macro-financial surveillance capability by, among others, improving coordination and cooperation with other government agencies and regulators.

There is also elbowroom for fiscal authorities to further boost public spending and accelerate aggregate demand and productivity growth.

Concluding Remarks: Strength in Cooperation

In sum, ladies and gentlemen, the global operating environment today is certainly challenging. But we have built buffers over time. In addition, the BSP remains committed to its mandate of price and financial stability.

I am sure that with a good appreciation of risks and the right amount of vigilance, the partnership between the public sector and private stakeholders (such as yourselves) would push the economy upward and forward even in the face of the downside risks.

At the beginning of my remarks I mentioned that this is the 12th consecutive year we are doing this together. The number 12 has different meanings in various cultures and religions. But more universally, 12 is a number that is used to mark time. There are 12 hours on a traditional clock, and there are 12 months in a traditional calendar year. As we begin a new year, I wish to encourage everyone to mark time judiciously. Time is an equalizer. Whether you are rich or poor, in public or private sector, each of us has been given the same 24 hours each day. What we do with it, is up to us. Time is precious. You cannot take it back, if you have spent it. And you cannot recover it, if you waste it. Furthermore, if you simply stand idly by, time will also just pass you by. As you prepare for 2017, I hope that the time that we just spent together this afternoon has been useful.

Once again, on behalf of the Bangko Sentral ng Pilipinas, I wish Rotary Club of Manila and the Rotary Club of Forbes Park, a prosperous, successful and hope-filled 2017! Mabuhay po tayong lahat! Maraming salamat po!

(Footnotes)

Keynote Speech of BSP Governor Amando M. Tetangco, Jr. delivered at the Joint Meeting of Rotary Club of Manila (RCM) and Rotary Club of Forbes Park (RCFP) held on 5 January 2017 at Manila Polo Club.

[2] " Surreal named Word of the Year." An article in Washington Post dated 20 December 2016.

PD Jess Santos participating in the interactive open forum that followed right after the speech of **Bangko Sentral Governor Amando M. Tetangco, Jr.**

RCM Pres. "Teddy" Ocampo presents to **Governor Amando M. Tetangco, Jr.** a religious icon as the club's token of appreciation which was followed by **RCFP Pres. "Lito" Buñag**

Bangko Sentral ng Pilipinas Governor Amando Tetangco was the guest speaker at the joint meeting of Rotary Club of Manila, First In Asia, and Rotary Club of Forbes Park recently at Manila Polo Club. Governor Tetangco spoke on his predictions for the Philippine Economic Landscape this 2017 while summarizing the country's 2016 economy. From left **Social Security Chairman Amading Valdez, Governor Tetangco, Manila Rotary President Teddy Ocampo and Manila Rotary Past President Frank Evaristo.**

RCM WEEKLY BIRTHDAY CELEBRANT/S

Pres. "Teddy" Ocampo presents the lone birthday celebrant **RCM PVP "Roy" Golez** in attendance for the traditional blowing of candle on the birthday cake amidst the singing by the **RCM World-Famous Chorale** of the Happy Birthday song.

RCM DE/Dir. "Susing" Pineda delivers brief introductory remarks on inductee **Mr. Bernd Schneider** (German) (Reinstatement), General Manager, Novotel Manila Araneta Center. Classification: Hotels – International Hotel

RCM PD "Alvin" Lacambacal delivers brief introductory remarks on inductee **Mr. Romeo C. "Romy" Nones** (Filipino), President, Macrotrade Resources, Inc. Classification: Scientific Instruments – Laboratory Equipment

Pres. "Teddy" Ocampo administers the oath of membership pledge to **Messrs. Bernd Schneider and Mr. Romeo C. "Romy" Nones** as newest members (STAR Rotarians) inducted to the RCM Membership Roll.

Presentation of Flags representing the **RCM** Roster of Membership to **Pres. "Teddy" Ocampo** by **STAR Rtn. "Bollie" Bolton** and **STAR Rtn. "Hans" Lootzekoot,** Netherlands. H.E. Martin Slobber of South Africa witnessing the presentation of flags.

PUBLIC IMAGE

First broadcast at DWBL 1242 am Radio for 2017, ROTARY SERVING HUMANITY with guests **ASP Teddy Ocampo from RC Manila, PDG Karen Lee Tamayo & SDG Mari Yuda from RC Hiyas ng Maynila and Rtns. Sean & Vicky Libunao Geaney from the Rotary Club of Cork Bishopstown, Ireland.**

ACKNOWLEDGEMENT

Annual Christmas Lunch Treat held last December 2016 graciously hosted by **PD "Ed" Lee** for the **RCM Secretariat Staff** headed by **ES Anna Kun Toledo** at his **Yue Lai Seafood and Hotpot Restaurant**, located in 1668 Mabini St, Malate, Manila. Photo from left-right: **Utility Rick Lagandaon, SC Ching Salazar, SA Princess Naomi Javier, FC May Patajo, ES Anna Kun Toledo** and **CC Amiel Hernandez.**

CHRISTMAS DONATION TO RCM SECRETARIAT	
PDG ALEX CUREG	INDIVIDUAL CASH GIFT
CASH GIFTS FROM VARIOUS RCM MEMBERS - P31,370	
PD ED LEE	LUNCH TREAT
PP BENNY LAGUESMA	INDIVIDUAL GROCERY BAGS
PP FRANK EVARISTO	INDIVIDUAL GIFT PACKS
LA AMADING VALDEZ	INDIVIDUAL GIFTS
RTN. JIMMY TANG	INDIVIDUAL CASH GIFTS
PVP MANNY DY	INDIVIDUAL CASH / GIFT PACKS
PD ROD VALENCIA	INDIVIDUAL GIFT PACKS
PD PHIL ONG	INDIVIDUAL CASH GIFTS
RTN. THOTIE TORRES	INDIVIDUAL GIFT PACKS
PD JESS SANTOS	INDIVIDUAL GIFT PACKS
PT JIM CHUA	INDIVIDUAL GIFT PACKS

INTERNATIONAL RELATIONS

January 6, 2017

Happy New Year to all RCM Members!

Please be advised that we have received an invitation from our sister club, the Rotary Club of Osaka East (RCOE) for us to participate in the celebration of their Club's 60th anniversary. The anniversary will be celebrated on May 27, 2017. No other details or plans have yet been discussed but there is a possibility that there may be other occasions to meet and bond with RC Osaka East's members a day or two before May 27, 2017. Please see invitation below.

May we request all who are interested to participate in this event to confirm your intentions by sending an email to Ms. Anna Toledo. To avoid any miscommunications please expect a reply from Ms. Anna Toledo to confirm that you will be attending.

Please note that RCOE advises us that only fifteen (15) seats are allotted for RCM in the formal celebrations. That being said, spouses are definitely welcome to join the group. If more than fifteen members attend, wives can still avail of the shopping, cuisine and sights in and around Osaka. All these are outstanding as Osaka is one of Japan's largest and most popular cities. Our hosts have shown their warm hospitality many times over.

Some members have already signified their intentions to attend this event. Pls do so soonest.

Thank you.

Happy New Year.

Nick Locsin
International Relations C co-Chair

Edgar Lee
International Relations Chairman

Sam Eldebs
Director (in charge of International Relations)

RSVP

60TH CHARTER ANNIVERSARYRC OSAKA EAST May 27,2017

[ ] Attending alone [ ] Attending with spouse

By:____________________________ Date:______________

Member's Signature over Printed Name

Osaka East
Rotary Club
IMPERIALHOTEL OSAKA
1-8-50, TEMMABASHI,
KITA-KU, OSAKA, 530-0042, JAPAN
Tel.+81-6-6357-5151
Fax.+81-6-6357-5252

December 15, 2016

Mr. Teddy J.Ocampo
President of Rotary Club of Manila

Dear Mr. Teddy J.Ocampo

On behalf of Osaka East Rotary Club, I am very pleased to inform you that we will be celebrating our 60th anniversary in May 2017

We would like to take this opportunity to express our sincere appreciation to you and your members for long lasting friendship as a sister club.

The memorial ceremony is going to be held on Saturday, May 27th 2017 from 2:00PM to 8:00PM at the Imperial Hotel Osaka.

We would be delighted if you and your colleagues could join us (To our regret, we have only 15 seats available due to the limited space)

It is our pleasure to meet you and members of Manila RC and spend time together, we would like to develop our strong friendship more and more.

We have reserved rooms for you at the Imperial Hotel Osaka from 25th to 27th May.

Could you please confirm your attendance by February 28th?
So we can send you the details instantly to assist your arrangement.

We hope to see you at the ceremony.
If you have any questions, please do not hesitate to let us know.

Sincerely Yours,

Teiichi Nishimura

President
Rotary Club of Osaka East

NEWS RELEASE

Allure E-4

THE PHILIPPINE STAR
TRUTH SHALL PREVAIL

SUNDAY, JAN. 1, 2017

This week on PeopleAsia

by BABE ROMUALDEZ

Resetting US relations

On Jan. 20, the United States will start a new chapter in its history with the inauguration of **Donald Trump** as the 45th president. During a recent meeting of the Rotary Club of Manila, I was asked to share my thoughts about US-Philippine relations under a Trump presidency.

Although there are misgivings on the part of many people since Trump's pronouncements indicate an isolationist kind of policy, I believe we have an opportunity to reset our relationship with the US and bring it to a more positive level. After all, President **Rodrigo Duterte** and president-elect Trump seem to have hit it off if one were to go by the tone of their telephone conversation early in December.

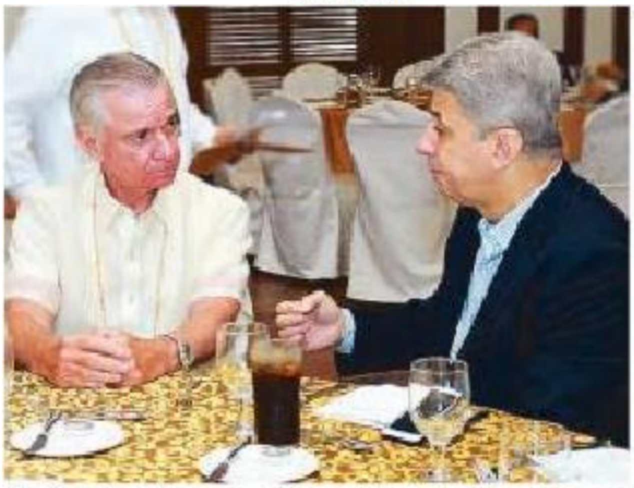
As I noted during my speech, the win of both President Duterte and Donald Trump seems to validate perceptions

With Rotary Club of Manila president Teddy Ocampo.

Chito Zaldarriaga and Art Lopez.

Alredo Lim.

Pepe Rodriguez



Costa Rica Honorary Consul Fausto Preysler and Syrian Honorary Consul Issam Eldebs.

Joseph Assad and New World Makati GM Farid Schoucair.

Manny Blanco and Boy Padiernos.

Yukio Asahina and Ebot Tan.

that people are tired of "politics as usual" and prefer the anti-establishment type of leaders who will be more concerned about getting the job done rather than worrying about criticisms. The fact is, both leaders seem to be operating on the same frequency when it comes to many issues such as the fight against terrorism.

Judging from their statements, Duterte and Trump also seem to think the same way as far as the issue of security is concerned, with both believing that each country has to take care of its own. Besides, President Duterte has said on many occasions that he wants to explore relations with other countries such as Russia and China. But at the end of the day, our relationship with the United States will continue to be strong and resilient — regardless of who becomes president. *

NEWS RELEASE

THE PHILIPPINE STAR
SUNDAY, JANUARY 8, 2017 E3

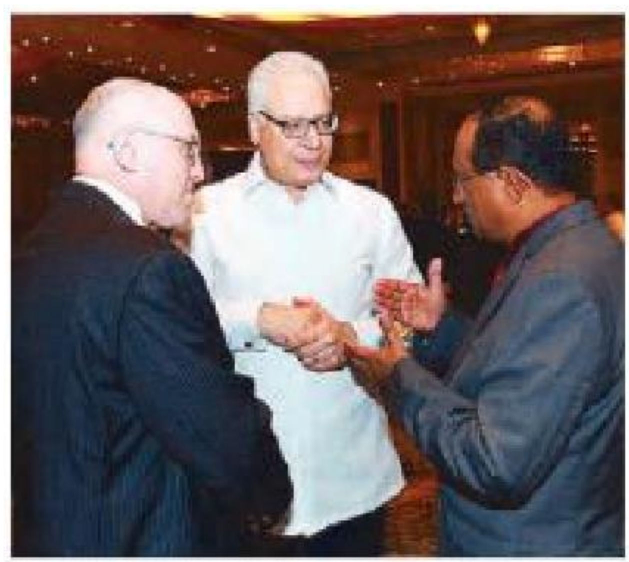
Belgian Ambassador **Roland van Remoortele** and his charming wife Sylvia hosted a cocktail reception to celebrate Belgium's King Day at the ballroom of the Shangri-La Makati hotel. Also known as the King's Feast, King's Day has been celebrated since 1866 to honor the Belgian monarch, the first of whom was named Leopold.

Not many Filipinos are aware that Belgium and the Philippines established formal diplomatic relations in July 1946. In the last 70 years, bilateral relations have grown deeper and closer, marked by a mutual desire for peace, prosperity, the strengthening of democracy and the observance of the rule of law.

Interestingly, our national hero Jose Rizal wrote ***El Filibusterismo*** - the sequel to ***Noli Me Tangere*** - while he was residing Ghent, a city in the Flemish region of Belgium. The capital city of Brussels also happens to be the headquarters of the North Atlantic Treaty Organization or NATO, as well as the Parliament of the European Union.

When tyoon Yolanda struck in November 2013, the government of Belgium immediately sent a medical team composed of 40 doctors and nurses as well as a field hospital, a mobile water treatment facility and medical relief items to help the victims of the super typhoon.

The Philippines and and Belgium also signed a joint plan of action that would allow both countries to cooperate more closely to boost bilateral relations. Belgium happens to be a significant partner in the area of trade, with substantial investments in the area of manufacturing, the food and accomodation sector as well as in finance and insurance industries.*



US Deputy Chief of Mission Michael Klecheski with Ambassadors Mahmoud Mostafa of Egypt and John Gomes of Bangladesh.

Photos by: **RAMON JOSEPH J. RUIZ**

Frank Evaristo and Argentinian Ambassador Roberto Bosch.

With Costa Rica Honorary Consul Fausto Preysler.

THE EXPONENT OF PHILIPPINE PROGRESS SINCE 1900
MANILA BULLETIN
THE NATION'S LEADING NEWSPAPER
MONDAY, JANUARY 9, 2017

Policy stance will not follow US Fed – BSP chief

by Lee C. Chipongian

Bangko Sentral ng Pilipinas (BSP) Governor Amando M. Tetangco Jr. reiterated that the data-dependent monetary policy stance is still appropriate and there is no need to "adjust in sync" with the US Federal Reserve rates' movements.

But, Tetangco cautioned the risks revolving a US Fed normalization despite having what he called a "deeper policy toolkit."

The US Fed raised its rates in December and there will be at least three more hikes this year. "If the Fed veers from this, volatility in both the global and domestic FX and fixed income markets could rise," he said.

The BSP's arsenal of toolkits include macroprudential regulations that are "targeted to specific sources of risks" and contingency measures such as liquidity-enhancing facilities and its rediscounting windows.

"We intend to further refine these tools as appropriate," Tetangco said in a recent gathering of businessmen and investors at the Rotary Club of Manila and Forbes Park. The BSP can also tweak its "regional firewalls" if needed.

He added, "a steeper than expected hike in US interest rates could lead to a faster rise in domestic commercial and government securities interest rates also, as well as stronger depreciation pressures on EME (emerging market economies) currencies, including the peso."

Tetangco said these price movements will have an adverse impact on local banks and corporations with foreign loans and floating-interest rate obligations. "(Also) a tightening in domestic financial market conditions could also dampen domestic credit activities in the near-term."

"(If) the reason for Fed tightness is that the underlying US economic growth has become stronger, then that may offset some of the near-term negative impact of the Fed tightening and lead to over-all support for global growth in the medium-term. On the other hand, if the Fed turns dovish (fewer or no further hikes in 2017), then that could encourage 'risk on' market behavior, stall domestic interest rate increases and dampen depreciation pressures in emerging markets," warned Tetangco. "But such result is unlikely, as Trumponomics, which is reported to focus on increased fiscal spending, is widely expected to be inflationary."

The BSP chief said the BSP, while it can move in another direction than that of a rates-hiking US Fed, is still mindful of global market volatilities because "the Philippines is not immune to the repercussions of global headwinds."

"In addition, we also have home-grown risks and 'noise' to deal with. The evolving nature of uncertainty in both the global and local environments requires that we be vigilant," said Tetangco.

Other than watching the US Fed, Tetangco also has his careful eye on the Brexit and what a Trump presidency will do to the region.

"(For Brexit) the bigger concern is whether the other EU economies will follow the UK's lead; given that our trade exposure to the EU is larger at around 12 percent," he said. "As for the Trump election, we will need to see how his campaign rhetoric translates to actual policy. Our eyes and ears are tuned to January 20, when he actually takes over the White House."

During the BSP's last policy meeting in 2016, it decided – not surprisingly – to maintain the overnight borrowing rate at three percent as well as the overnight lending and the rates for deposit facilities.

Tetangco said at the time that the potential impact of the US Fed hiking of interest rates on global financial market conditions will "give the BSP more time to assess evolving economic developments and calibrate its policy tools as appropriate."

THE PHILIPPINE STAR
TRUTH SHALL PREVAIL

FRIDAY, JANUARY 6, 2017

TETANGCO SPEAKS BEFORE MANILA ROTARY CLUB MEMBERS: Bangko Sentral ng Pilipinas Governor Amando Tetangco Jr. (2nd from right) is the special guest of the Rotary Club of Manila during the organization's first forum for the year. Also in photo are (from left) RCM program committee chairman Jimmie Policarpio, director Susing Pineda, and president Teddy Ocampo. MIKE AMOROSO

ROSTER UPDATE

SCHNEIDER, BERND

Sponsor: Dir. Jesus Pineda
2017 German, Member since
2007-2009
Hotels - International Hotel
General Manager, Novotel Manila
Araneta Center

Born: June 26, Married Sept. 20
to 'Pipin'

Office: Gen Aguinaldo Avenue
Araneta Center, 810QUEZON - PHILIPPINES
Tel (+63)2/9907888 - Fax (+63)2/9907888
Email: Bernd.Schneider@accor.com

NONES, ROMEO " ROMY" C.

Sponsor: PD Alvin Lacambacal
2017 Filipino
Scientific Instruments - Laboratory
Equipment
President, MACROTRADE
RESOURCES INC.

Born: Aug. 9, Married Sept. 22
to 'Emmie'

Office: Suite 202, The Regalia Park Towers, 150 P. Tuazon
Avenue, Quezon City
Tel. 421-1192 / 421-1193

Residence: 31 Phnom Penh St., BF Homes, Las Pinas City
Tel: 826-6773

ON THE LIGHTER SIDE


PDG VINCE CARLOS

Quick Thinking General

The Iranian Ambassador to the UN had just finished giving a speech and walked out into the lobby of the convention center where he met U.S. General Patraeus. They shook hands.

As they walked the Iranian said, “You know, I have just one question about what I have seen in America.”

The General said, “Well, anything I can do to help you, I will.”

The Iranian whispered, “My son watches this show called Star Trek and in it there is Chekhov who is Russian, Scotty who is Scottish, Uhura who is black and Sulu who is Japanese, but no Muslims.

My son is very upset and doesn’t understand why there aren’t any Iranians, Iraqis, Afghans, Syrians or Pakistanis on Star Trek.”

The General laughed, leaned toward the Iranian ambassador, and whispered back, “That’s because it takes place in the future.”
* * * * *

Aboriginal Style

Morton, an Australian Aboriginal picks up a prostitute. ‘How much do you charge for da hour, sister?’ asks Morton.
‘$100,’ she replies.

He says ‘Do you do Aboriginal style?’ ‘No’ she says.

‘I pay you $200 to do it Aboriginal style’ ‘No’, she says, not knowing what Aboriginal style is.

‘I pay you $300’
‘No’, she says.

‘I pay you $400’ ‘No’, she says.

So finally Morton says, ‘OK, I pay you $1,000 to do it Aboriginal style.’
She thinks, ‘Well, I’ve been in the game for over 10 years now. I’ve had every kind of request from weirdos from every part of the world. How bad could Aboriginal Style be?’’ So she agrees and has sex with him.

They do it in every kind of way and in every possible position. Finally, after several hours, they finish. Exhausted, the hooker turns to him and says, ‘Hey, I was expecting something perverted and disgusting. But that was good. So what exactly is ‘Aboriginal style’?’

Morton replies ‘You send da bill to da Guvn’ment’
* * * * *

How Adam Got Eve

Nothing like a good Bible story to make your day.

Adam was hanging around the Garden of Eden feeling very lonely. So, God asked him, ‘What’s wrong with you?’ Adam said he didn’t have anyone to talk to. God said that He was going to make Adam a companion. And that it would be a woman. He said, ‘This pretty lady will gather food for you, she will cook for you,
And when you discover clothing, she will wash it for you. She will always agree with every decision you make and she will not nag you, and will always be the first to admit she was wrong when you’ve had a disagreement. She will praise you! She will bear your children. And never ask you to get up in the middle of the night to take care of them. ‘She will NEVER have a headache and will freely give you love and passion whenever you need it.’

Adam asked God, ‘What will a woman like this cost?’

God replied, ‘An arm and a leg.’ Then Adam asked, ‘What can I get for a rib?’

Of course the rest is history............!!!!
* * * * *

Indian to Australia

Not so long ago, a rich Indian came to Australia to watch the cricket series here.
The Aussie at passport control sat fingering through his passport for a long time. Unable to find anything objectionable, he growled: ‘Have you got a criminal record?

The Indian smiled and replied: ‘I am terribly sorry, sir; unfortunately, I don’t have one. Nobody told me that it was still a requirement to get into your country’...!
* * * * *

Croak Like A Frog

This Ought To Make All Grandpas Feel Warm & Fuzzy

A six year old goes to the hospital with her mother to visit her Grandpa. When they get to the hospital, she runs ahead of her mother and bursts into her Grandpa’s room....

“Grandpa, Grandpa,” she says excitedly, “As soon as my mother comes into the room, make a noise like a frog!”

“What?” said her Grandpa.

“Make a noise like a frog - because my mother said that as soon as you croak, we’re all going to Disneyland!
* * * * *

Girls & Wives

Once a Man asked God:

“Why are all Girls so Cute and Sweet? And all Wives are always Angry and Bitter?

God answered: “Girls are made by Me...and you make them Wives”..!!!
* * * *

PUBLIC HEALTH NUTRITION AND CHILD CARE

THE PERIOD OF GENERATIVITY AND CREATIVITY

Elias D. Adamos, M.D.

Each year your birthday arrives on a specific day of the year and a new leaf is turned for you for another year. To those of us, who are between 40 and 65 years old, the metaphoric expression “pass the torch” that has become colloquial in the English language in the 1880s does not apply yet. Why? Because it is not only that “life begins at 40.” It is because those who are 40 to 64 years are men and women who still matter in the family, society, and the community. They are in their “period of generativity and creativity.” This period is not however absolute and specific in those number of years. They are just numbers. The period can thus extend even for 20 years or more. In simple math, it therefore possible, that generativity and creativity can continue and extend to octogenarian years and further.

Dreams have no age

Peter Mark Roget invented the Thesaurus at the age of 73. Classical guitarist, Andres Segovia, made his first record when he was 57 years old. Charles Darwin was 50 years old in 1859 when he came out with “On The Origin of the Species.” Clint Eastwood was 73 years old when he won an Academy Award. Our very own President Rodrigo Duterte became the oldest elected president at the age of 71.

Period of Generativity and Creativity

Generativity is the concern of guiding the next generation. It refers to “making your mark” on the world through caring for others as well as accomplishing things that make the world a better place. Creativity is achieved when something valuable is formed through innovation or in doing something fresh and new. Creativity can be intangible, like an idea or solution to a problem, or even a joke. It can be tangible when it is something physical, like a painting or a published novel.

People who are skillful and successful in this period of their life are able to make commitments to other people. They are able to develop relationships with family and are able to act as guru or adviser in guiding others. These are the people referred to as those “preparing to pass the torch.”

Preparing to pass the torch

Although I said that *passing the torch* does not apply yet to those who are still active in family, society, and community; the period of generativity and creativity pertains to “preparing to pass the torch” to the next runners after us – the next generation – our children. It is a process that takes 10 to 20 years of preparation through mentoring.

Idiots Guide in Preparing to Pass the Torch

There are many “Idiot Books” in the market. They are simple guides. I would like to give you a simple guide in mentoring the next generation**: 3 Cs and an L.** That is: **Competence**, **Compassion**, and **Commitment**, with an added seasoning or *“vetsin”* which is LOVE. Teach the children the 3 Cs and an L and you will never regret you did.

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