

Non-payment by Russia an event of default, says Moody's

PARIS, France—Moody's ratings agency has confirmed that Russia defaulted on its foreign debt for the first time in a century, after bond holders did not receive \$100 million in interest payments.

The historic default follows a series of unprecedented Western sanctions that have increasingly isolated Russia from the global financial system following its invasion of Ukraine.

Russia lost the last avenue to service its foreign-currency loans after the United States removed an exemption last month that allowed US investors to receive Moscow's payments.

"On 27 June, holders of Russia's sovereign debt had not received coupon payments on two eurobonds worth \$100 million by the time the 30-calendar-day grace period expired, which we consider an event of default under our definition," Moody's said.

Moscow said Monday there were "no grounds to call this situation a default" as the payments did not reach creditors due to the "the actions of third parties."

The Russian authorities insist they have the funds to honor the country's debt, calling the predicament a "farce" and accusing the West of pushing an "artificial" default.

Moody's warned that more defaults "are likely."

Moody's released an "issuer comment" instead of a formal default declaration, as sanctions bar credit ratings agencies from covering Russia's sovereign debt.

The sanctions have included freezing the Russian government's stockpile of \$300 billion in foreign currency reserves held abroad, making it more complicated for Moscow to settle its foreign debts.

After the United States closed the last payment loophole last month, Russia said it would pay debt in rubles that could be converted into foreign currency, using a Russian financial institution as a paying agent.

But Moody's said it "would likely treat payments in rubles as a default for bonds that do not allow for such redenomination in the contractual terms." **AFP**

Stocks climb; Converge, Globe lead market rally

THE stock market rallied Tuesday along with most of the Asia after China slashed the quarantine time for visitors, fueling hope for a boost to the embattled economy.

The Philippine Stock Exchange Index surged 106.59 points, or 1.7 percent, to 6,345.41 on a value turnover of P7.4 billion. Gainers beat losers, 121 to 70, with 47 issues unchanged.

Fiber broadband provider Converge ICT Solutions Inc. jumped 10.8 percent to P21.70, while Universal Robina Corp. of the Gokongwei Group, the largest snack food maker, rose 4.9 percent to P106.50.

Globe Telecom Inc. of the Ayala Group, the second-biggest telecommunications firm, advanced 5.6 percent to P2,280, while sister unit AC Energy Corp. climbed 4.5 percent to P8.14.

Most Asian markets reversed early losses Tuesday and oil continued its recent rally.

China's move came as Beijing and Shanghai appeared to have contained a COVID outbreak that had forced officials to impose lockdowns which compounded global supply chain snarls.

Authorities said inbound travelers would now only have to quarantine for 10 days, instead of the three weeks that had been in place during the pandemic.

The news provided a much-needed boost to shares, which had mostly been down on renewed concerns about central bank interest rate hikes and soaring inflation.

On Monday the central People's Bank of China pledged to provide support to the world's number two economy.

The gains extended a rally enjoyed last week on bets that a possible recession next year could allow finance chiefs to ease up on their monetary tightening campaign.

"This relaxation sends the signal that the economy comes first," Li Changmin, at Snowball Wealth, said. "It is a sign of the importance of the economy at this point."

After spending the morning in the red,

Hong Kong, Shanghai, Tokyo, Seoul and Wellington turned higher, while there were also gains in Sydney and Bangkok. Mumbai, Taipei and Jakarta slipped while Singapore was flat.

London, Paris and Frankfurt were all up as traders digest comments from European Central Bank boss Christine Lagarde, who said it would go "as far as necessary" to bring inflation back down to its two percent goal.

However, Huang Yanzhong of the New York-based Council on Foreign Relations warned: "It's not surprising that China has managed to return to so-called zero, after all the huge effort it's made."

"But that doesn't mean it can claim a thorough and durable victory because it didn't eradicate the virus," he said. "Unless they thoroughly fence off Beijing and Shanghai, the virus could sneak in anytime."

Still, while the inflation and rate situation remains a worry, compounded by the war in Ukraine, some commentators remain relatively upbeat as the second half of the year approaches. **With AFP**



G-7 SUMMIT. G7-leaders, Leaders and Outreach guests set up before a group picture on June 27, 2022 at Elmau Castle, southern Germany, where the German Chancellor hosts a summit of the Group of Seven rich nations (G7). During the summit running from June 26 to 28, 2022, G7-leaders are to discuss their united front against Russia and troubling weakness in the world economy. **AFP**

PSEi June 28, 2022				
TOP GAINERS				
	LAST PRICE	CHANGE	% CHANGE	
1	LMG	3.6	0.6	20.00%
2	LBC	21.85	2.83	14.88%
3	MWIDE	3.63	0.46	14.51%
4	CNVRG	21.7	2.12	10.83%
5	WVT	15.98	1.48	10.21%
6	OPM	0.011	0.001	10.00%
7	OV	0.0091	0.0008	9.64%
8	VITA	0.6	0.05	9.09%
9	PXP	5.28	0.43	8.87%
10	BHI	0.086	0.006	7.50%

TOP LOSERS				
	LAST PRICE	CHANGE	% CHANGE	
1	LSC	0.65	-0.09	-12.16%
2	VMC	2.5	-0.29	-10.39%
3	PAL	5.4	-0.47	-8.01%
4	ATNB	0.42	-0.03	-6.67%
5	T	0.72	-0.05	-6.49%
6	X	0.295	-0.02	-6.35%
7	KPH	7.5	-0.5	-6.25%
8	APVI	13	-0.56	-4.13%
9	DD	8.17	-0.31	-3.66%
10	MWP2B	96	-3.5	-3.52%

MOST ACTIVE			
	VOLUME	VALUE (PHP)	
1	CNVRG	33,426,800	710,175,965
2	BDO	5,144,710	595,053,742
3	URC	4,571,230	483,037,959
4	ALI	17,321,700	467,614,290
5	SMPH	6,435,300	238,188,680
6	TEL	125,420	222,937,200
7	AC	342,400	216,894,575
8	GLO	93,855	209,989,130
9	ACEN	25,830,700	206,625,488
10	BPI	2,364,450	203,530,805

Vietnam halts scuba diving off popular island to protect coral

HANOI, Vietnam—Vietnam has banned swimming and scuba diving at a popular central tourist spot in an attempt to revive its damaged coral reef, officials said Monday.

The communist nation boasts more than 3,200 kilometers of coastline with crystal clear waters, vibrant sea life and sandy beaches that are a huge tourism draw.

Coral reefs across Southeast Asia have been badly hit by global warming, with scientists warning their degradation could have devastating environmental and economic knock-on effects.

Recent photos taken off Hon Mun island—about 14 kilometers from the city of Nha Trang and popular with divers thanks to its diverse ecosystem—showed the reef bleached and damaged.

"The Nha Trang bay management authority decided to halt swimming and scuba diving activities in areas around Hon Mun island," officials said.

In a statement they said the ban was to "evaluate the condition of sensitive area so that an appropriate plan to enact the sea conservation area" could be made.

Effective from Monday, the ban would last "until further notice," they added.

Around 60 percent of the coastal bed in the area was covered by living coral in 2020, according to state media, but more recent findings showed that had shrunk to less than 50 percent.

Previously local authorities blamed the

shrinking ecosystem on climate change, noting that powerful storms in 2019 and 2021 had damaged the coral.

They also blamed illegal fishing, dredging, construction of industrial parks and waste disposal.

Divers expressed anger over the decision to close the waters.

"Swimming and diving activities were the least influence on the coral reefs, compared to other activities," diver Nguyen Son, from Ho Chi Minh City, told AFP.

"The ecosystem (around Hon Mun) should have recovered after two years of pandemic," said diver Trinh Ngoc Sang.

"Without proper management, the fishing vessels came in and destroyed the sea bed," he told AFP, recalling the sight of rubbish and dead coral during a recent dive.

"It would take dozens of years for the coral reefs to be restored, so they want to close it throughout?"


The United Nations Intergovernmental Panel on Climate Change has warned that 4.5 million people in Southeast Asia and the Indian Ocean region could be affected by damaged coral reefs.

The reefs support about 25 percent of marine biodiversity.

Vietnam's decision follows a similar move in Thailand, which restricted access to Maya Bay—immortalized in the Leonardo DiCaprio film "The Beach"—to give the local ecosystem a chance to recover. **AFP**



This photo taken on June 3, 2022 shows fish next to corals off Hon Mun island in Vietnam's Nha Trang Bay. **AFP**



GLOBAL-ESTATE RESORTS, INC.

NOTICE AND AGENDA OF THE ANNUAL STOCKHOLDERS' MEETING

TO ALL STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the 2022 Annual Meeting of Stockholders (the "Annual Meeting") of **GLOBAL-ESTATE RESORTS, INC.** (the "Company") will be held on **22 July 2022 at 9:00 a.m.** to be conducted virtually, through the link <https://geri.com.ph/asm2022/> that can be accessed through the Company's website, with the following agenda:

- I. Call to Order
- II. Certification of Notice and Quorum
- III. Approval of the Minutes of the previous Annual Stockholders' Meeting
- IV. Annual Report of Management
- V. Appointment of External Auditor
- VI. Ratification of all acts and resolutions of the Board of Directors, Board Committees and Corporate Officers adopted during the preceding year
- VII. Election of Directors
- VIII. Other matters
- IX. Adjournment

Stockholders of record as of **22 June 2022** will be entitled to notice of, and to vote at, the Annual Meeting.


Pursuant to Article V, Section 2 of the Company's Amended By-Laws and Sections 23 and 57 of the Revised Corporation Code and to conform with the government's regulation on social distancing and prohibition on mass gatherings, the Company decided to hold the Annual Meeting via remote communication, and allow the stockholders to cast their votes by remote communication or in absentia, or by proxy.

To participate in the Annual Meeting, stockholders must register from 9:00 AM of **07 July 2022** until 5:00 PM of **15 July 2022**. The procedure for participation via remote communication and in absentia is contained in the Information Statement.

Stockholders who wish to appoint proxies may submit proxy instruments until 5:00 pm of **14 July 2022** to the Office of the Corporate Secretary at 9th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City or by e-mail at corpsecretary@global-estate.ph. Validation of proxies shall be held on **15 July 2022**. A sample proxy form will be enclosed in the Information Statement for your convenience.

The Information Statement and other pertinent documents and information on the Annual Meeting are available through the Company's website. For any clarifications, please contact the Office of the Corporate Secretary via email at corpsecretary@global-estate.ph.

Taguig City, Metro Manila, Philippines, 07 June 2022.



MARIA CARLA T. UYKIM
Corporate Secretary

(MS-JUNE 29 & 30, 2022)