

ECONOMY

Puerto Rican
Lives Matter.



Think Strategically: The Unsung Story of Paciv Foundation

Jorge L. Rodríguez, CEO
of Paciv, with the satellite
phone coordinating Diego's
Air Lift Relief Project

Bull Market In 1Q 2019 Eventually Will Subside Once Federal Reserve Increases Rates

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The Week in the Markets: September, the barometer month

Last week most stocks ended the week with substantial increases, the market indicators closed in positive territory and the Dow Jones Industrial Average stood at 26,154.67, which was a high gain of 283.30 for the week. The S&P 500 closed at 2,904.98, a gain of 33.30 for the week and the Nasdaq closed at 8,010.04, an increase of 10745 for the week. As most stocks rebounded from the previous week's decline, we continue to note that trade is very much present in all headlines

and on the minds of investors. These headlines continue to add volatility to the market because it is quite difficult to predict an unpredictable president. Even with the erratic nature of President Trump, we believe these are negotiation tactics. In the long term, it is my view that most trade negotiations will be resolved and, in turn, global demand and growth for products will not be affected. A snapshot of the U.S. economy shows it is fundamentally sound with strong job growth and most sectors producing increased earnings growth, which should translate into increased U.S. and global stock prices.

In our experience, September usually is the month of the year when people are back from summer vacation, and investors zero-in with laser focus on the weaknesses of the markets so far in the latter part of September, and we have not seen increased volatility due to deficiencies. Instead, the markets have been driven by trade negotiations.

For the year end, we see several macroeconomic matters that may impact the markets, and they include:

- Continued job growth;
- Inflation pressure;

- Interest-rate increases by the Fed;
- Political uncertainty in the midterm.

As we continue to review the market fundamentals, we believe the current bull market will keep and carry us into the first quarter of 2019.

The current solid combination between sustained gross domestic product growth and inflation remain contained at 2.2 percent over the first eight months of the year. It is our view that the current stock-cycle growth will eventually subside once the Federal Reserve Bank increases rates to much tighter monetary policy to what is usually called "restrictive rates."

Sept. 2008-Sept. 2018: A decade that changed it all

Almost 10 years ago to date, we saw the fall of Lehman Brothers into bankruptcy that pushed the U.S. financial crisis into a global crisis. We saw mighty Merrill Lynch merge into

Bank of America to save itself. The Dow Jones Average fell 777.68 points, which at that time was the most significant point drop in history. All this drama further worsened when Congress failed to approve the Troubled Assets Relief Program, known as the Bank Bailout Bill. As we consider this 10-year anniversary of the financial crisis, we must consider the critical perspective a decade provides. To accurately present the numbers, we must recognize that since the market peaked in October 2007, and including what we now call the Great Recession of 2008, the stock market has delivered a total return of 102 percent. While we cannot predict when the next market downturn will arrive, our advice to investors is that there is plenty of time left in the current bull market to reach their investment goals.

The Final Word—Unsung story of Paciv Foundation: Puerto Rican lives matter

The dreaded hurricane season arrived with a vengeance and produced not one but four storms in our region. As the storms developed into hurricanes, we saw Hurricane Florence pose a threat to the region of South Carolina, North Carolina and Georgia.

As the storm further developed into a real threat, President Trump took it upon himself to appease U.S. public by explaining how prepared his administration and the Federal Emergency Management Agency were to help the area. As he was awarding himself an A+ for the federal government's response to Hurricane Harvey in Texas and Florida, he decided to discuss Puerto Rico's impact from Hurricane Maria, proclaiming that "Puerto's Rico response was an unsung success." As you can imagine, there was a downpour of responses from most Puerto Ricans, who lost everything, and know that the federal response was a month late and dollars short. Then, to add insult to injury, the President lashed out at a recent study conducted by George Washington University that placed the number of deaths in Puerto Rico related to Hurricane Maria at 2,975.

While attempting to discuss Trump, I want to go a different route, and address those lives that were saved through the efforts of Paciv

Foundation and the army of volunteers brought together by Jorge L. Rodríguez, CEO of Paciv, which stands for Process Automation—Controls. Instruments. Validations.

On Oct. 7, while touring the remote towns of Puerto Rico, a convoy of two cars came up to them, and they were greeted by the vice mayor of San Sebastián and a woman named Frances with two kids, Gabriel and Diego. As the vice mayor and mother talked, they related their stories. Frances' son Diego, 8, has a rare, life-threatening disease called propionic acidemia. Diego is the only child in Puerto Rico known to have such a condition and on that night was on his last dosage of medicine, Propimex-1, which by the next morning, without another dosage for the day, Diego would probably die. Diego's mom had gone to Centro Médico, where Diego was a rock star because he lived his first 2 and half years of life there, and was told they had run out of the medicine, and Diego needed to be flown out immediately. With no available private planes, Rodríguez secured a private jet and flew them to the U.S. to seek the required medical assistance.

This experience started "Diego's Relief Project," and changed the foundation's focus on saving lives, making sure situations like Diego's do not happen again. With PACIV Foundation pledging \$1 million and other funds, they got to work.

The Paciv team and its volunteers reached every town in Puerto Rico.

In conclusion, they used \$1.264 million, or \$8,371.93 per life saved, and these numbers do not include the fact that Paciv donated a 91 kVA diesel generator to Culebras Hospital, known as the Centro de Diagnóstico y Tratamiento, which had been shut down. While we will never fully understand why the local government chose to use 64 as the total number of deaths from Hurricane Maria for close to a year and, only when faced with a study that claimed the real number was 2,975, is the government now defending the more significant number against President Trump.

For us, one death is one too many. Our most profound respect goes out to Paciv Foundation and its CEO, Jorge L. Rodríguez, and his team for their actions.

Puerto Rican lives matter, Mr. President.

Paciv Team Results

Patients Saved	Air Ambulance	Life/Death Medicines	Power Generators	Air Lift	Out-patients
151	11	11	54	19	61

Francisco Rodríguez-Castro, president & CEO of Birling Capital, has more than 25 years of experience working with government, and multinational and public companies.