

Office of the President  
of the Philippines  
Malacañang

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Feb. 14, 1970  
Saturday

11:00 PM

Adaras's group has postponed its meeting set  
Wednesday. They must smell something.

Def. de Leon says the barracks in this secret training  
place in northern Sabah is so camouflaged that it cannot  
be seen from the air. It is a long building <sup>roofed</sup> with  
galvanized iron over which tree bark and soil is spread.  
Two Americans went there four times in the about two  
weeks that he was there by small plane which as they  
covered with tree foliage. He does not know their names  
but will try to get their pictures as well as that of the  
place when they return Wednesday. He was with an  
Army. Tanulak, Asmeias man, when he went there last.  
I have now asked the 3rd PC Zone Commander,  
Gen. Reyes to come with his CIS officer, Maj. Manglayat.  
There is one Home Defense Force in this zone and it should be  
used against this camp.

Gen. Sicaros has called up by long distance to  
report that the IMF team's (headed by Dr. Zakykar)  
report will be submitted to the IMF Board next Friday the  
25th and will be approved. The third credit tranche of  
\$27.5 million will be granted, \$40 million <sup>loan for City Bank</sup> of working  
balance from the consortium of 23 U.S. banks \$40 million  
loan from the Federal Reserve Bank and possible  
\$60 million standby loan from the consortium. He leaves for  
Tokyo next Tuesday where we hope to borrow \$200 million  
standby and \$50 million trade credits.  
The dollar now costs P 6.10 - a new high.

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This is what concerns me most because if it goes any lower, we will have inflation and instability. Then there may be riots.

We must pass the price control bill I certified last Thursday (Feb. 12th) and the rent control bill. Then we must allow the entry of essential commodities to be stocked in the Free Trade Zone at Marikina.

We must soon allow the expenditure of funds for highways and ports because while there is money in Manila there is beginning to be a pinch in the provinces.

I should record the attempt of Angel Inojan, co-owner (with Bibit Pabito) of the Butterfly and who is now keeping Gerry Barcain at his home and Tony Paetlaro to hold me up for \$150,000 for alleged expenses during the Alcantara funeral when allegedly they used 250 students to prevent any statement about I allegedly committed by Tony Raquiza. Tony Raquiza denied this to me yesterday when he came to see me playing golf about 6:30 PM. He says he did not convey this to me as he found the proposal objectionable as it smacked of blackmail. The students knew their weaknesses.