



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

30 April 2010

MORNING NOTES

PSEi performance

PSEi Index 29 Apr 2010:	3,297.00	+ 12.22
Value T/O, net	Php 2,265 million	
52-week High	3,322.90	
Low	2,057.67	
Foreign Buying:	Php 945 million	
Foreign Selling:	Php 1,167 million	

Regional performance

Dow Jones	:	11,167.32	+ 122.05
FTSE 100	:	5,617.84	+ 31.23
Nikkei 225	:	Holiday (Showa Day)	

Trading snapshot

Index Movers	Points
Aboitiz Equity	+5.79
Metrobank	+3.71
BPI	-2.22
Manila Water	+2.12
Philex Mining	-1.90

Index Out-performers	Up
Aboitiz Equity	4.69%
Manila Water	3.33%
Metrobank	2.80%
Jollibee Foods Corp.	2.70%
First Gen	2.50%

Index Under-performers	Down
Robinsons Land	3.13%
Philex Mining	1.96%
BPI	1.09%
Filinvest Land	1.05%
Phil. Stock Exchange	0.85%

Calendar

Apr 30	Filinvest Land ASM
May 04	SCC/ HLCM/ AMC ASM
May 05	Apr '10 Inflation Rate
May 05	Globe Tel. 1Q'10 Results Briefing

Anita L. Panaligan
Wealth Securities, Inc.
2103 East Tower, PSE Center, Exchange Road,
Ortigas Center, Pasig City 1600
Telephone: 02.634.5038
Facsimile: 02.634.5043

HEADLINES

Wall Street soars on better-than-expected earnings, Greece bailout

U.S. stocks rallied on Thursday (Apr 29) after healthy earnings results from Motorola, Visa, Aetna, Exxon Mobil and ConocoPhillips. But the energy sector's gains were capped by an oil slick issue in the Gulf of Mexico, with Cameron International Corp (-13%), Halliburton Co (-5.3%) Transocean Ltd (-7.5%) and BP Plc (-8.3%) tumbling. Palm Inc (+26.1%) was the top boost on Nasdaq after Hewlett-Packard (-0.8%) agreed to buy it for \$1.2B. Worries over a wider sovereign debt crisis eased somewhat as Greece appeared close to a bailout deal. The KBW bank index rose 2.4%. Meanwhile, initial claims for unemployment benefits fell slightly less than expected in the latest week.

Meralco 1Q'10 net income at P2B (MER; P173.00)

Manila Electric Company (MER) announced that its consolidated core net income for 1Q'10 stood at P2.0B (+135% yoy). The improvement is attributable mainly to a higher volume of energy sold and the adjustment in distribution rates, which took effect in May 2009. Consolidated reported net income increased by 127% yoy to P2.0B. EBITDA amounted to P5.0B, representing an EBITDA margin on gross revenues of 8%. Consolidated revenues, in which electricity accounts for 98% of the total, increased by 34% due largely to higher energy sales, increase in customer count and significantly higher average pass-through costs. Total costs and expenses amounted to P58.1B or 32% higher than the comparative period, with cost of purchased power accounting for 89% of total costs and expenses in 2010, compared with 85% of the period prior.

RCBC 1Q'10 net income increases 25% to P975M (RCB; P20.25)

RCBC posted P975M in Net Income for the 1Q'2010, P195M higher than the P780M registered during the same period last year. Net interest income grew by P266M or 11% yoy on the back of higher volume of loans and investment securities and growth of low cost funds by 17%. Other operating income grew by P402M or a 35.6% yoy, accounted for by (1) commissions and fees (+10%), (2) trust fees (+12%), (3) foreign exchange income (+41%), and (4) trading gains (+122%). Meanwhile, operating expenses grew by 10% as the bank continued to expand its branch and ATM network to 343 and 501, respectively. Provisions increased to P485.2M. Total consolidated resources reached P282.8B from P266.2B posted the previous year. The parent bank's Capital Adequacy Ratio (CAR) stood strong at 16.68% as of March 2010, with much leeway for asset growth from the minimum regulatory requirement of 10%. Tier 1 ratio of 12.75% also exceeded the BSP's 6% requirement.

Alliance Global raises 2009 net income by 23% (AGI; P5.80)

Alliance Global Group, Inc. posted a 12% yoy growth in 2009 consolidated net income to P6.8B, on the back of a continued strong sales performance of its various business units. Net income attributable to AGI's shareholders jumped 23% yoy to P4.8B. AGI registered consolidated revenues amounting to P38.8B, up 8% yoy. Bulk of this, or 46%, came from the real estate development business. AGI's consumer business contributed 41%, while the balance came from other income.

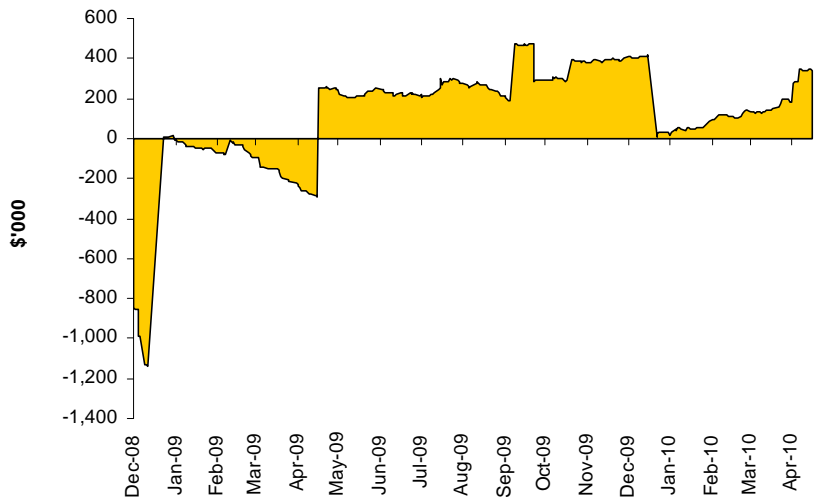
Please Read!

This document was prepared by Wealth Securities, Inc. (WSI) for information purposes only. It is not to be considered as an offer to sell, or as a solicitation of an offer to buy. Although reasonable care has been taken to ensure that the information contained therein is accurate and complete, WSI makes no representation as to its accuracy or completeness. No liability is accepted for any loss arising from the reliance on this information. This document cannot be reproduced in whole or in part by the recipient or another person, nor should it be redistributed by the person or the company to whom it was first addressed. All recipients are urged to make their own assessment as to the accuracy of the information contained herein. All information/opinion is subject to change without prior notice.

Moody's downgrades San Miguel's credit rating (PCOR/ SMC A/B; P6.70/P73.50/P74.00)

- Moody's Investors Service has downgraded the rating of San Miguel Corp. (SMC) to "Ba3" from "Ba2," with a "stable" outlook, as a result of its decision to proceed with a buy-in into Petron. Moody's said that the transaction to acquire Petron will mean a higher level of cash flow volatility for SMC and a negative impact on its credit profile once the oil company's more leveraged balance sheet is fully consolidated. The possibility of upward rating pressure is limited in the next few years, given SMC's evolving business model and credit profile. Moody's said it could upgrade San Miguel if it completes its business transformation in a prudent manner, and successfully integrates its new investments, while at the same time maintaining a sound liquidity and credit profile.

Foreign Buying-Selling : 12-month period



Source: Bloomberg