



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

06 May 2010

## MORNING NOTES

### PSEi performance

PSEi Index 05 May 2010:	3,176.85 - 113.83
Value T/O, net	Php 3,022 million
52-week High	3,327.99
Low	2,174.44
Foreign Buying:	Php 1,547 million
Foreign Selling:	Php 1,033 million

### Regional performance

Dow Jones	: 10,868.12	- 58.65
FTSE 100	: 5,341.93	- 69.18
Nikkei 225	: Holiday (Children's Day)	

### Trading snapshot

Index Movers	Points
Energy Dev't Corp.	-13.40
BPI	-8.89
Ayala Land	-8.87
Ayala Corp.	-8.42
PLDT	-6.81

Index Out-performers	Up
--	--
--	--
--	--
--	--
--	--

Index Under-performers	Down
DMCI Holdings	10.45%
ICTSI	8.93%
Energy Dev't Corp.	7.14%
First Phil. Holdings	6.31%
Megaworld Corp.	5.97%

### Calendar

May 06	LOTO/ CHIB ASM
May 07	Piitel ASM
May 07	MWC/ AEV/ AP/ ALI Results Briefing
May 07	Mar'10 Dep. Corp. Survey/KB Loans

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 extends slide on continued euro debt woes

- U.S. equities continued to decline on Wednesday (May 5) on fears that the Greek debt crisis could spread to larger European nations, threatening the fragile global recovery. Moody's Investors Service said Portugal could be next to have its debt downgraded while the cost to insure the debt of Germany and France hit their highest levels in more than a year. The euro hit a 14-month low while Treasury prices and the dollar surged. The drop in the price of oil fell by nearly \$3 to \$79.97 a barrel dragged energy shares. But positive data on the U.S. private sector job market (+32,000 jobs in April) and the services sector cushioned the negative tone. Consumer staples were among the gainers, including Wal-Mart Stores (+1.4%) and Coca-Cola Co (+0.9%).

### April 2010 inflation rate flat at 4.4%

- The country's April annual inflation rate figure of 4.4% is the same as March's, as the annual growth rates posted in food, beverages and tobacco (FBT) and housing and repairs (H&R) remained at their respective previous month's rates. Inflation a year ago was 4.8%. Excluding selected food and energy items, core inflation climbed to 3.9% in April from 3.8% in March.

### PSE announces index composition changes effective May 11

- The Philippine Stock Exchange (PSE) announced that ABS-CBN Broadcasting Corp., China Banking Corp., and Metro Pacific Investments Corp. will be joining the PSE index (PSEi) on May 11. DMCI Holdings Inc., First Gen Corporation and The Philippine Stock Exchange, Inc. will be removed from the main index. A total of 16 firms were also added as new members of the various sector indices. Chemrez Technologies, Inc. and Transpacific Broadband Group International, Inc. shall be removed from the Industrial Index and Services Index, respectively. Thus, the number of companies composing the sector indices went up to 85 from 71 previously. To be included in the PSEi, a listed company must satisfy five criteria – the free float level, liquidity, volume turnover, tradability and free float market capitalization. The last change in the composition of the PSE's indices was on Nov 3, 2009.

### Metro Pacific Investments reports 1Q'10 net income (MPI; P2.85)

- Metro Pacific Investments Corporation (MPIC) announced consolidated Core Net Income of P775M for 1Q'10 (+118% yoy). Core Net Income is after deducting Fair Value Adjustments of P138M for the quarter. Consolidated Reported Net Income, which reflects exceptional one-time charges, stood at P650M compared with P552M last year. The significant improvement in Core Income is attributable to higher contributions from Maynilad Water Services, Inc. (P557M or 46%), Metro Pacific Tollways Corporation (P399M or 33%) and Manila Electric Company (P211M or 18%). The Healthcare group contributed P39M or 3% of the total. Jose Ma. K. Lim, MPIC President and Chief Executive Officer said that the Group's portfolio companies, as a whole anticipates investing P22B of which we spent P 4.2B in the first quarter, an increase of 122% over 2009.

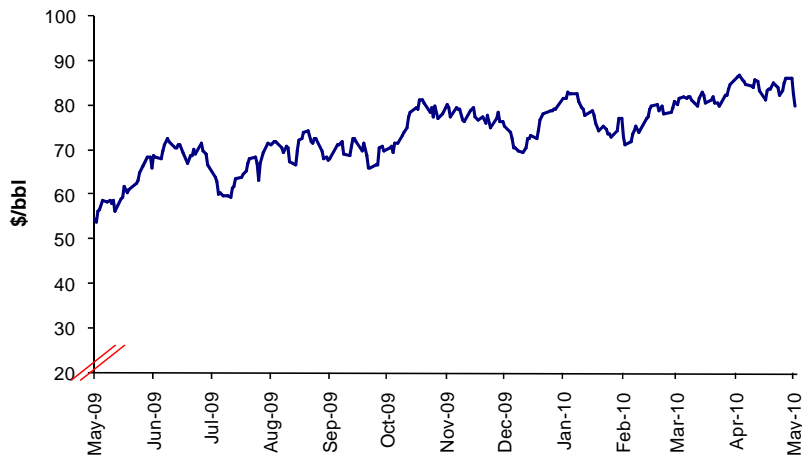
## Please Read!

*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.*

**Jollibee signs P10M JV for coffee and gelato business (JFC; P57.50)**

- Jollibee Foods Corp. has signed a partnership with local entrepreneur Pamela Tan and her siblings for a P10M coffee and gelato business. The joint venture will become the master franchisee in the Philippines of *Caffe Ti-Amo*, a Korean restaurant brand offering coffee and gelato in a casual dining format. *Caffe Ti-Amo* was put up in Korea in 2006, expanding to 269 stores after four years in operation. In the Philippines, the joint venture plans to open mostly franchised stores and a few joint venture-owned stores. The first store is in The Annex at SM North EDSA. Additional stores will be put up in other major malls.

**Nymex Crude 1-Yr Price Chart**



Source: Bloomberg