



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

26 May 2010

## MORNING NOTES

### PSEi performance

PSEi Index 25 May 2010:	3,102.59	- 88.70
Value T/O, net	Php 2,357 million	
52-week High	3,342.31	
Low	2,299.21	
Foreign Buying:	Php 1,673 million	
Foreign Selling:	Php 1,607 million	

### Regional performance

Dow Jones	: 10,043.75	- 22.82
FTSE 100	: 4,940.68	- 128.93
Nikkei 225	: 9,459.89	- 298.51

### Trading snapshot

Index Movers	Points
PLDT	-26.00
Ayala Land	-8.93
SM Investments	-8.33
Aboitiz Equity	-5.33
Energy Dev't. Corp.	-5.06

Index Out-performers	Up
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Index Under-performers	Down
Robinsons Land	5.66%
Metro Pacific Investments	5.36%
Banco de Oro	4.65%
SM Investments	4.49%
Aboitiz Equity	4.35%

### Calendar

May 26	Mar '10 External Trade Performance
May 26	Philcomsat/ Liberty Flour Mills ASM
May 27	1Q'10 National Income Accounts
May 27	ABS/ WEB/ BKD/ ATRK/ ATS/ ISM ASM

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## HEADLINES

### Wall Street narrows slide on late rally

U.S. stocks rebounded late on Tuesday (May 25) as investors shifted focus from Europe's debt woes to scooping up shares that hit six-month lows. The CBOE Volatility Index fell 9.7% to 34.61 after reaching an earlier high of 43.74. Materials companies (+1.6%) and retailers (+1.4%) were among the top performers. AK Steel (+11.4%) jumped after a Citigroup upgrade while AutoZone Inc (+5.6%) advanced after posting third-quarter earnings. In economic news, May U.S. consumer confidence rose for the third straight month, and to the highest in more than two years. However, single-family home prices dropped in the first quarter on renewed price pressure after federal aid disappeared.

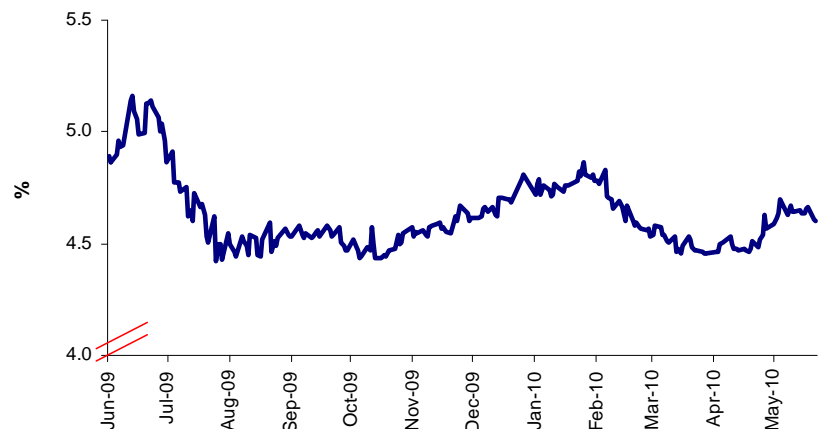
### Sale of 20-yr T-bonds swamped by investors

The government sold P8.5B worth of fresh 20-year Treasury bonds on May 25 and said it would sell another P8.5B. The 20-year T-bond fetched 8.75%, down by 7.5 basis points from the 9.5% coupon rate the paper got when it was sold in December 2008. Tenders for the paper reached P26.98B against the government's P8.5B offer.

### San Miguel targets Pure Foods sale in 30 days (SMC A/B; P70.50/P72.00)

San Miguel Corp. expects to sell a 49% stake in San Miguel Pure Foods Co. (PF) by next month, according to SMC President Ramon S. Ang. At present, SMC is in talks with five companies. If the deal does not push through, SMC might stage a secondary offering of San Miguel PF shares within the year. Profits of the food unit grew six-fold in the first quarter to P872M on higher sales and operating efficiency. For the whole of 2010, San Miguel Pure Foods is looking at a 15% profit growth. Based on its last traded closing price of P61.00 on Jan. 7, 2009, San Miguel Pure Foods is valued at P9.2B (\$196M).

### PDS 1-Year Tenor Yield: 12-month period



Source: Philippine Dealing and Exchange Corp.

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