



WEALTH SECURITIES

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Recipient of the Euro Money Award for Excellence as the "Best Domestic Securities House in the Philippines"



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

Tuesday, 14 May 2013

Index	Value	Change	% Change
PSEi	7,262.38	67.95	0.94▲
All Shares	4,517.42	35.61	0.79▲
Financials	1,871.86	18.27	0.99▲
Industrial	10,933.62	26.92	0.25▲
Holding Firms	6,579.69	68.84	1.06▲
Services	2,134.04	24.44	1.16▲
Mining and Oil	19,527.30	-108.98	0.55▼
Property	2,979.19	38.08	1.29▲

MAY

14

2013

WORLD INDICES

S&P 500	1,633.77	0.00%
FTSE 100	6,631.76	+0.10%
Nikkei	14,782.20	+1.20%

TRADING SNAPSHOT

Index Movers

AGI	+14.67
ICT	+12.15
MBT	+10.29
ALI	+9.46
TEL	+3.31

Index Out-performers

Up

AGI	5.59%
ICT	5.24%
BEL	3.33%
MBT	3.06%
RLC	1.96%

Index Under-performers

Down

URC	-0.80%
MWC	-0.125%
BPI	-0.097%
GLO	-0.062%



PSEi Index

May 10, 2013:	7,262.38	+67.95
Value T/O, net	P 5,038	million
52-week High	7,230.40	
Low	4,863.42	

Foreign Buying:	P 4,196	million
Foreign Selling:	P 3,700	million



HEADLINES

Most US stocks fall on slower sales data

➤ From Bloomberg: The Standard & Poor's 500 Index rose less than 1 point to 1,633.77. The Dow Jones Industrial Average slid 26.81 points, or 0.2%, to 15,091.68. The 0.1% increase in U.S. retail sales in April followed a 0.5% decline in March, Commerce Department figures showed in Washington. Yum! Brands Inc. fell 2.1% after the owner of the KFC and Pizza Hut dining chains reported a slump in April sales in China. Corning Inc. climbed 0.9% as analysts raised their recommendation for the shares. Theravance Inc. rose 18% after Elan Corp. agreed to pay \$1 B for a share in royalties on new drugs.

Travellers files registration for IPO

➤ Gaming operator Travellers International Hotel Group, a joint venture between real estate tycoon Andrew Tan and Malaysian gaming tycoon Lim Kok Thay, aims to raise as much as P40.049 billion in possibly the Philippines' largest equity share sale ever. Travellers will sell up to 1.04 billion shares overseas and as much as 447.13 million shares in the domestic market at P23.38 per share. Of the expected estimated proceeds, Travellers International is seen to receive P17.42 B from the sale of 745.21 million primary shares and a similar P17.42 B will go directly to the secondary shareholders.

San Miguel Pure Foods plans to sell more shares

➤ San Miguel Pure Foods Co. Inc. may sell more shares in order to expand its processed meat production plant in Indonesia. There has been no indication regarding the offer size.

D&L, Security Bank, IMI Q1 profits

- D&L Industries Inc. grew its profits 19% to P314 M in the first quarter, driven by its high-margin specialized products. Revenues were 27% lower at P2.3 B as the group continued to strategically sell less of its big volume, low margin refined vegetable oils in favour of its high margin specialty products. As a result of product mix and lower commodity costs, gross margin rose 6.4 percentage points to 19.2% while net income margin increased 5.2 percentage points to 13.5%
- Security Bank Corp. posted a net income of P1.2 B in the first quarter of 2013, up 11% from the same period in 2012. Revenues grew 31% to P3.1 B. ROE for the period stood at 13%. Net interest income was relatively flat at P2 B. Loans increased by 21% to P119.2 billion. Deposits likewise rose by 22% to P141.8 B, which matched the pace of loan growth.
- Net income of Integrated Micro-Electronics Inc. (IMI) of the Ayalas was weighed down by higher costs and lower utilization of its facilities in China in the first quarter. The electronics manufacturing services (EMS) provider said its profits sank to \$253,000 from \$853,900 in the same period last year. But consolidated revenues rose 8.5% to \$164.8 M driven by business expansion in Europe and the Philippines.

FLI, Sunlife dividends

- Filinvest Land Inc.'s Board of Directors approved the declaration of cash dividends – P0.028 (regular) and P0.02 (special) per common share payable on July 3, 2013 to shareholders on record as of June 7 (ex-date: June 4).
- Sun Life Financial Inc. declared a cash dividend of CAD 0.36 per common share payable on June 28, 2013 to shareholders on record as of May 29 (ex-date: May 24).

AUB sets market debut

- Asia United Bank (AUB), which is wrapping up its P8.36-billion initial public offering, will join the Philippine Stock Exchange (PSE) on Friday, May 17, 2013. In an international bookbuilding early this month, the AUB order book was five times oversubscribed with approximately 90 investors. The commercial bank priced its shares at P95 each (1.5x price-to-book), well within the P80-P110 indicative range, to encourage aftermarket support, according to Lauro Baja III managing director of UBS Investments Philippines Inc.

Bank deposits rise to P4.4T as of Feb

- Total deposits hit P4.403 T as of end-Feb, 10.7% up YOY. Demand deposits (+11.6%, P1.079 T) posted the fastest growth followed by savings deposits (+10.7%, P2.202 T) and, finally, by time deposits (~10%, P1.122 T). Despite the growth in deposits, peso loans granted by the BSP to banks under its rediscounting facility grew 5.4% as of April.

CURRENCIES

US, Dollar	41.1550
Japan, Yen	0.4042
UK, Pound	62.9763
Hong Kong, Dollar	5.3029
EU, Euro	53.4272
China, Yuan	6.6959
Singapore, Dollar	33.1654

COMMODITIES

BRENT CRUDE OIL (USD/bbl.)	102.82	-1.05%
GOLD 100 OZ FUTR (USD/t oz.)	1,431.10	-0.22%
SILVER FUTURE (USD/t oz.)	23.65	-0.05%
CORN FUTURE (USd/bu.)	655.50	+3.03%
SUGAR #11 (USd/lb.)	17.25	0.00%
SOYBEAN FUTURE (USd/bu.)	1,419.00	-0.02%



Net FDI up 127.1% to \$436 M in Feb

- Foreign direct investments (FDI) soared to \$436 M by more than 127% YOY in February. However, foreign investments from January to February amounted to \$1.012 B, still 18.7% lower. The BSP has a \$2.2-B FDI forecast for the year. Equity placements and reinvested earnings pulled down the two-month tally while placements on debt instruments continued to grow.

Tourism remains key pillar for sustained growth

- Revenues from the tourism sector account for nearly 6% of GDP(GDP) and roughly 10% of the country's employed segment of the population, according to the National Statistical Coordination Board. Government plans to spend P29 B for tourism infrastructure in the next two years, or P12 B this year and another P17 B in 2014. Since 2010, visitor arrivals have been increasing by an annual average growth rate of 10.3%. In 2012, average daily expenditure of visitors amounted to \$92.99 last year with accommodation as the highest at \$27.26 followed by food and beverage \$23.73 and shopping \$20.61.

ALI issues P2-B Homestarter bonds

- Property giant Ayala Land Inc. (ALI) is issuing its sixth tranche of homestarter bonds worth P2 B. The three-year bonds have a coupon rate of 4%, 200 bps higher than benchmark rates. ALI allotted P65.5 B in capital expenditures this year.

AEV seeks funds for \$1.52-B projects

- Aboitiz Equity Ventures Inc. (AEV) expects to secure the funding requirements for two key power generation projects worth \$1.52 B as early as next month. In the first quarter, AEV's consolidated net income hit P6.8 B, up 17% from a year ago. Core income inched up 1.3% to P5.5 B.

First Gen may raise EDC stake

- First Gen Corp., the power generation company of the Lopez Group, may raise its stake in Energy Development Corp. (EDC) to more than 50% from current 49% stake.

Filinvest sets P18-B resd'l projects

- Filinvest Land is launching P18 B worth of residential units this year, almost triple than that of its 2012 projects, to meet brisk demand. The rapid expansion is in line with FLI's target of posting 15-20 percent growth in property revenues this year. Of the capital spending, P10 B is earmarked for residential project development costs, P7 B for the construction of office buildings and malls, and the balance of P3 B for land banking activities. To support its capital spending needs, Gotianun-Yap said FLI will sell P4 B worth of bonds in the second quarter.



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RATINGS DEFINITION



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