



## WEALTH SECURITIES

Backed by a research group of analysts with over 25 years of experience in equity securities

Consistently ranked among the top 20 brokerages in the Philippines since opening in 1986

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.

Thursday, 27 June 2013

Index	Value	Change	% Change
PSEi	6,118.94	329.88	5.70▲
All Shares	3,759.67	171.03	4.77▲
Financials	1,563.14	65.59	4.38▲
Industrial	9,421.73	606.04	6.88▲
Holding Firms	5,443.69	351.75	6.91▲
Services	1,837.13	58.66	3.30▲
Mining and Oil	12,776.80	308.60	2.48▲
Property	2,431.07	140.06	6.11▲

## WORLD INDICES

S&P 500	1,603.26	+0.96%
FTSE 100	6,165.48	+1.04%
Nikkei	12,834.00	-1.04%

## TRADING SNAPSHOT

### Index Movers

AEV	+36.71
SM	+36.21
ALI	+35.26
TEL	+24.69
BDO	+18.77

### Index Out-performers

AEV	14.88%	Up
MWC	12.27%	
JFC	9.86%	
DMC	8.70%	
MPI	8.20%	

### Index Under-performers

Down



## PSEi Index

June 26, 2013:	6,118.94	+329.88
Value T/O, net	P 6,582	million
52-week High	7,403.65	
Low	5,058.76	

Foreign Buying:	P 6,515	million
Foreign Selling:	P 5,304	million



## HEADLINES

### U.S. stocks rise on downward revision of Q1 GDP growth

- From Bloomberg: The S&P 500 increased 1% to 1,603.26. All 10 industries in the S&P 500 increased today, with health-care companies climbing the most. UnitedHealth Group Inc. jumped 1.7% to \$64.78 while Johnson & Johnson rallied 1.9% to \$86.99. Microsoft increased 2% to \$34.35 and Boeing added 2.1% to \$100.75. The Dow climbed 149.83 points, or 1%, to 14,910.14 today. Almost 6.6 B shares changed hands today on U.S. exchanges, about in line with the three-month average.
- Gross domestic product expanded at a revised 1.8% annualized rate from January through March, down from a prior estimate of 2.4%, figures from the Commerce Department showed yesterday in Washington. Household purchases, which account for about 70% of the economy, were revised to a 2.6% advance compared with the 3.4% gain estimated last month. Weaker economic numbers may be met with favor by the market because it can suggest that the Fed can slow the tapering process or not taper if the economy looks weaker than expected.
- Stocks advanced in Asia and Europe yesterday as the cost of locking in China's interest rates slid for a fourth day and money-market rates fell. The People's Bank of China said in a statement the other day that it has provided financing to some financial institutions to stabilize interbank lending rates. The central bank added that it will use short-term liquidity operations and existing loan-facility tools to ensure steady markets.

### Travellers shelves P36.8-B IPO

- The P36.8-B initial public offering (IPO) of Travellers International Hotel Group Inc. was pushed back to September or October due to the gloomy stock market environment, according to International Financing Review (IFR). Travellers Group, which operates the eight-hectare Resorts World Manila hotel and casino complex, is a joint venture between Malaysia's Genting Bhd. and AGI.

### Philex seeks permanent lifting of suspension order

- Philex Mining Corp. is asking the government to permanently lift the suspension order on its mining operations in Padcal Benguet, saying it has put in place the necessary measures to rehabilitate its copper gold mine and address environmental concerns. A total of 611,801 tons were milled since the resumption of operations to the end of the quarter, producing 7,610 ounces of gold and 2.434 M pounds of copper. Philex intends to raise P12 B from a stock-rights offering this year to finance the rehabilitation of the Padcal mine and the development of its Silangan copper-gold project in Surigao del Norte. Padcal mine's lifespan remains until 2020.

### RFM triples capital spending program

- RFM Corp. has tripled its capital budget to P1 B this year, significantly higher than the P350 M in 2012, to expand its pasta, ice cream and bread production facilities. The capital will be for the new plant for the macaroni line, as well as for the expansion of the ice cream distribution infrastructure and the company's bread-making operations. RFM is a market leader in several brands. For instance, Selecta, a joint venture with Anglo-Dutch consumer goods giant Unilever, already corners 76% of the local ice cream market. Its White King Fiesta pasta business holds a 28-percent market share.

### Melco unit shoring up capital

- In a regulatory filing, Melco Crown (Philippines) Resorts Corp. said its board of directors approved the purchase of 40 M common shares of MCE Holdings (Philippines) Corp. worth P9.5 B. MCE Holdings is the parent firm of MCE Leisure (Philippines) Corp., a partner of SM Investments Corp., Belle Corp. and Premium Leisure Amusement Inc. in the gaming license at the 120-hectare Entertainment City. Fresh capital will allow MCE Holdings to bankroll the construction of the \$1.3-B Belle Grande casino project in the Pagcor complex.

### Phl Business Bank goes into mining

- Philippine Business Bank (PBB) Inc., the financial arm of the Yao Group of Companies, has dipped into the mining business following its purchase of some 600 M shares of Marcventures Holdings Inc. worth about P980 M last June 20. MARC is a holding company involved in nickel mining operations in Surigao del Sur through its subsidiary – Marcventures Mining & Development Corp. (MMDC). The area covered by MMDC's mineral production sharing agreement is in the Diwata mountain range of Surigao del Sur and covers 4,799 hectares.

### EEl allots P480M for equipment upgrade

- Yuchengco-led contractor EEI Corp. is upgrading its construction equipment this year through by a P480-M spending program. At the start of the year, EEI has P21 B worth of existing contracts. Of these, 57% are for domestic projects and 43% for foreign projects. In the first quarter, EEI's profits jumped 16% to P249.59 M from P214.92 M a year ago. The company lowered its expenses, offsetting an 11-percent decline in revenues to P2.9 B.

## CURRENCIES

US, Dollar	43.4450
Japan, Yen	0.4444
UK, Pound	66.5518
Hong Kong, Dollar	5.5994
EU, Euro	56.5249
China, Yuan	7.0670
Singapore, Dollar	34.1200

## COMMODITIES

BRENT CRUDE OIL (USD/bbl.)	101.66	+0.40%
GOLD 100 OZ FUTR (USD/t oz.)	1,230.90	+0.09%
SILVER FUTURE (USD/t oz.)	18.61	-0.04%
CORN FUTURE (USd/bu.)	544.00	-0.09%
SUGAR #11 (USd/lb.)	16.99	-0.12%
SOYBEAN FUTURE (USd/bu.)	1,276.75	+0.06%





## Please Read!

*The information and opinions in this report were prepared by Wealth Securities, Inc. The information herein is believed to be reliable and has been obtained from public sources believed to be reliable. Wealth Securities makes no representation as to the accuracy or completeness of such information.*

*Wealth Securities may engage in securities transactions, on a proprietary basis or otherwise, in a manner inconsistent with the view taken in this research report. In addition, others within Wealth Securities, including traders and sales staff, may take a view that is inconsistent with that taken in this research report.*

*Opinions, estimates and projections in this report constitute the current judgment of the author as of the date of this report. They do not necessarily reflect the opinions of Wealth Securities and are subject to change without notice. Wealth Securities has no obligation to update, modify or amend this report or to otherwise notify a recipient thereof in the event that any opinion, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. Prices and availability of financial instruments are subject to change without notice. This report is provided for informational purposes only. It is not an offer or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy. Target prices are inherently imprecise and a product of the analyst judgment.*

## RATINGS DEFINITION



Jerome Gonzalez  
Research Head  
T: 634.5038 local 8127  
[jerome@wealthsec.com](mailto:jerome@wealthsec.com)

Bernard Aviñante  
Conglomerates, Power & Gaming  
T: 634.5038 local 8121  
[bernardavinante@wealthsec.com](mailto:bernardavinante@wealthsec.com)

Miguel Agarao  
Mining & Property  
T: 634.5038 local 8164  
[miguel.agarao@wealthsec.com](mailto:miguel.agarao@wealthsec.com)

Nikki Yu  
Consumer  
T: 634.5038 local 8150  
[nikki.yu@wealthsec.com](mailto:nikki.yu@wealthsec.com)

ND Fernandez  
Banking, Telcos & Transport  
T: 634.5038 local 8152  
[ndfernandez@wealthsec.com](mailto:ndfernandez@wealthsec.com)

Sarah Uy  
Construction  
T: 634.5038 local 8160  
[sarah.uy@wealthsec.com](mailto:sarah.uy@wealthsec.com)

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