



DAILY WEALTH TAKE

MONDAY 10 FEB 2014

Court extends TRO on BLOOM shares sale: *BusinessWorld* today reported that the units of Bloomberry Resorts Corp were able to secure a 10-day extension of a court temporary restraining order on the sale and placement of BLOOM shares held by Global Gaming Philippines LLL (GGAM). The TRO expired yesterday. To recall, BLOOM requested for the TRO on the sale of such shares (equivalent to 8.7% of BLOOM total shares) which it argued are subject to its counterclaims in the ongoing arbitration proceedings between the company's units and GGAM. Meanwhile, BLOOM disclosed today that its units were able to execute a corporate note facility deal worth P11.425b with the BDO group to partially bankroll the expansion of Phase 1a of its entertainment complex.

- **Our Take:** We expect the ongoing court case and arbitration proceedings to continue weighing on investor sentiment on BLOOM shares. In the meantime, this could boost interest on the other gaming stocks like Travellers International (RWM) which operates the *Resorts World Manila* as well as Melco Crown Philippines (MCP) and Belle Corp (BEL) which are set to open *City of Dreams Manila* in 2H13. – [Ricardo Puig](#)

ERC approves rules on renewable energy: The *Philippine Star* today reported that the Energy Regulatory Commission has approved the disbursement and collection guidelines for the Feed-in-Tariff (FIT) system. The FIT regime is a form of incentives for renewable energy players as it offers guaranteed payments on a fixed rate/kWh for renewable energy generation using wind, solar, ocean, run-of-river and biomass energy resources. It also features a rate adjustment mechanism that takes into account the changes in inflation and foreign exchange rates.

- **Our take:** This bodes well for producers of renewable energy such as FGEN, Energy Development Corp (EDC), Ayala Corp's AC Energy, and Aboitiz Power Corp (AP) among others. FGEN is set to build an 111MW run-over-river project while EDC is currently constructing the 87MW Burgos wind farm with a provision for expansion by another 63MW. – [Jason Lee](#).

URC declares cash dividend: In a disclosure to the Exchange, Universal Robina Corp announced a P1.50/sh cash dividend to shareholders on record as of 26 Feb 2014. It will be paid on 24 Mar 2014.

Headlines Abroad

U.S. Stocks Rise Amid Jobless Claims Decline

- **From Bloomberg:** The S&P 500 climbed 1.3% to 1,797.02 at 4 p.m. in New York. The index rose 0.8% in the past five days, capping its first weekly advance in a month amid optimism economic growth is robust enough to weather stimulus cuts even as data showed weaker-than-forecast hiring.
- Payrolls rose 113,000 in January, less than the 180,000 advance projected in a *Bloomberg* survey of economists, as retailers cut back after the holidays and government hiring fell. The unemployment rate unexpectedly declined to 6.6 percent, the lowest level since October 2008.

TAKING STOCK

PSE Index (07 Feb 2014)

| | |
|-----------------------|----------|
| 6,011.14 | +96.55 |
| Value T/O - net (P'b) | 3.773 |
| 52wk High | 7,403.65 |
| Low | 5,562.13 |
| Foreign Buying (P'b) | 3.727 |
| Foreign Selling (P'b) | 3.298 |



Index Movers

| | |
|-----|--------|
| AEV | +12.18 |
| TEL | +11.35 |
| ALI | +8.46 |
| BPI | +8.37 |
| SM | +7.36 |

Index Gainers

| | |
|-----|-------|
| MEG | 4.47% |
| AEV | 4.16% |
| MWC | 3.24% |
| URC | 2.43% |
| BPI | 2.21% |

Index Losers

| | |
|-------|-------|
| BLOOM | 0.12% |
|-------|-------|

World Indices

| | | |
|------------|-----------|--------|
| S&P 500 | 1,797.02 | +1.33% |
| FTSE 100 | 6,571.68 | +0.20% |
| Nikkei 225 | 14,462.41 | +2.17% |

Key Peso Cross Rates

| | |
|---------|---------|
| USD-PHP | 45.0650 |
| JPY | 0.4419 |
| EUR | 61.2534 |
| CNY | 7.4400 |
| GBP | 73.5254 |

Key Commodities

| | |
|------------------------------|----------|
| BRENT CRUDE OIL (USD/bbl.) | 109.57 |
| GOLD 100 OZ FUTR (USD/t oz.) | 1,269.57 |

Sources: Bloomberg, Technistock

Disclaimer: 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.

All rights reserved. No part of this publication may be reproduced or duplicated, redistributed or posted on any website or page, or further redistributed to any third party without the prior consent of Wealth Securities Inc.

Wealth Research Analysts

Ricardo P. Puig

Research Head
Strategy, Conglomerates, Property,
Telecommunications
rpuig@wealthsec.com
Tel: (+632) 634-5038 ext 8128

ND Fernandez

Banking
nd.fernandez@wealthsec.com
Tel: (+632) 634-5038 ext 8158

Jason Lee

Utilities
jason.lee@wealthsec.com
Tel: (+632) 634-5038 ext 8165

Matthew Tan

Gaming, Services
matthew.sytan@wealthsec.com
Tel: (+632) 634-5038 ext 8150

Sarah Uy

Construction, Media
sarah.uy@wealthsec.com
Tel: (+632) 634-5038 ext 8160

Rating System

Wealth Securities Research follows the following rating definition

- Buy** We expect total return of more than 12% in the next 12 months
- Hold** We expect total return of -12% to 12% in the next 12 months
- Sell** We expect total return of less than -12% in the next 12 months



Wealth Securities Inc

2103 A&B, East Tower, PSE Center
Exchange Road, Ortigas Center
Pasig City 1600
Tel: (+632) 634-5038
Fax: (+632) 634 5043

www.wealthsec.com

