



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

31 May 2011

## MORNING NOTES

### PSEi performance

PSEi Index 30 May 2011:	4,295.24 + 20.73
Value T/O, net	Php 2,415 million
52-week High	4,413.42
Low	3,073.71
Foreign Buying:	Php 1,548 million
Foreign Selling:	Php 1,253 million

### Regional performance

Dow Jones	: 12,441.58	+ 38.82
FTSE 100	: 5,938.87	+ 57.88
Nikkei 225	: 9,504.97	- 16.97

### Trading snapshot

Index Movers	Points
PLDT	-7.18
Energy Development Corp.	+6.81
ICTSI	+5.50
Aboitiz Power	+5.22
Banco De Oro	+4.35

Index Out-performers	Up
ICTSI	4.40%
Aboitiz Power	3.79%
Energy Development Corp.	3.77%
Banco De Oro	2.57%
Universal Robina Corp.	2.33%

Index Under-performers	Down
DMCI Holdings	1.24%
Lepanto Mining A	1.15%
PLDT	1.13%
Aboitiz Equity Ventures	1.12%
ABS-CBN	1.00%

### Calendar

May 31	PNB, MER, SB ASM
May 31	Apr `11 Int'l Res and Frgn. Curr. Liquidity
Jun 02	May `11 Monetary Policy Highlights
Jun 02	ICTV ASM

### Wealth Securities, Inc.

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

## HEADLINES

### GDP growth slows to 4.9% for 1Q `11

■ The NSCB reported yesterday that GDP growth for 1Q `11 slowed to 4.9% from the election boosted 8.4% posted in the same period last year. The lower than expected growth is largely attributed to under spending from the government and the slowdown in global trade. Net Primary Income (NPI) posted zero growth for the period, slowing down the Gross National Income (GNI) to 3.6% from 11.5% posted on the previous year. The zero growth in NPI was a result of the political crisis in MENA and the economic effects of the earthquake in Japan. On a seasonally adjusted basis, GDP grew by 1.9% while GNI grew slower at 0.9%. On a per capita basis, GDP grew by 2.9% while GNI grew by 1.7%. The NSCB said that the government is aiming for a 7% to 8% GDP growth rate for 2011 although they added that this might be revised following the effects of MENA and the Japan earthquake.

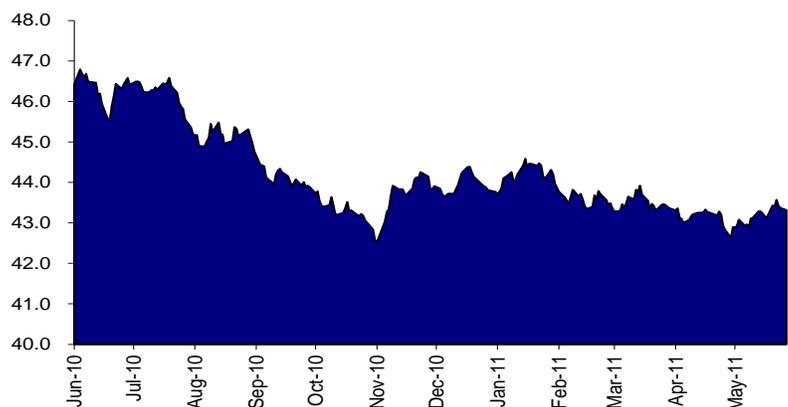
### Government T-bills auctions raised P1.56B - lower than P9B targeted

■ The government failed to raise the targeted P9B in the T-bills auction held yesterday after rates started soaring following the policy rates hike of the BSP. Only a total of P1.56B was raised from the auction. According to National Treasurer Roberto Tan "bids for the 182-day and 364-day were quite off even in the best bids at the secondary market." The six-month T-bills also failed to reach targets with only P500M awarded by the government. For the 37-day on the other hand, rate increased by 37 basis points to 2.264% from two weeks ago. The said notes were also twice oversubscribed at P3.09B.

### Republic Cement Corp. declares P0.12 per share cash dividends (RCM; P6.16)

■ Republic Cement Corporation (RCM) jumped 10% to 6.16 pesos, the largest advance since Aug. 18, 2009, after the company said it will pay P0.28/share in special and regular dividends. Republic Cement's payout this year will exceed last year's dividend of P0.24/share and is the highest based on data compiled by Bloomberg going back to 2007.

### Php versus US\$ : 1-Year Price Chart



Source: Philippine Dealing and Exchange Corp.

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