

SMPH reclamation project faces delay

SM Prime Holdings' (SMPH) Php138bn 1,500-ha joint venture (JV) reclamation project with the municipality of Cordova, Cebu may face delay. Based on the Local Government Code, reclamation may only be done by cities and/or provinces, and not municipalities, obliging SMPH to form a JV with the province of Cebu. The guidelines for the reclamation will be set after the new administration takes over on June 30.

Phinma scraps contract with MPI

Phinma Corp. scrapped a plan to take in Metro Pacific Investments Corp. (MPI) as a partner for its 100-bed tertiary training hospital in Cebu, in its desire to strengthen its medical programs in Southwestern University (SWU), which is 56% owned by Phinma.

PCOR's 1Q16 profit reached Php2.8bn

Petron Corp.'s (PCOR) net income in 1Q16 hit Php2.8bn, more than 10 times its 1Q15 income level of Php257mn as sales from local and regional operations increased. During the first quarter, consolidated sales volume reached 25.3mn barrels, up 9% YoY. Total sales in the Philippines grew 8% on the back of strong growth in reseller, industrial and liquefied petroleum gas as well as the local lubricants sector. Its US\$2bn refinery upgrade also propped up margins. For 2016, the PCOR aims to build more than 250 new service stations in the country and in Malaysia. To date, it has nearly 2,800 stations in both countries.

MRSGL inaugurates its 48th store

Metro Retail Stores Group, Inc. (MRSGL) inaugurated its 48th store in Quezon City, a 2-storey 10,920 sqm department store at the UP Town Center. This is part of the department store assets with a combined GFA of 25,000 sq.m. MRSGL is opening another department store at the Fairview Terraces Mall, also in Quezon City.

GMA7 prepares to go digital

GMA Network, Inc. (GMA7) unveiled a new device that makes digital transmission compatible with analog TV sets. This move is in preparation for the listed broadcasting firm's plans to go digital, infrastructure and technical wise, in a country where 99% of television sets are still analog. The capital expenditure for the said venture is pegged at Php550mn.

Indices	06-May	05-May	% chg
PSEi	6,991.87	6,999.75	(0.11)
All shares	4,163.06	4,162.12	0.02
Financials	1,584.20	1,583.44	0.05
Industrial	11,592.79	11,593.70	(0.01)
Holding	6,841.73	6,855.25	(0.20)
Services	1,436.01	1,438.43	(0.17)
Mining and Oil	10,728.94	10,740.09	(0.10)
Property	2,898.86	2,889.34	0.33

	06-May	05-May	% chg
Total volume		2,733,995,146.00	
Total value Php		7,266,807,678.29	
Net foreign buying (selling) Php		(611,886,930.58)	

source: PSE, Technistock

	06-May	05-May	% chg
PHP/USD	47.050	47.255	(0.43)

Foreign indices	09-May	06-May	% chg
DJIA	17,705.91	17,740.63	(0.20)
NASDAQ	4,750.21	4,736.16	0.30
S&P 500	2,058.69	2,057.14	0.08
Nikkei 225	16,216.03	16,106.72	0.68
Hang Seng	20,156.81	20,109.87	0.23
Shanghai	2,832.11	2,913.25	(2.79)

Commodities	09-May	06-May	05-May
WTI Crude (USD/bbl)	43.44	44.66	44.32
Gold Spot (USD)	1,263.88	1,288.99	1,277.74

source: Bloomberg

DISCLAIMER This report is provided for informational purposes only and is not intended to solicit buying and selling of securities or to participate in any particular trading strategy. DA Market Securities, Inc. (DMSI) makes reasonable effort to use reliable, comprehensive information, but makes no representation or warranties as to the accuracy, completeness, or timeliness of the data provided. DMSI shall not have liability for any damages of any kind relating to such data. This report may not be reproduced or published for any purpose. DA market officers, directors and employees, including persons involved in the preparation or issuance of this report, may have investments in securities or derivatives of securities of the companies mentioned in this report.

MCP trims losses to Php1.14bn for 1Q16

Melco Crown Entertainment Ltd (MCP) incurred a net loss of Php1.14bn in 1Q16, narrowing its losses, as compared to the net loss of Php3.09bn reported in 1Q15, as casino revenues doubled and expenses declined in 2016. Revenues surged to Php4.53bn from Php2.34bn due to the ramp up of resort operations since it opened its doors to the public in December 2014. Casino revenues doubled, rolling chip volume ballooned, gaming machine handle gained, and room revenues from Crown Towers Hotel, Nobu Hotel and Hyatt City of Dreams Manila rose. Although revenues from food and beverage were flat, entertainment, retail and other revenues went up. Despite the higher revenues and lower expenses, bleeding continued for MCP after registering an increase in gaming tax and license fees, inventories consumed, payments to the Philippine parties, depreciation and amortization, as well as the interest expenses and higher foreign exchange loss during the period.

DMC eyeing renewable energy projects

DMCI Holdings' subsidiary DMCI Power Corp. is looking at mini-hydropower projects in Cagayan de Oro City and Sultan Kudarat provinces in Mindanao with a capacity of close to 100 megawatts (MW), marking its venture into renewable energy. The company will also expand its coverage in Masbate to include diesel-fired power plants on the islands of Ticao in the same province and in Marinduque. DMCI Power plans to expand by around 114 MW at the cost of \$3mn per MW for the mini-hydropower projects and between \$800,000 and \$1 million per MW for the diesel-fired power projects.

Philippines to hit current account surplus of US\$5.7bn in 2016

The Philippine current account surplus for 2016 is expected at US\$5.7bn, lower than last year's US\$8.4bn, even as the trade deficit widened due to receding global commodity demand as a result of China's economic slowdown and lower oil prices. The Business Process Outsourcing industry, remittance sectors and growing tourism sector will act as strong alternative economic engines, helping ensure the resiliency of the country's external payments position against external shocks.

***DISCLAIMER** This report is provided for informational purposes only and is not intended to solicit buying and selling of securities or to participate in any particular trading strategy. DA Market Securities, Inc. (DMSI) makes reasonable effort to use reliable, comprehensive information, but makes no representation or warranties as to the accuracy, completeness, or timeliness of the data provided. DMSI shall not have liability for any damages of any kind relating to such data. This report may not be reproduced or published for any purpose. DA market officers, directors and employees, including persons involved in the preparation or issuance of this report, may have investments in securities or derivatives of securities of the companies mentioned in this report.*