

**GTCAP to spend Php16bn for Pro-Friends**

GT Capital Holdings, Inc. (GTCAP), is spending Php16bn to secure a 51% stake in mass housing developer Property Company of Friends, Inc. (PCFI), whose developments are sold under the Pro-Friends brand. PCFI, which caters to the low-cost horizontal market, is seen to be one of the drivers of GTCAP's earnings growth moving forward. In 2015, PCFI netted Php2.1bn with total revenues at Php7.0bn. Meanwhile, GTCAP reported a profit of Php12.1bn last year.

**FGEN targets 3 Hydro Power Plants in Mindanao**

First Gen Corp. (FGEN) is set to develop three run-of-river hydroelectric power plants in 2016 starting in Mindanao with a total capacity of 110.5MW. Currently FGEN's biggest hydro asset is the 132MW Pantabangan-Masiway hydroelectric power plant in Nueva Ecija. It also has a 1.6-MW run-of-river hydroelectric plant in Bukidnon. Revenue contribution from hydro plants grew by 14% to \$41.6mn, however, its attributable net income contribution was relatively flat at \$8.4mn in 2015 while recurring attributable net income dropped by 32.8% to \$8.4mn due to the expiry of its income tax holiday in April 2014. FGEN owns and operates 19 power plants in Luzon, Visayas and Mindanao with 2,959MW capacity, which it said accounts for 23% of the country's gross power generation.

**OPEC sees oversupply of oil in 2016**

The Organization of Petroleum Exporting Countries (OPEC) said that the supply from OPEC is climbing after sanctions on Iran were lifted and an initiative with Russia and other non-members to tackle a supply glut by freezing output failed last month. A surplus could weigh in on prices despite a recovery to USD47/barrel from a 12-year low of USD27.10 in January. OPEC's 2014 strategy shift to defend market share against higher-cost rival output helped deepen the decline.

**JGS' 1Q16 profits, up 32%**

JG Summit Holdings' (JGS), core net income jumped by 32.3% YoY to Php8.17bn in 1Q16 buoyed by the lower fuel costs of the airline segment and the expansion of its petrochemicals business.

**PSE income drops by 14% in 1Q16**

The Philippine Stock Exchange, Inc. (PSE) suffered a 14% decline in net profit to Php164.73mn in 1Q16 due to a lower daily turnover of Php6.78Bn, down 37% YoY.

Indices	13-May	12-May	% chg
PSEi	7,436.79	7,325.04	1.53
All shares	4,412.26	4,354.95	1.32
Financials	1,674.59	1,637.08	2.29
Industrial	11,946.42	11,812.40	1.13
Holding	7,463.57	7,237.42	3.12
Services	1,496.37	1,495.49	0.06
Mining and Oil	10,884.95	10,938.94	(0.49)
Property	3,095.50	3,099.96	(0.14)

**13-May**

Total volume	4,941,001,180.00
Total value Php	12,892,342,859.70
Net foreign buying (selling) Php	667,917,297.88

source: PSE, Technistock

	13-May	12-May	% chg
PHP/USD	46.590	46.610	(0.04)

Foreign indices	13-May	12-May	% chg
DJIA	17,535.32	17,720.50	(1.05)
NASDAQ	4,717.68	4,737.34	(0.42)
S&P 500	2,046.61	2,064.11	(0.85)
Nikkei 225	16,412.21	16,646.34	(1.41)
Hang Seng	19,719.29	19,915.46	(0.99)
Shanghai	2,835.86	2,837.04	(0.04)

Commodities	13-May	12-May	11-May
WTI Crude (USD/bbl)	46.21	46.70	46.23
Gold Spot (USD)	1,273.45	1,263.68	1,277.21

source: Bloomberg

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