



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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## MORNING NOTES

### PSEi performance

|                         |                   |         |
|-------------------------|-------------------|---------|
| PSEi Index 02 Jul 2010: | 3,290.98          | - 24.28 |
| Value T/O, net          | Php 1,586 million |         |
| 52-week High            | 3,374.01          |         |
| Low                     | 2,412.68          |         |
| Foreign Buying:         | Php 1,105 million |         |
| Foreign Selling:        | Php 1,110 million |         |

### Regional performance

|            |   |          |         |
|------------|---|----------|---------|
| Dow Jones  | : | 9,686.48 | - 46.05 |
| FTSE 100   | : | 4,838.09 | + 32.34 |
| Nikkei 225 | : | 9,203.71 | + 12.11 |

### Trading snapshot

| Index Movers   | Points |
|----------------|--------|
| Metrobank      | -3.89  |
| Aboitiz Equity | -3.55  |
| SM Prime       | -2.79  |
| Ayala Corp.    | -2.76  |
| PLDT           | +2.74  |

| Index Out-performers   | Up    |
|------------------------|-------|
| Lepanto Consolidated A | 2.04% |
| Megaworld Corp.        | 1.54% |
| SM Investments         | 0.60% |
| PLDT                   | 0.42% |
| --                     | --    |

| Index Under-performers | Down  |
|------------------------|-------|
| Philex Mining          | 4.17% |
| Robinsons Land         | 3.45% |
| ICTSI                  | 3.17% |
| Aboitiz Equity         | 2.50% |
| Metrobank              | 2.48% |

### Calendar

|        |                                     |
|--------|-------------------------------------|
| Jul 06 | Jun '10 Inflation Rate              |
| Jul 06 | May '10 Producer Price Survey       |
| Jul 07 | Jun '10 Gross Int'l Reserves        |
| Jul 07 | May '10 Dep. Corp. Survey, KB Loans |

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## HEADLINES

### Weak non-farm payrolls data hit Wall Street

- U.S. stocks slid on Friday (Jul 2) as June non-farm payrolls fell by 125,000, affected by the loss of temporary government census jobs. The decline is the largest since October 2009. New orders for U.S. factories also showed the first decline in nine months. Financials (-1.1%) and economically sensitive sectors like consumer discretionaries (-1.2%) were the biggest decliners. Adding to the weaker tone was a technical indicator that signaled more selling pressure ahead: the S&P 500's 50-day moving average broke below its 200-day moving average, a break known as the "death cross." Meanwhile, U.S. drug companies advanced on reports that France's Sanofi-Aventis was preparing an acquisition of around US\$20B in the United States.

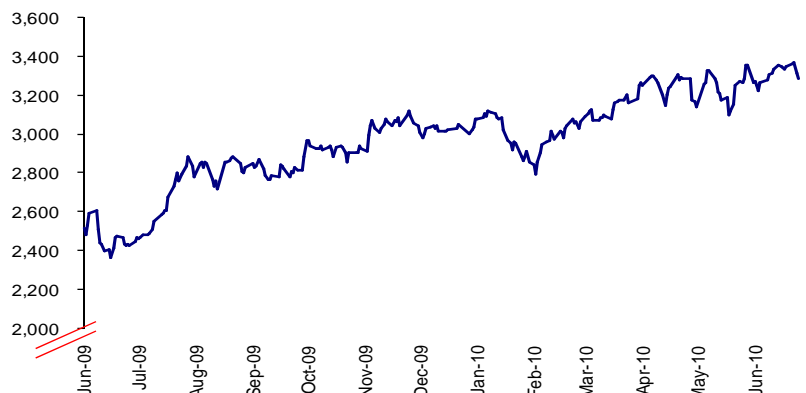
### SMC to finalize Ausphil purchase within July (SMC A/B; P69.00/P70.00)

- San Miguel Corp. (SMC) and Ausphil Tollways Corp., the proponent behind the North Luzon East Expressway (NLEE), will execute a share sale and purchase agreement for 51% of Ausphil by the middle of July. SMC also has a two-year option to acquire additional 16% of Ausphil. Ausphil Tollways president and CEO Ricardo L. Penson said SMC has already begun to acquire the shares of minority stockholders. Penson said the buy-in is worth a little over P1B. Estimated to cost P13.6B, the NLEE will initially link Metro Manila to the Nueva Ecija.

### Trans-Asia Oil to build coal-fired plant in Calaca (TA; P1.20)

- Trans-Asia Oil and Energy Development Corp. (TA), the power generation subsidiary of the Phinma Group, plans to build a 270-megawatt (MW) coal-fired power plant in Calaca, Batangas. The power project will initially involve the construction of a 135-MW plant, and can be expanded by another 135 MW depending on demand. Trans-Asia already applied for an environmental compliance certificate with the Department of Environment and Natural Resources. It will shortly submit a formal environmental impact statement to the Environmental Management Bureau. TA expects to complete the project in 2013.

### PSEi : 1-Year Price Chart



Source: Philippine Stock Exchange

### Please Read!

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