



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

20 Aug 2010

## MORNING NOTES

### PSEi performance

PSEi Index 19 Aug 2010:	3,560.39	+ 25.59
Value T/O, net	Php 2,988 million	
52-week High	3,539.29	
Low	2,693.13	
Foreign Buying:	Php 2,603 million	
Foreign Selling:	Php 1,778 million	

### Regional performance

Dow Jones	: 10,271.21	- 144.33
FTSE 100	: 5,211.29	- 91.58
Nikkei 225	: 9,362.68	+ 122.14

### Trading snapshot

Index Movers	Points
Metrobank	+5.85
Banco de Oro	+5.74
Ayala Land	+5.33
Aboitiz Equity	-4.23
BPI	+4.12

Index Out-performers	Up
Metro Pacific Investments	7.55%
Banco de Oro	4.62%
Metrobank	3.42%
Megaworld Corp.	2.69%
ABS-CBN	2.26%

Index Under-performers	Down
Aboitiz Equity	2.74%
Aboitiz Power	2.00%
Lepanto Consolidated A	1.96%
First Phil. Holdings	1.91%
Philex Mining	1.59%

### Calendar

Aug 24	Marcventures Holdings SSM
Aug 25	Jun '10 External Trade, MISSI
Aug 25	Dizon Copper, Benguet Corp. ASM
Aug 26	2Q National Accounts of the Phils.

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## HEADLINES

### Wall Street retreats on more signs of economic weakness

- U.S. stocks fell on Thursday (Aug 19) after a data showed Aug factory activity in the mid-Atlantic states contracted for the first time since July 2009 and first-time claims for jobless benefits rose to a nine-month high. Manufacturers including 3M (-2.1%) were the biggest drags on the Dow. Energy and materials shares also tumbled as prices of oil and metals dropped. Even Intel's (-3.5%) offer to buy McAfee (+57.1%) for about \$7.68B in cash failed to stem the losses.

### Budget deficit rises to P229.4B as of end-July 2010

- The National Government posted a deficit of P32.7B in July alone, with revenues at P102.9B (+4.6% YoY) against disbursements of P135.6B (+1.9% YoY). The Bureau of Internal Revenue (BIR) collected P63.8B (+11% YoY), and the Bureau of Customs (BOC) received P22.2B (-8% YoY). The Bureau of Treasury (BTR) also showed a 16.2% slowdown in revenues during the month to P10.5B. As a result, the seven-month deficit further widened from P188B a year ago to P229.4B on the back of revenues totaling P695B and disbursements of P924.4B.

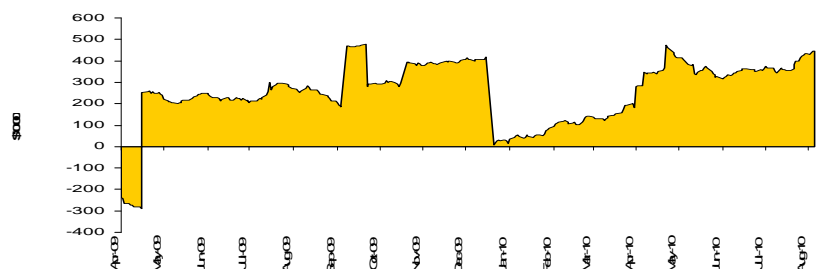
### Business confidence continues to climb in Q3 2010

- Business sentiment remained positive and on an uptrend since Q309, with the overall confidence index (CI) rising to 45.0% from 43.9% in Q210 and 18.4% in Q309. Respondents attributed their outlook to the following factors: steady growth of remittances, smooth transition of power, favorable expectations on the new government, better performance of exports, sustained investment inflows, and government spending on infrastructure, social services and the environment. The sentiment mirrored the improving business confidence in countries such as Canada, Hong Kong, India, Indonesia, Germany and Italy.

### ICTSI acquires additional 10% stake in Port of La Plata, Argentina (ICT; P33.45)

- International Container Terminal Services, Inc. (ICTSI), through its Uruguayan subsidiary, International Ports of South America and Logistics, S.A. (IPSAL), purchased on Aug 18, 2010, an amount of shares equivalent to 10% of the share capital of TECPLATA S.A., an on-going port project in the Port of La Plata, Argentina. The acquisition brings IPSAL's total ownership to 85% (58.2M shares at AR\$1 par value). Loginter S.A., the seller of the shares, will continue to own the remaining 15% of TECPLATA.

### Foreign Buying-Selling : 12-month period



Source: Bloomberg

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