



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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MORNING NOTES

PSEi performance

| | | |
|-------------------------|-------------------|---------|
| PSEi Index 25 Aug 2010: | 3,554.15 | + 23.66 |
| Value T/O, net | Php 2,578 million | |
| 52-week High | 3,619.87 | |
| Low | 2,754.62 | |
| Foreign Buying: | Php 2,441 million | |
| Foreign Selling: | Php 1,428 million | |

Regional performance

| | | |
|------------|-------------|----------|
| Dow Jones | : 10,060.06 | + 19.61 |
| FTSE 100 | : 5,109.40 | - 46.55 |
| Nikkei 225 | : 8,845.39 | - 149.75 |

Trading snapshot

| Index Movers | Points |
|---------------------|--------|
| Ayala Land | +38.80 |
| Aboitiz Equity | -4.23 |
| Manila Electric Co. | +3.68 |
| Metrobank | -2.99 |
| SM Investments | -2.83 |

| Index Out-performers | Up |
|----------------------|--------|
| Ayala Land | 15.57% |
| Manila Electric Co. | 2.92% |
| Robinsons Land | 1.57% |
| Banco de Oro | 0.90% |
| San Miguel Corp. B | 0.83% |

| Index Under-performers | Down |
|------------------------|-------|
| Megaworld Corp. | 4.10% |
| Alliance Global | 3.01% |
| Aboitiz Equity | 2.75% |
| Filinvest Land | 2.54% |
| Metrobank | 1.68% |

Calendar

| | |
|--------|------------------------------------|
| Aug 26 | 2Q National Accounts of the Phils. |
| Aug 26 | Fil-Estate Land ASM |
| Aug 26 | Monetary Policy Stance |
| Aug 28 | Far Eastern University ASM |

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HEADLINES

Wall Street bounces back on technicals

- U.S. stocks rebounded on Wednesday (Aug 25) as technical factors offset data showing July new single-family home sales hit a record slow pace and orders for durable goods rose less than anticipated. Homebuilders gained despite the weak data after Toll Brothers (+5.8%) reported its first quarterly profit in three years. Financials also cut losses after a bank index briefly hit its 2010 low. But energy shares dragged as coal miners including Massey Energy (-3.4%) and Arch Coal Inc (-1.9%) tumbled as the price of gas fell, raising concerns that power plants would switch from coal to natural gas.

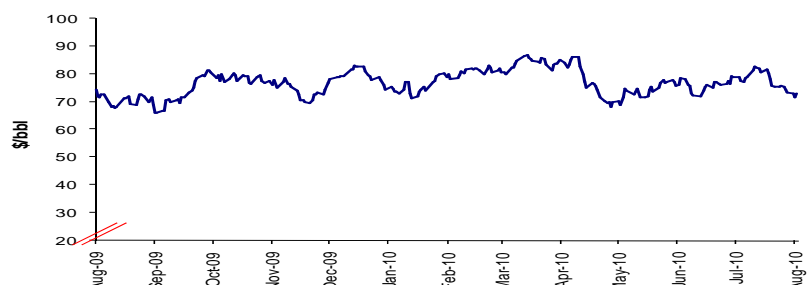
June 2010 Total Trade stood at US\$8.721B

- Combined import and export merchandise trade for June 2010 improved by 16.1% YoY to US\$8.721B. Total merchandise imports increased by 1.4% YoY to US\$4.166B while total exports rose by 33.7% YoY to US\$4.555B. The balance of trade in goods (BOT-G) in June 2010 posted a surplus of US\$389.00M compared to last year's recorded deficit of US\$700.00M. On a month-on-month basis, total imports for June 2010 declined by 12.4% from US\$4.753B recorded in May 2010. For the period Jan-Jun, total external trade in goods reached US\$49.906B in 2010 (+32.7% YoY), with total imports up by 28.5% YoY to US\$26.185B and exports posting a 37.7% YoY increase to US\$23.721B. The balance of trade in goods (BOT-G) stood at a deficit of US\$2.464B 1H 2010, lower than the US\$3.155B deficit in the same period last year.

Cebu Air IPO revised (JGS; P18.24)

- JG Summit Holdings' airline unit, Cebu Air Inc., now plans to raise P4.59B from offering 30.66M primary shares for up to P150 apiece. Including a secondary offer for another 155.97M shares and an overallotment option of 27.99M shares for up to P150 per share, the entire share sale can raise up to P32.2B. Previously, Cebu Air wanted to register 235.56M shares, composed of 125.25M primary shares and 110.30M secondary shares worth over P22B or P95 per share, with an overallotment option for another 35.33M shares. The share sale will be arranged by ATK KimEng Capital Partners Inc., Citigroup Inc., Deutsche Bank AG and JPMorgan Chase & Co. Cebu Air intends to increase its fleet size from the current 29 to 47 planes by 2014.

Nymex Crude 1-Yr Price Chart



Source: Bloomberg

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