



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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## MORNING NOTES

### PSEi performance

|                         |                   |         |
|-------------------------|-------------------|---------|
| PSEi Index 26 Aug 2010: | 3,595.58          | + 41.43 |
| Value T/O, net          | Php 1,883 million |         |
| 52-week High            | 3,619.87          |         |
| Low                     | 2,754.62          |         |
| Foreign Buying:         | Php 1,621 million |         |
| Foreign Selling:        | Php 1,742 million |         |

### Regional performance

|            |            |         |
|------------|------------|---------|
| Dow Jones  | : 9,985.81 | - 74.25 |
| FTSE 100   | : 5,155.84 | + 46.44 |
| Nikkei 225 | : 8,906.48 | + 61.09 |

### Trading snapshot

| Index Movers        | Points |
|---------------------|--------|
| Ayala Land          | +9.95  |
| Aboitiz Equity      | +5.28  |
| Philex Mining       | +3.94  |
| Megaworld Corp.     | +3.04  |
| Manila Electric Co. | +2.21  |

| Index Out-performers | Up    |
|----------------------|-------|
| Philex Mining        | 8.11% |
| Megaworld Corp.      | 5.35% |
| Filinvest Land       | 4.35% |
| GMA Network          | 4.07% |
| Aboitiz Equity       | 3.54% |

| Index Under-performers | Down  |
|------------------------|-------|
| SM Prime               | 0.54% |
| Manila Water           | 0.11% |
| ABS-CBN                | 0.09% |
| --                     | --    |
| --                     | --    |

### Calendar

|        |                               |
|--------|-------------------------------|
| Aug 28 | Far Eastern University ASM    |
| Sep 03 | IPVG Corp. ASM                |
| Sep 07 | Aug '10 Inflation Rate        |
| Sep 07 | Jul '10 Producer Price Survey |

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## HEADLINES

### Lingering economic worries drag Dow below 10,000 level

■ The Dow pierced the 10,000 psychological support level on Thursday (Aug 26), ahead of a major speech by Fed Chairman Ben Bernanke plus a widely expected downgrade in U.S. 2Q GDP growth. Earlier, stocks rose on data showing last week's new claims for jobless benefits fell more than expected, but the 4-week average rose to the highest since late November. Technology shares were among the major drags, including Cisco (-2.4%) and Intel (-1.6%). Coal companies dragged the energy sector for a second day as the price of natural gas fell. Meanwhile, Dell Inc (-0.3%) raised its bid for 3PAR to \$1.6B, but Hewlett-Packard (-0.1%) countered with a revised offer of \$1.8B, sending 3PAR's shares up 7.2% in extended-hours trading.

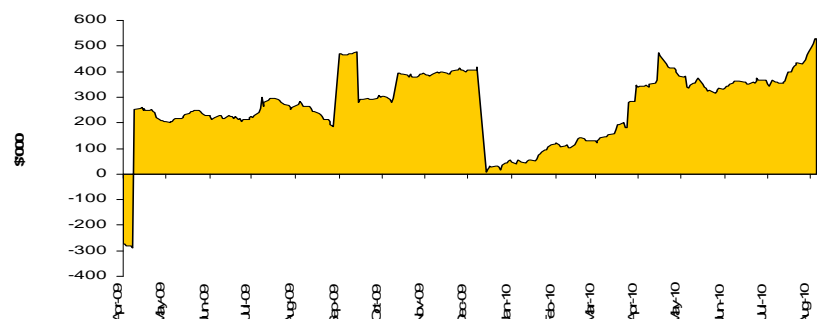
### Philippine economy posts 7.9% GDP Growth in 2Q 2010

■ Despite the El Niño phenomenon that hit the Agriculture sector, a peaceful national elections, improved investor confidence, the global economic recovery, increased capital expenditure of government and a low base fueled the domestic economy to a scintillating 7.9% growth in 2Q 2010 from 1.2% last year. The last time the country experienced two consecutive quarters of more than 7% GDP growth was in 1Q and 2Q 2004 (7.2% and 7.1%, respectively), also preceding a presidential election. Together with an upwardly revised first quarter GDP growth of 7.8% (from 7.3%), the first semester sizzled to a 7.9% GDP growth, the highest semestral growth since 9.3% in the second semester of 1988.

### Metro Pacific sells additional 15% Landco stake to AB Holdings (MPI; P3.34)

■ AB Holdings Corporation (ABHC) acquires an additional 15% of Metro Pacific Investments Corporation's (MPIC) stake Landco Pacific Corporation (Landco), bringing its stake in Landco to 81%. MPIC's interest in Landco is now down from 34% to 19%. Manuel V. Pangilinan remains as Landco's Chairman of its Board of Directors. Moreover, MPIC will grant a loan to Landco of P175M and acquire P380M of preferred shares with a ten-year redemption period. Landco will use the proceeds from the loan and the preferred share issuance to fast-track the development of its current projects. Landco is set to spend an estimated P1.1B in 2010 for project development.

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



Source: Bloomberg

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