



## WEALTH SECURITIES

Backed by a research group of analysts with over 25 years of experience in equity securities

Consistently ranked among the top 20 brokerages in the Philippines since opening in 1986

Recipient of the Euro Money Award for Excellence as the "Best Domestic Securities House in the Philippines"



## THE WEALTH VAULT

A Product of Wealth Securities, Inc.

WEDNESDAY, 08 August 2012

Index	Value	Change	% Chg
PSEi	5,284.16	-1.75	0.03▼
All Shares	3,512.56	6.65	0.19▲
Financials	1,330.00	-4.16	0.31▼
Industrial	7,894.48	-16.9	0.21▼
Holding Firms	4,444.90	22.74	0.51▲
Services	1,786.24	-16.03	0.89▼
Mining and Oil	22,402.81	-33.19	0.15▼
Property	2,016.68	13.81	0.69▲

AUGUST

08

2012

### WORLD INDICES

<b>Dow Jones</b>	13,168.60	+0.39%
<b>FTSE 100</b>	5,841.24	+0.56%
<b>NIKKEI 225</b>	8,803.31	+0.88%

### TRADING SNAPSHOT

#### Index Movers

Index Movers	Points
PLDT	-7.77
Ayala Land Inc.	+4.97
Ayala Corp.	+4.68
SM Investments Corp.	+4.39
Energy Development Corp.	-3.90

#### Index Out-performers

Index Out-performers	Up
Meralco	3.02%
Ayala Corp.	2.00%
Alliance Global Inc.	1.45%
Ayala Land Inc.	1.34%
Manila Water Company	1.17%

#### Index Under-performers

Index Under-performers	Down
Jollibee Foods Corp.	2.94%
Energy Development Corp.	2.55%
First Gen Corp.	2.17%
JG Summit Holdings	1.94%
Metro Pacific Investments Corp.	1.19%

### CALENDAR

<b>Aug 04</b>	V ASM
<b>Aug 07</b>	Jul'12 CPI, Inflation Rate
<b>Aug 10</b>	ACE ASM
<b>Aug 10</b>	JTE SSM



### PSEi Index

06 Aug 2012:	5,284.16 - 1.75
Value T/O, net	Php 3,043 million
52-week High	5,403.16
Low	3,715.01
Foreign Buying:	Php 1,812 million
Foreign Selling:	Php 1,706 million



## HEADLINES

### US stocks continue rally on optimism on Europe

➤ US stocks rallied for the third straight day yesterday (Aug 07) as optimism that the European Central Bank will outline actions to contain Europe's debt crisis soon pushed stocks higher. All three major indices posted gains with the Dow rising 0.39%; the S&P, 0.51%; and the Nasdaq, 0.87%. Borrowing costs for Spain and Italy also fell below 7%, adding to the market's positive sentiments. Energy shares were among yesterday's best performers as Chesapeake Energy jumped 9.4% after announcing that it would sell some of its assets and spend less on new properties. Financials also rallied with Morgan Stanley jumping 2.5%. In notable company news, Johnson & Johnson and Pfizer fell 0.8% and 2.1% respectively after the companies announced that they will cease development of an experimental drug for Alzheimer's disease. Fossil shares meanwhile soared 32% after forecasting growth in Asia and Europe.

### RCBC's 1H2012 Net Income Up by 35% at P3.01 Billion

➤ RCBC's 1H2012 income jumped 35% to P3.01 billion, with ROE at 15.43%. Total operating income increased by 15.52% to P10.76 billion as net interest income grew to P5.49 billion. Non-interest income grew 33.65%, with trading gains, trust fees, service fees and commissions, and other income growing to P5.00 billion, accounting for 95% of total non-interest income. The bank's total non-performing loans dropped to 1.53% compared to previous year's 2.36%. Total consolidated resources reached P351.45 billion, 17% up from previous year. Net loans grew by 16.5% to P189.76 billion. Corporate loans grew by 24%. SME by 39% and consumer loans grew by 28%. Despite competitive pressures, net interest margin remained at a healthy 3.8%.

## Globe Telecom posts 9.7% decline in 2Q Net Profits, declares cash dividends

- Globe Telecom announced yesterday that its second-quarter net profit declined by 9.7% to P2.26B as rising costs overtook modest gains in revenues. Revenues in the second quarter increased by 4.8% from a year earlier to P21.33B, while costs climbed 8.1% to P12.33B. For the first six months of the year, net profits fell 10% to P4.97B, revenues climbed 6% to PHP42.79 billion, while costs and expenses increased 12% to PHP25.11 billion. Globe Telecom also announced the declaration of P32.50 cash dividends per share payable to shareholders on record as of August 28, 2012 on September 18, 2012. Ex-date for the said dividends is on August 22, 2012.

## PLDT profits drop year on year; declares cash dividends

- PLDT announced that its consolidated core net income for the 1H'12 fell 11% YoY to P18.7B. Reported net income came in at P19.5B, 8% lower YoY. Consolidated service revenues meanwhile rose 12% YoY to P84.7B. EBITDA was at P39.9B, 5% lower YoY. EBITDA margin was at 46% of service revenues. PLDT also declared cash dividends of P60/share payable to shareholders on record as of August 31, 2012. Dividends will be paid out on September 28, 2012.

## NIKL Profits Down 26% to P1.27 billion

- Nickel Asia's profits fell 26% to P1.27 billion for 1H2012, as a result of much lower LME nickel prices, despite shipment volume going up by 19%. Total volume of nickel ore sold reached 5.02 million wet metric tons (WMT). The realized LME nickel price shipped, applicable to 2.37 million WMT, was at \$8.60/pound as against \$11.48 last year. This translates to \$25.87 per WMT of ore, versus \$21.73 per WMT last year. Due to increase in shipment volume and mining activities, operating costs and expenses rose 38% to P2.88 billion. On a per WMT of ore sold, cash costs increased to \$13.37 per ore versus \$11.33 per ore last year.

## BDO to Retire P10B Tier 2 Notes and set up ETMN Program

- BDO will retire P10 billion worth of Tier 2 notes by November 2012 and establish a \$2 billion Euro Medium Term Note program. Setting up the EMTN program is a preparatory move on the part of BDO as this will enhance the Bank's ability to access longer-term funding for relending to projects like infrastructure under the government's Public-Private Partnership (PPP) program. The retirement of these Notes will reduce the Bank's cost of funding as well as improve its capital structure in favor of higher quality core Tier 1 capital.

### Dividends Calendar

CODE	STOCK	CASH	SPLITS	RIGHTS	EX-DIVIDEND	RECORD	PAYABLE	ANNOUNCED
IANG	10%				TBA	TBA	TBA	15-May-2012
CDC	10%				TBA	TBA	TBA	07-May-2012
NIKL	50%				TBA	TBA	TBA	28-Mar-2012
ATN	3%				TBA	TBA	TBA	28-Dec-2011
EEI		0.835			27-Nov-2012	03-Dec-2012	28-Dec-2012	23-Mar-2012
ACPA		11.1			25-Oct-2012	30-Oct-2012	25-Nov-2012	09-Dec-2011
FIP		0.85			03-Oct-2012	08-Oct-2012	02-Nov-2012	17-Jul-2012
PERC		0.1			18-Sep-2012	21-Sep-2012	17-Oct-2012	26-Aug-2012
EEI		0.835			29-Aug-2012	03-Sep-2012	27-Sep-2012	23-Mar-2012
PPREF		1.383			13-Aug-2012	16-Aug-2012	05-Sep-2012	02-Mar-2012
FIP		0.87			09-Aug-2012	14-Aug-2012	07-Sep-2012	17-Jul-2012
ABA		0.1			08-Aug-2012	11-Aug-2012	07-Sep-2012	19-Jul-2012
ABA				Abacus Goldmines common shares as would be equivalent to P8.38 per share - prep. div.	08-Aug-2012	11-Aug-2012	TBA	19-Jul-2012
MB		0.05			05-Aug-2012	08-Aug-2012	05-Sep-2012	12-Jul-2012
ACPA		11.1			26-Jul-2012	31-Jul-2012	25-Aug-2012	09-Dec-2011
IPD		0.06			24-Jul-2012	27-Jul-2012	09-Aug-2012	29-Jun-2012
MFIN	1.06%				23-Jul-2012	26-Jul-2012	20-Aug-2012	28-Jun-2012
MTM		0.018818834			23-Jul-2012	26-Jul-2012	20-Aug-2012	28-Jun-2012

Source: Technistock

## CURRENCIES

US, Dollar	41.8500
Japan, Yen	0.5351
UK, Pound	64.9261
Hong Kong, Dollar	5.3969
EU, Euro	50.9817
Bahrain, Dinar	111.0139
Saudi Arabia, Rial	11.1594
China, Yuan	6.5725

As of 8/03/2012

## COMMODITIES

NYMEX		
Crude	91.40	+4.90%
Futures		
%NY Gold	1,604.40	+1.17%
Spot (\$/t oz.)		
Silver Comex (\$/t oz.)	27.75	+2.17%
London		
Copper Spot	7,440.75	+1.62%

As of 08/03/2012



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