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## 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, 29 August 2012

Index	Value	Change	% Chg
PSEi	5,175.62	32.27	0.63 ▲
All Shares	3,442.97	13.66	0.40 ▲
Financials	1,281.77	6.23	0.49 ▲
Industrial	7,852.63	15.83	0.20 ▲
Holding Firms	4,350.91	43.96	1.02 ▲
Services	1,743.25	-15.84	0.90 ▼
Mining and Oil	21,362.42	-108.82	0.51 ▼
Property	1,986.56	47.51	2.45 ▲

AUGUST

29

2012

### WORLD INDICES

<b>Dow Jones</b>	13,102.99	-0.17%
<b>FTSE 100</b>	5,775.71	-0.02%
<b>NIKKEI 225</b>	9,039.90	+0.07%

### TRADING SNAPSHOT

Index Movers	Points
Ayala Land Inc.	+14.91
PLDT	-9.43
Alliance Global Inc.	+5.32
Bank of the Philippine Islands	+3.94
JG Summit Holdings	+3.85

Index Out-performers	Up
Ayala Land Inc.	4.20%
Alliance Global Inc.	4.09%
Robinsons Land Corp.	2.98%
JG Summit Holdings	2.42%
Belle Corp.	1.47%

Index Under-performers	Down
Meralco	2.38%
Cebu Air Inc.	1.30%
PLDT	1.23%
Energy Development Corp.	0.33%
Aboitiz Power Corp.	0.29%

### 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

28 Aug 2012:	5,175.62 + 32.27
Value T/O, net	Php 2,515 million
52-week High	5,403.16
Low	3,715.01
Foreign Buying:	Php 2,675 million
Foreign Selling:	Php 2,769 million



## HEADLINES

### US stocks end flat on mixed economic data

Ø US stocks ended relatively flat again yesterday (Aug 28) as investors weigh the impact of mixed economic data. The Dow and the S&P declined 0.17% and 0.08% respectively, while the Nasdaq ended green, gaining 0.13%. US consumer confidence unexpectedly weakened in August to its lowest level in 9 months. In another report however, the S&P/Case Shiller composite index of 20 metropolitan areas showed U.S. home prices rose for a fifth consecutive month, showing signs improvement in the housing sector. In Japan, the country cut its assessment of economic growth, citing lower demand for Japanese products in the US and China. In company news, Lexmark rose 13.7% after announcing that it will cut 1,700 jobs, stop making inkjet printers, and focus on imaging and software.

### Imports up 13.3% year on year; US, Japan and China largest sources of imports

Ø Merchandise imports rose to US\$5.101B in June (+13.3% YOY), but is 5.3% lower than May's figure of \$5.386B. This brings 1H2012 imports to a total of \$30.761B (+0.35% YOY). The value for imported electronic products in June grew 27% YOY to \$1.458B and contributes 28.5% of total imports. Payments for mineral fuels, lubricants and other related materials had the second largest share in imports and amounted to \$814M (-21.7% YOY). Transport equipment was the third largest import (\$639M, +200% YOY). The US, Japan and China were the largest sources of imported goods with market shares of 15.7%, 11.9% and 10.7% respectively. The value for US goods increased significantly by 74.7% YOY. (Note: Exports in June came in at \$4.314B, +4.3% YOY. This results to a deficit in balance of trade in goods).

## Details on the investigation on Calata stock price manipulation

Ø The Securities and Exchange Commission (SEC) is currently handling the investigation on the Calata stock price manipulation. An indication of suspicious transactions was the identities of the investor-clients - they were mostly from Bulacan and did not have the financial capacity to execute such trades. That is, investor-clients used "dummies" to create a false impression of liquidity in the stock.

## Ayala Land's Board Issues Cash Dividends, Approves Strategic Alliance with OCLP Holdings and Issues P3B bonds

Ø Ayala Land's board of directors approved the following: 1.) **Issuance of the Ayala Land Homestarter bond** - The issue size is P3B with a maturity of 3 years. BPI, Chinabank, PNB and RCBC have been appointed as underwriters for the bonds. The bonds will be sold through a general public offering to retail investors. 2.) **10.38 cents cash dividend** - The board approved an increase in cash dividends, to all stock holders on record as of September 17, 2012, payable on October 8, 2012. This reflects a 42% increase from prior year's cash dividend of 7.33 cents/share and is equivalent to a 40% dividend payout to shareholders. 3.) **Approval of Strategic Alliance with Ortigas Group** - The board approved the strategic alliance of the Ayala Land company with the group led by Mr. Ignacio Ortigas in OCLP Holdings.

## Globe sets capex for 2013

Ø Globe allotted \$400 Mil in capital expenditures for 2013 to bankroll telecom operations and complete its ongoing network modernization program.

## Puregold Clarifies 71% Net Income Forecast of P2.63B

Ø In an Inquirer article written by Ms. Doris Dumlao, Puregold wished to clarify that the company has forecasted a 4.5% net margin as well as a 50% increase in sales for 2012. Puregold wishes to clarify that the net profit estimate computed by Ms. Doris Dumlao of P2.63B, a 71% increase y/y was derived from her own computations based on the revised guidelines by Puregold.

## MPI Clarifies JV with SL Agritech

Ø Metro Pacific Investments clarified that it will not enter into a joint venture with SL Agritech in rice production, as earlier cited in a news article from Manila Bulletin. Instead, a subsidiary within First Pacific Group is the company exploring investments in this space.

## Court of Appeals Sides with Listed Vitarich; VITA Trading Halt and Increase of Authorized Capital Stock

Ø The court of appeals sided with listed firm Vitarich debunking two foreign banks' petition to terminate the rehabilitation proceedings.

Ø Vitarich's board of directors has approved an increase of its Authorized Capital Stock twice from P1 to P1.5B and from P1.5B to P3.5B. An issuance totaling three billion and ninety million new common shares (3,090,030,236) will be issued to the Corporation's creditors in conversion of the debts.

## CURRENCIES

US, Dollar	42.1620
Japan, Yen	0.5354
UK, Pound	66.5949
Hong Kong, Dollar	5.4364
EU, Euro	52.6899
Bahrain, Dinar	111.8415
Saudi Arabia, Rial	11.2432
China, Yuan	6.6326

As of 8/28/2012

## COMMODITIES

NYMEX		
Crude	96.33	+0.90%
Futures		
%NY Gold	1,666.20	-0.36%
Spot (\$/t oz.)		
Silver Comex (\$/t oz.)	30.89	+0.32%
London		
Copper Spot	7,594.50	-0.44%

As of 08/28/2012



### 3 oil firms raise petroleum prices

Ø Local oil companies have jacked up prices of petroleum products starting Tuesday to reflect the continued uptrend in prices in the global market. Pilipinas Shell Petroleum Corp., Petron Corp. and Seaoil Philippines have raised prices of diesel by 75 centavos per liter, kerosene by 60 centavos a liter, and of regular gasoline by 25 centavos a liter. At the same time, the oil firms have also cut prices of premium gasoline by 45 centavos a liter. The price adjustments of Pilipinas Shell and Petron took effect on Tuesday while Seaoil is implemented its new pricing on Wednesday (August 29). This latest round of oil price hikes was met with warnings of a possible “wave of protests” from the multisectoral group Coalition Against Oil Price Increases (CAOPI). In a statement issued on Tuesday, CAOPI pointed out that the pump prices of petroleum products have already increased by around P8 per liter since the series of oil price hikes set off in the second week of July, following 13 successive price rollbacks. According to the group’s own monitoring, the net impact of the price adjustments since January this year was an increase of P2.64 per liter for diesel and more than P2 per liter for gasoline.

....Source: *Philippine Daily Inquirer*

### PS Bank declares dividend

Ø PS Bank declared cash dividends of P0.75 per common share payable to shareholders on record as of September 11, 2012. Ex-date is on September 6, 2012.



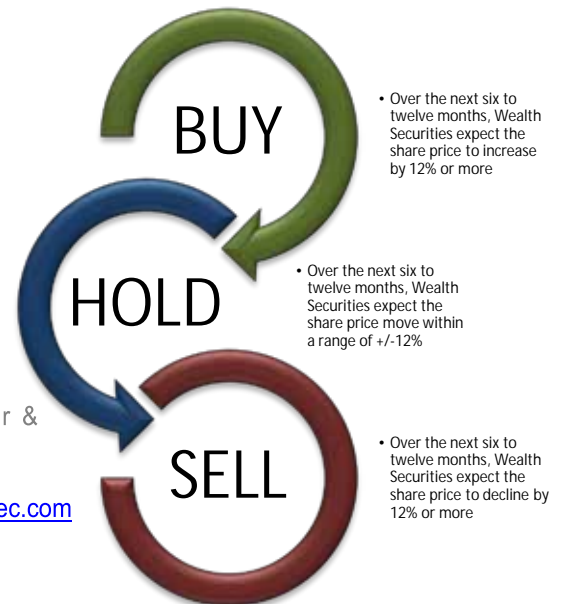
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### RATINGS DEFINITION



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