



## 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.

Monday, 01 July 2013

Index	Value	Change	% Change
PSEi	6,465.28	137.28	2.17▲
All Shares	3,932.04	54.43	1.40▲
Financials	1,623.84	9.05	0.56▲
Industrial	9,815.78	145.45	1.50▲
Holding Firms	5,799.23	129.73	2.29▲
Services	1,940.20	35.76	1.88▲
Mining and Oil	13,631.84	446.56	3.39▲
Property	2,524.98	30.68	1.23▲

WORLD INDICES

S&P 500	1,606.28	-0.43%
FTSE 100	6,215.47	-0.45%
Nikkei	13,677.30	+3.51%

TRADING SNAPSHOT

Index Movers

SM	+34.34
ALI	+17.63
URC	+15.12
AC	+11.56
BPI	+11.03

Index Out-performers

SM	Up
SCC	13.82%
GLO	8.05%
URC	5.93%
SM	5.42%
JFC	4.23%

Index Under-performers

SM	Down
RLC	-4.92%
MPI	-4.86%
FGEN	-4.60%
AGI	-2.50%
MWC	-1.97%



PSEi Index

June 28, 2013:	6,465.28	+137.28
Value T/O, net	P 9,499	million
52-week High	7,403.65	
Low	5,058.76	

Foreign Buying:	P 9,660	million
Foreign Selling:	P 6,122	million



HEADLINES

U.S. Stocks Fall as Investors Weigh Economic Data

- From Bloomberg: The S&P 500 fell 0.4% to 1,606.28. The Dow lost 114.89 points, or 0.8%, to 14,909.60. About 10.1 B shares changed hands on U.S. exchanges, 53% above the three-month average.
- Business activity in the U.S. cooled more than projected in June, a regional report showed. The MNI Chicago Report's business barometer dropped to 51.6 from 58.7 in May, which was the highest in more than a year. A reading of 50 is the dividing line between expansion and contraction. The median forecast of 55 economists surveyed by Bloomberg was 55.
- Consumer sentiment fell less than forecast in June from an almost six-year high a month earlier. The Thomson Reuters/University of Michigan said its final index of confidence eased to 84.1 this month from 84.5 at the end of May, which was the highest since July 2007. The median forecast in a Bloomberg survey of economists called for 83 in the gauge after a preliminary reading of 82.7.
- Accenture Plc slumped 10% after its quarterly sales forecast missed analysts' estimates. International Business Machines Corp. lost 2.3% for the biggest retreat in the Dow Jones Industrial Average. BlackBerry, the Canadian smartphone maker, fell the most in 12 years after reporting a surprise quarterly loss.

Cebu Pac eyes additional flights to Brunei

- Cebu Air Inc. (Cebu Pacific) is seeking the re-allocation of additional one weekly frequency entitlement to Bandar Seri Begawan, Brunei previously allocated to national flag carrier Philippine Airlines (PAL). Cebu Pacific is looking at flying 15 M passengers this year or about 13% more than last year's 13.26 M. However, the airline is likely to fall short of the target after air traffic in the Philippines posted a measly 1.1% growth in the first quarter.

### Ayala Corp buys back P6 B worth of preferred shares

- Ayala Corp. (AC), the country's oldest conglomerate, has opted to buy back P6 B worth of its Preferred "A" shares well ahead of maturity. The redemption allows Ayala to lower its funding cost and avail of cheaper sources of funds. The exercise will be made on Nov. 25, 2013 or the fifth year from listing date of the shares. For the buyback program, AC said it would pay in cash 100% of the preferred shares' issue price or P500 apiece. The conglomerate said it would also pay all accrued and unpaid dividends until Nov. 25, 2013 based on the dividend rate of 8.88% per annum.

### Philippines, Switzerland mull lower tariffs

- The Philippines and Switzerland have signed an agreement for the establishment of a Joint Economic Commission (JEC) to study the lowering of tariffs in several industries, according to the Department of Trade and Industry (DTI). The creation of the body would pave the way for the establishment of a Free Trade Agreement (FTA) between the two countries.

### PSE to delist PNOC-EC

- State-led Philippine National Oil Co.-Exploration Corp. (PNOC-EC) will be the first firm to be removed from the local bourse for failing to sell more shares to the public. They have the distinction of being the only company to be involuntarily delisted by the PSE. Involuntarily delisted companies are not allowed to go back to the local bourse for five years.
- The Securities and Exchange Commission gave Nextstage Inc., PAL Holdings Inc. and Philcomsat Holdings Corp. an extension of one month to comply with the minimum public ownership requirement

### EastWest to invest 20% in bidder for railway fare collection system

- East West Banking Corp.'s board has approved a capital infusion of up to 20% in E-trans Solutions Joint Venture Inc., a company bidding for the government's automated fare collection system project, and subscribe to such number of shares for an initial payment of P1.5 M. The subscription is not more than 10% of the total assets of EastWest. E-trans is a joint venture among TERA Investment Inc., Sagesoft Solutions Inc., Pilipinas Micro-Matrix Technology Inc., Pulsar Avancer Technologie Inc. and EastWest.

### Roxas Holdings taps P900M loan

- Listed sugar miller Roxas Holdings, Inc (RHI) is drawing a P900-M credit facility from Asia United Bank (AUB) for its expansion activities.

### Globe's P10-B bond issue gets highest mark from PhilRatings

- Globe Telecom Inc. received a PRS Aaa rating, the highest credit rating, from Philippine Rating Services Corp. (PhilRatings) for its proposed P10 B fixed-rate bond issuance. Of the total amount, Globe is planning to launch an initial tranche of P7 B after which an additional P3 B tranche would follow depending on market conditions and other factors.

## CURRENCIES

US, Dollar	43.1350
Japan, Yen	0.4341
UK, Pound	65.6046
Hong Kong, Dollar	5.5615
EU, Euro	56.1069
China, Yuan	7.0281
Singapore, Dollar	33.9860

## COMMODITIES

BRENT CRUDE OIL (USD/bbl.)	101.99	-0.17%
GOLD 100 OZ FUTR (USD/t oz.)	1,235.80	+0.99%
SILVER FUTURE (USD/t oz.)	19.79	+1.62%
CORN FUTURE (USd/bu.)	511.00	-5.11%
SUGAR #11 (USd/lb.)	17.01	-0.55%
SOYBEAN FUTURE (USd/bu.)	1,250.75	-2.12%



### **Maybank mulls IPO option**

- The board of Maybank Philippines Inc. (MPI) is studying options for the planned initial public offering (IPO), which under the law should be done by all foreign bank subsidiaries before end-2015.

### **2 Phl firms to acquire 60% of Okada lot**

- The land ownership issue hounding the group of Japanese gaming tycoon Kazuo Okada may finally be resolved after two unnamed local groups signified interest to acquire majority ownership of the property for Okada's \$2-B casino project. The entry of the two firms would help Okada's group comply with the country's 40-percent foreign ownership limit.

### **Robinsons Retail shelves \$800-M IPO of retail group amid volatile market**

- Robinsons Retail Group is postponing its \$800-M initial public offering (IPO), making it the second conglomerate to shelve plans of going public amid volatile market conditions. Early this week, Travellers International Hotel Group Inc. pushed back its planned P36.8-B IPO to September given the market's volatility.

### **Pancake House plans 30 new branches, eyes ME, SEA markets**

- Locally, across Yellow Cab and Pancake House, the Pancake House Inc. is building 30 new stores this year. For its overseas expansion, the company relies on franchising. Yellow Cab has signed a franchising deal that aims to put up 15 new stores in the United Arab Emirates in the next three years. To date, there are three Pancake House branches in Kota Kinabalu, three in Kuala Lumpur and one in Johor, all in Malaysia. Pancake House is also launching Teriyaki Boy in Hawaii. Pancake House expects to grow its profits by 45% to 50% this year. In 2012, its net income surged by half to P149 M from P99 M in 2011. In the first quarter, strong food sales in both new and existing branches allowed Pancake House to grow its earnings 22.2% to P40.6 M from P33.2 M a year ago.

### **Manila Water spends P346M for sewer network**

- East zone concessionaire Manila Water Company is shelling out P346 M for a 3.2-kilometer sewer network to benefit about half a M residents in San Mateo, Rizal and Marikina City. The project is set to be finished within a year.

## Please Read!

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