



WEALTH SECURITIES

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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, 03 July 2013

Index	Value	Change	% Change
PSEi	6,448.18	-78.44	1.20 ▼
All Shares	3,943.73	-27.53	0.69 ▼
Financials	1,643.13	-1.57	0.10 ▼
Industrial	9,622.29	-198.46	2.02 ▼
Holding Firms	5,902.83	-4.45	0.07 ▼
Services	1,914.48	-36.56	1.87 ▼
Mining and Oil	13,810.22	-16.22	0.12 ▼
Property	2,523.44	-42.93	1.67 ▼

WORLD INDICES

S&P 500	1,614.08	-0.05%
FTSE 100	6,303.94	-0.06%
Nikkei	14,098.70	+1.78%

TRADING SNAPSHOT

Index Movers

TEL	-27.43
ALI	-18.51
URC	-10.80
EDC	-9.52
JFC	-8.19

Index Out-performers

PCOR	3.05%	Up
DMC	2.63%	
PX	2.16%	
MWC	1.59%	
SMPH	1.08%	

Index Under-performers

EDC	-6.67%	Down
JFC	-5.31%	
URC	-4.10%	
SCC	-3.85%	
MEG	-3.60%	



PSEi Index

July 02, 2013:	6,448.18	-78.44
Value T/O, net	P 4,957	million
52-week High	7,403.65	
Low	5,058.76	

Foreign Buying:	P 5,593	million
Foreign Selling:	P 4,953	million



HEADLINES

U.S. Stocks Fall as Investors Await Jobs Data, Earnings

- From Bloomberg: The S&P 500 slipped 0.1% to 1,614.08, after rising as much as 0.6% earlier. The Dow Jones Industrial Average dropped 42.55 points, or 0.3%, to 14,932.41. More than 6.1 B shares traded hands on U.S. exchanges today, or 6.9% below the three-month average.
- Data on Wednesday from the ADP Research Institute may indicate American companies increased employment in June. Investors will watch the monthly U.S. labor report later this week for further signs of economic strength. Alcoa Inc. will unofficially start the second-quarter earnings season as the biggest U.S. aluminum producer becomes the first company in the Dow to report results. Profits from S&P 500 companies probably grew 2.4%, according to analyst estimates compiled by Bloomberg. That's down from a projected increase of 6.2% at the beginning of the quarter.
- The MSCI Emerging Markets Index slumped 1% to 932.12, following the longest advance since March. Brazil's Ibovespa stock measure tumbled to the lowest level since April 2009. Twenty out of the 24 developing-nation currencies tracked by Bloomberg weakened as the real retreated for the third time in four days. The premium investors demand to own emerging-market debt over U.S. Treasuries declined four basis points, according to JPMorgan Chase & Co.
- Japanese stocks rose, with the Topix index capping the biggest four-day rally since April, as the yen weakened after U.S. manufacturing expanded more than expected. The yen touched 99.91 per dollar yesterday, the weakest since June 5. A falling yen boosts the value of overseas earnings at Japanese companies when repatriated. Makers of cars and electric appliances provided the most support to the Topix.

Public infra spending up 36%

- The Department of Budget and Management reported that from January to May, infrastructure spending continued its upward trend, rising 35.6% to P106.4 B from only P77.1 B in the same period in 2012. According to the World Bank, the Philippines needs to jack up its infrastructure spending to provide that “fiscal spark that is still missing in the country’s growth path” and to attract more foreign direct investments into the country.

Robinsons Retail initiates IPO process

- Taking advantage of the strong investor interest on the local consumer segment alongside a faster-growing economy, Robinsons Retail Holdings has submitted an application to the Securities and Exchange Commission for the offering of up to 461.897 M primary shares at a maximum price per share of P86.64. Documents from the SEC showed that this offering, 70% of which is targeting international investors, will bring to public hands about a third of the company’s post-IPO capitalization.

NatureWorks signs up D&L as local distributor

- Two units of D&L Industries Inc., a manufacturer of customized food ingredients, have been tapped as local distribution partners of the world’s leading supplier of renewably-sourced biopolymers. The deal marks D&L Industries’ fourth partnership with a foreign firm so far this year. In a disclosure, D&L Industries said NatureWorks tapped First in Colours (FIC) and D&L Polymers and Colours (DLPC) as distribution and compounding partners, respectively, in the rapidly growing Philippine market.
- NatureWorks is a global leader in the supply of biopolymers with Ingeo fibers and plastics made from renewable resources. Specifically, FIC will bring Ingeo to its broad customer base of thermoformers, film extruders and injection molders. To achieve specific properties, DLPC for its part, will perform modifications and compounding of products.

SM unit extends tender offer period

- The SEC said it approved the petition of SM Land to extend the tender offer of SM Development Corp. (SMDC) and Highlands Prime Inc. (HPI) to Aug. 2 from the original deadline of July 9. The request was made “to give more time to SMDC shareholders to tender their common shares,” SEC said. SM Land plans to acquire 34.82% or 3.228 M shares of SMDC and 100% or 2.246 M shares of HPI through a tender offer that started on June 4. As of June 24, only 11.45% and 66.22-percent common shares of SMDC and HPI were bought from minority stockholders, respectively.
- Late in May, SMIC announced the merger of its real estate businesses, creating the most valuable property firm in the Philippines. The transaction involves several steps. First, private firm SM Land will acquire upscale Tagaytay Highlands developer HPI and residential builder SMDC in exchange for shares in mall operator SM Prime Holdings Inc. SM Land will then merge with SM Prime, which will be the surviving entity. SM Prime will also acquire specific real estate companies and assets currently held by SMIC like the SM Mall of Asia complex, Pico de Loro and SM Hotels and Conventions Corp. The transformed SM Prime will have P284 B in current assets from P148 B, revenues of P58.4 B from P30.7 B, net income of P17 B from P10.9 B and total landbank of 920 hectares from 110

CURRENCIES

US, Dollar	43.3200
Japan, Yen	0.4298
UK, Pound	65.6264
Hong Kong, Dollar	5.5867
EU, Euro	56.2086
China, Yuan	7.0629
Singapore, Dollar	34.0646

COMMODITIES

BRENT CRUDE OIL (USD/bbl.)	104.00	+0.97%
GOLD 100 OZ FUTR (USD/t oz.)	1,242.20	-0.10%
SILVER FUTURE (USD/t oz.)	19.38	+0.34%
CORN FUTURE (USd/bu.)	502.75	+0.30%
SUGAR #11 (USd/lb.)	16.55	+0.12%
SOYBEAN FUTURE (USd/bu.)	1,244.00	+0.12%

DMCI declared sole bidder for Mindoro power plant project

- The Oriental Mindoro Electric Cooperative Inc. (Ormeco) has declared DMCI Power Corp. as the lone qualified bidder for the contract to construct, operate and maintain a 15-megawatt bunker-fired diesel power plant in Calapan, Mindoro. Ormeco shall award the construction, operation and maintenance of the 15-MW bunker-fired diesel power plant, and the corresponding electricity supply contract (ESA), after the post-qualification evaluation.

Tugboat operator lines up P593-M IPO

- In a memorandum circular, the PSE said Harbor Star Shipping Services Inc.'s P593-M initial public offering (IPO) will be completed in August. The final price setting is scheduled on July 10, followed by the start of a domestic roadshow on July 11. The offer period will start on July 22 and end on July 26 while Aug. 2 will mark the “tentative listing date and commencement of trading on the PSE” under the ticker symbol TUGS. Harbor Star plans to list 605.238 M common shares, of which 181.6 M will be sold to the public at a maximum price of P3.27 each. Net proceeds could reach P540.826 M, Harbor Star said, adding that P227.41 M will be used for the “acquisition of tugboats for domestic and international expansion and refueling.” Harbor Star also allotted P120 M to buy barges for lighterage operations while another P120 M will fund the settlement of a bridge loan for the purchase of a vessel. The remaining P73.4 M will be used to pay existing debts. It has tapped Abacus Capital and Investments Corp. as its lead issue manager and underwriter.



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