



WEALTH SECURITIES

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THE WEALTH VAULT

A Product of Wealth Securities, Inc.

Monday, 12 August 2013

Index	Value	Change	% Change
PSEi	6,404.23	-16.56	0.26▼
All Shares	3,918.63	-4.93	0.13▼
Financials	1,539.12	0.74	0.05▲
Industrial	9,582.92	-33.51	0.35▼
Holding Firms	5,784.31	-21.21	0.36▼
Services	2,029.81	-1.74	0.09▼
Mining and Oil	14,500.33	13.32	0.09▲
Property	2,481.55	-8.50	0.34▼

WORLD INDICES

S&P 500	1,691.42	-0.36%
FTSE 100	6,583.39	+0.82%
Nikkei	13,615.20	+0.07%

TRADING SNAPSHOT

Index Movers

SM	-15.35
URC	-5.61
AEV	+3.08
DMC	-2.92
AP	-2.80

Index Out-performers

MER	2.06%
MPI	2.00%
JFC	1.54%
AEV	1.08%
AC	0.67%

Index Under-performers

DMC	-3.19%
AP	-2.32%
SM	-2.30%
URC	-2.17%
SMPH	-1.19%



PSEi Index

Aug 08, 2013:	6,404.23	-16.56
Value T/O, net	P 2,662	million
52-week High	7,403.65	
Low	5,114.95	

Foreign Buying:	P 1,949	million
Foreign Selling:	P 2,705	million



HEADLINES

U.S. stocks fall for the week as economic data points to recovery

- From Bloomberg: For the week, the Standard & Poor's 500 Index dropped 1.1% to 1,691.42. The benchmark index trades at 15.3 projected earnings, up from a multiple of 13.1 at the beginning of this year, data compiled by Bloomberg show.
- America's trade deficit narrowed in June to the smallest in almost four years, service industries expanded in July at the fastest pace in five months, and jobless claims fell to the lowest monthly rate since before the recession, economic reports showed during the week.
- Some 449 companies in the S&P 500 have reported quarterly results so far this earnings season. Among them, 72% have exceeded analysts' profit estimates and 56% have beaten sales projections, data compiled by Bloomberg show.
- In Asia, the Chinese economy is showing signs of improvement, with data on industrial output, trade and service industries topping economist forecasts. Japan's economy expanded an annualized 2.6% in the second quarter, from 4.1% in the previous three months. The median forecast of economists surveyed by Bloomberg News was for 3.6% growth.
- JPMorgan dropped 3.5% to \$54.52. The biggest U.S. bank said it's under federal criminal investigation for practices tied to sales of mortgage-backed bonds. The Justice Department's civil division found in May that sales practices broke civil laws after it examined securities tied to subprime and Alt-A loans sold to investors from 2005 through 2007.
- Bank of America erased 2.6% to \$14.45. The Department of Justice accused the company in a lawsuit of misleading investors about the quality of loans tied to \$850 M in mortgage-backed securities. The complaint chronicles friction among bank staff in 2007 and 2008 as they excluded risky Alt-A loans while leaving in wholesale debts once scorned as "toxic waste" by the firm's then-chief.

SMIC profit up 16% in H1

- SM Investments Corp. (SMIC) recorded a 16-percent jump in net income to P12.6 B in the first half of the year as BDO delivered a stellar performance from trading gains. Revenues climbed 16% to P122.1 B. SMIC derived 49.7% of its income from banking (BDO Unibank), 20% from retail operations (SM Retail Inc.), 18.4% from commercial centers (SM Prime Holdings Inc.) and 11.9% from real estate (SM Development Corp. and SM Land Inc.).
- BDO, the country's largest bank in terms of assets, doubled its net income to P14.1 B in the first half from P5.8 B as net interest income rose 14% to P20 B and non-interest income surged 81% to P20.3 B.
- The mall operations, through SM Prime, posted a 15-percent growth in net income to P5.6 B from P4.9 B in the same period last year. Revenues increased 14% to P16.6 B from P14.6 B on the back of strong consumer spending and new shopping malls.
- For retail operations, SM Retail said it recorded a net income of P3.1 B, up 9.9% from a year ago, supported by a 13.3-percent growth in sales to P83.6 B. As of end-June, SM Retail had a total of 209 stores consisting of 48 SM Department Stores, 38 SM Supermarkets, 37 SM Hypermarkets and 86 SaveMore stores.

ALI profits surge to P5.62B

- Ayala Land Inc. (ALI) said its net income surged 30% to P5.62 B in the first six months from P4.33 B in the same period last year. Consolidated revenues spiked 36% to P36.63 B. Revenues from real estate and hotels climbed 38% to P35.81 B, accounting for the bulk of ALI's consolidated revenues. Property development, which includes the sale of residential lots and units, office spaces, as well as commercial and industrial lots, posted a 52-percent growth in revenues to P23.84 B from P15.70 B a year ago.

ICTSI profit surges 23% in January-June

- International Container Terminal Services Inc. (ICTSI) of port and gaming magnate Enrique Razon recorded a 23-percent increase in earnings to \$87.4 M in the first half of the year. ICTSI said revenue from port operations jumped 20% to \$413.7 M from \$345 M. Excluding the revenues from the newly acquired terminals and the effect of the cessation of the operations in Syria last January, ICTSI said organic revenue growth was at 8%. The port operator reported a 12-percent increase in consolidated volume of handled cargoes to 3.027 M twenty-foot equivalent units (TEUs).

MPIC posts 14% hike in H1 core net income

- Metro Pacific Investments Corp. (MPIC) said core income, which strips off non-recurring items, jumped 14% to P3.9 B in the first half from P3.5 B a year ago. Meanwhile, its reported net income rose seven% to P3.7 B. In terms of contribution, Maynilad accounted for 44% or P2.08 B of MPIC's operating income, followed by Meralco's 30% at P1.44 B, MPTC's 20% at P931 M, and hospitals' 6% at P262 M.

CURRENCIES

US, Dollar	43.4800
Japan, Yen	0.4514
UK, Pound	67.4527
Hong Kong, Dollar	5.6064
EU, Euro	57.9888
China, Yuan	7.1023
Singapore, Dollar	34.5546

COMMODITIES

BRENT CRUDE OIL (USD/bbl.)	108.13	-0.08%
GOLD 100 OZ FUTR (USD/t oz.)	1,328.90	+1.27%
SILVER FUTURE (USD/t oz.)	20.89	+2.34%
CORN FUTURE (USd/bu.)	453.25	-1.41%
SUGAR #11 (USd/lb.)	16.98	0.00%
SOYBEAN FUTURE (USd/bu.)	1,182.25	-0.13%



Pure Foods net income up 6%

- San Miguel Pure Foods Co. Inc. (SMPF) said its net income hit P1.8 B, up 6% from the previous year. Consolidated revenues picked up 4% to P47.1 B.

Manila Water posts 11% increase in H1 earnings

- Manila Water Co. Inc. disclosed that its net income for the period reached P2.9 B in the first six months of the year, up 11% year-on-year. Manila Water's revenues for the first half of the year rose 6% to P7.63 B. Its operating expenses fell 2% to P2.097 B. The company's total billed volume in the first six months of the year rose 2% to 287 million cubic meters.

Semirara Mining suffers slight drop in profit

- Semirara Mining Corp. posted a slight drop in consolidated net income to P3.58 B in the first half from P3.63 B in the same period last year. The one% decline mainly came from the coal segment whose net earnings dropped by 63%, before elimination, due to 10% decline in volume sold and 23-percent decline in average coal price year-on-year. The coal segment reported a 20-% decrease in production during the period as a result of the temporary suspension of coal mining operations after the Panian West wall incident in first quarter this year. The drop in coal earnings was, however, offset by the 170-percent hike in earnings from power. The net contribution to the bottom line by the coal segment and the power segment are P425.84 M and P3.16 B, respectively.

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