



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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MORNING NOTES

PSEi performance

PSEi Index 14 Oct 2010:	4,233.38	+ 39.32
Value T/O, net	Php 3,582 million	
52-week High	4,253.75	
Low	2,787.66	
Foreign Buying:	Php 8,759 million	
Foreign Selling:	Php 2,377 million	

Regional performance

Dow Jones	: 11,094.57	- 1.51
FTSE 100	: 5,727.21	- 20.14
Nikkei 225	: 9,583.51	+ 180.00

Trading snapshot

Index Movers	Points
SM Investments	+9.44
Ayala Land	+5.34
Metrobank	-5.31
Megaworld Corp.	+4.87
PLDT	+4.37

Index Out-performers	Up
Megaworld Corp.	6.87%
SM Investments	3.88%
Filinvest Land	2.94%
Security Bank	2.41%
Aboitiz Equity	1.87%

Index Under-performers	Down
Lepanto Consolidated B	4.04%
Metrobank	2.64%
ABS-CBN	0.47%
Universal Robina	0.33%
Philex Mining	0.14%

Calendar

Oct 15	PB Com Special Stockholders' Mtg.
Oct 15	Aug '10 OF Remittances
Oct 19	Sep '10 Overall Bal. of Payments
Oct 21	Island Information & Tech. ASM

Anita L. Panaligan
Wealth Securities, Inc.
2103 East Tower, PSE Center, Exchange Road,
Ortigas Center, Pasig City 1600
Telephone: 02.634.5038
Facsimile: 02.634.5043

HEADLINES

Wall Street inches lower on mortgage industry concerns

■ Banks led stocks lower on Thursday (Oct 14) on growing concerns that earnings will be hit by a brewing foreclosure crisis, as all 50 U.S. states investigate the mortgage industry. JPMorgan Chase & Co (-2.8%) and Bank of America (-5.2%) fell, while the KBW bank index dropped 2.6%. However, a rally in the last hour of trading could be evidence that the foreclosure issues were just used as an excuse to take profits. The U.S. dollar's slide also helped limit declines. New claims for jobless benefits unexpectedly rose in the latest week, reinforcing the case for quantitative easing part 2 (QE2). Apollo Group (-23.3%) plunged after it withdrew its 2011 outlook and forecast sharp drops in new student enrollments. But the technology sector continued to show strength, with Google and Advanced Micro Devices up by more than 9% and 7%, respectively, in after-hours trading after earnings beat expectations.

Metrobank to hold stock rights offer (MBT; P71.85)

■ Metropolitan Bank & Trust Co. (Metrobank) plans to raise P10B in fresh capital from a stock rights offer. The offer will increase the bank's capital adequacy in anticipation of higher capital standards and to take advantage of growth opportunities given the improving economic conditions and positive market prospects. Details of the stock rights offer will be issued in the coming weeks. Global regulators last month approved stricter capital rules, requiring banks to raise their capital adequacy ratio (CAR) to 10.5% by 2019. The Bangko Sentral ng Pilipinas pointed out that Philippine banks are adequately capitalized, with a CAR of around 15% as of 1Q 2010.

Globe still leads in postpaid users (GLO; P899.50)

■ Globe Telecom said that results of a nationwide consumer survey conducted by Nielsen Company (Philippines) Inc. showed that from Apr to Aug 2010, Globe cornered 48% of the total base of all consumer postpaid owners nationwide, higher than Sun's 28% and Smart's 23%. Globe president Ernest Cu attributed the company's widening lead in the postpaid segment to its strategy of focusing on quality subscribers, recalibrating acquisition efforts with more innovative postpaid plans and giving higher value for loyalty.

SMPH raises US\$150M, opens 39th mall in the Philippines (SMPH; P11.98)

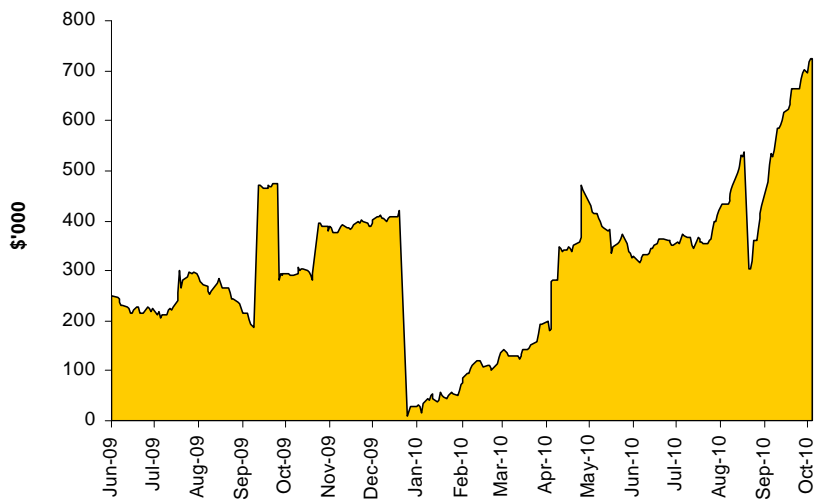
■ SM Prime Holdings Inc. (SMPH) announced that it has raised P6.55B (US\$150M) from an equity placement comprising of 569,608,700 common shares, with the placement price set at P11.50 per share following a successful overnight bookbuilding process which saw strong interest from high quality institutional investors in Asia, Europe and the United States. The proceeds raised from the placement will be used to finance its strategic expansion program in the Philippines and China, as well as for general working capital of the Company. Macquarie Capital (Singapore) Pte. Limited and CLSA Asia Pacific acted as Joint Bookrunners for the placement.

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- SM Prime will also open today (15 Oct 2010) SM City Calamba, its 39th mall in the country. The brand new mall has a gross floor area (GFA) of 66,516 square meters (sqm) and occupies 55,102 sqm of land, and a leasable area of 44,740 sqm, 82% of which has already been awarded to various tenants. SM City Calamba also offers a business center, a Cyberzone, and a food court that comfortably seats up to 340 diners. The mall has four cinemas with a combined seating capacity of about 1,200 and parking slots for over 300 vehicles. Before the year ends, the company is set to open SM City Novaliches in Quezon City and its fourth mall in mainland China, which will be located in the city of Suzhou.

Foreign Buying-Selling : 12-month period



Source: Bloomberg