



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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MORNING NOTES

PSEi performance

PSEi Index 20 Oct 2010:	4,191.96	+ 0.71
Value T/O, net	Php 3,735 million	
52-week High	4,253.75	
Low	2,787.66	
Foreign Buying:	Php 5,842 million	
Foreign Selling:	Php 6,302 million	

Regional performance

Dow Jones	: 11,107.97	+ 129.35
FTSE 100	: 5,728.93	+ 25.04
Nikkei 225	: 9,381.60	- 157.85

Trading snapshot

Index Movers	Points
Aboitiz Equity	+7.05
SM Investments	-4.72
Manila Electric Co.	-3.68
Alliance Global	-2.77
Ayala Corp.	+2.74

Index Out-performers	Up
Aboitiz Equity	3.14%
Aboitiz Power	1.56%
Filinvest Land	1.46%
Metrobank	1.43%
Lepanto Consolidated A	1.35%

Index Under-performers	Down
Manila Electric Co.	2.37%
Megaworld Corp.	2.32%
Alliance Global	2.18%
SM Investments	1.87%
Manila Water	1.38%

Calendar

Oct 21	Island Information & Tech. ASM
Oct 22	Steniel Manufacturing Corp. ASM
Oct 22	Manila Electric Co., Results Briefing
Oct 26	Suntrust Home Developers ASM

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HEADLINES

Wall Street rebounds on corporate results, weak dollar

U.S. stocks rebounded on Wednesday (Oct 20) after a fall in the dollar spurred buying in industrial (Eaton Corp, +4.1%) and commodity-linked (Freeport-McMoRan, +2.8%) shares. Strong corporate earnings and outlook (Boeing, +3.3%; Delta Air Lines, +10.9%; US Airways Group, +7.4%) also boosted gains. Financial companies' results were mixed. Wells Fargo (+4.3%) and US Bancorp (+0.1%) reported higher earnings, but Morgan Stanley (-0.04%) posted a surprise loss. Regional banks weighed on the KBW Bank Index (-0.5%), as Wisconsin's largest bank, Marshall & Ilsley Corp (-10.2%), reported a larger-than-expected loss. Meanwhile, the Fed said in its Beige Book that the U.S. economy grew sluggishly in recent weeks, with scant inflation pressures, adding that employers were reluctant to hire or invest – increasing the likelihood of another quantitative easing.

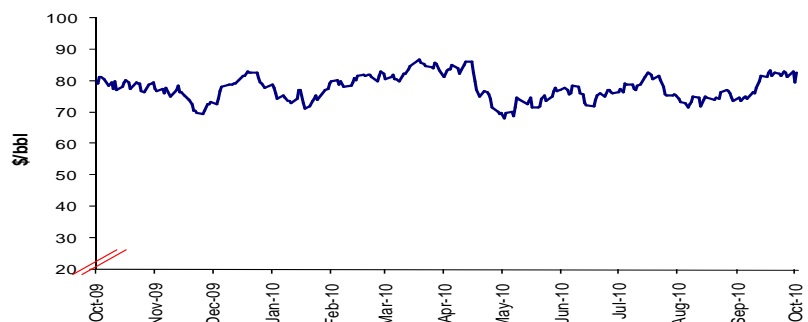
Agriculture sector damage by 'Juan' estimated at P4.8B

The Department of Agriculture (DA) said that as of Oct 20, damage caused by supertyphoon Juan to the country's farm sector climbed to P4.77B, with palay accounting for P3.78B; high-value and commercial crops, P598.41M; corn, P312.29M; fishery, P47M; and livestock, P29.6M. The estimates are expected to rise further as officials get updates from the field. The typhoon affected 16 provinces in CAR, Regions I, III and III. Meanwhile, National Food Authority Administrator Angelito T. Banayo gave assurances that the NFA has enough food stocks to meet the rest of the year's requirement, even with the damage brought by the typhoon.

Pangilinan sees 2-digit 3Q earnings growth for Meralco, Philex; single-digit for PLDT (MER/ PX/ TEL; P206.00/ P13.66/ P2,670.00)

Manuel Pangilinan said 3Q financial results for Philex Mining Corp. and Manila Electric Co. likely posted double-digit growth rates versus their 2009 comparatives. Philex would have benefited from the steady rise in gold and copper prices in the world market, and Meralco, which will report results tomorrow (Oct 22), from higher energy sales. PLDT may report single-digit growth in its bottomline this year mainly due to softer revenues. PLDT is set to report its 3Q results on Nov 4.

Nymex Crude 1-Yr Price Chart



Source: Bloomberg

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