



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

27 Oct 2010

MORNING NOTES

PSEi performance

PSEi Index 26 Oct 2010:	4,279.53	- 7.34
Value T/O, net	Php 5,837 million	
52-week High	4,299.08	
Low	2,787.66	
Foreign Buying:	Php 21,139 million	
Foreign Selling:	Php 3,391 million	

Regional performance

Dow Jones	: 11,169.46	+ 5.41
FTSE 100	: 5,707.30	- 44.68
Nikkei 225	: 9,377.38	- 23.78

Trading snapshot

Index Movers	Points
Ayala Land	-8.54
PLDT	-4.89
Metrobank	+4.77
SM Prime	+3.77
San Miguel Corp.	+3.02

Index Out-performers	Up
San Miguel Corp.	5.37%
SM Prime	2.82%
Metrobank	2.36%
Lepanto Consolidated A	1.35%
ICTSI	1.22%

Index Under-performers	Down
Ayala Land	2.83%
Universal Robina	1.78%
Lepanto Consolidated B	1.79%
Megaworld Corp.	1.18%
Robinsons Land	1.16%

Calendar

Oct 28	Concrete Aggregates, SSM
Oct 28	GMA Network, 3Q Results Briefing
Oct 28	Manila Broadcasting Co., ASM
Oct 29	Sep '10 Template on Int'l Reserves

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 cautious before next week's major events

- U.S. stocks were little changed on Tuesday (Oct 26) as caution prevailed before next week's U.S. elections and the Federal Reserve's policy meeting – events that could signal shifts in both legislative direction and monetary policy. U.S. Steel Corp (-3.4%), Bristol-Myers Squibb (-1.1%) and Texas Instruments (-0.3%) weighed on commodity-linked, drug and chipmaker stocks, respectively, after giving weak revenue forecasts. DuPont (-1%) slid despite reporting earnings beat expectations and raising its full-year profit view. But the consumer discretionary sector (+0.4%) gained after U.S. consumer confidence rose more than expected. Ford Motor Co (+1.5%) rose after reporting better-than-expected profits and paying down a big portion of debt. IBM (+0.6%) advanced after boosting its stock buyback program.

Jan to Aug 2010 Total Trade stood at US\$68.308B

- Total external trade in goods for Jan to Aug 2010 reached US\$68.308B (+31.3% YoY) as total imports rose 26.1% YoY to US\$35.324B and merchandise exports increased 37.4% YoY to US\$32.984B. Thus, the balance of trade in goods (BOT-G) for the Philippines registered a lower deficit of US\$2.341B during the 8-month period in 2010, compared with a US\$4.012B deficit for the same period last year.

Value and Volume of Production expand further in August 2010

- Value of Production Index (VaPI) for total manufacturing posted a 16.2% YoY increase in Aug 2010, preliminary results of the Monthly Integrated Survey of Selected Industries (MISSI) show. This was accounted for by 13 major sectors with two-digit growths in production values including: petroleum products, transport equipment, leather products, miscellaneous manufactures, beverages, machinery, basic metal, fabricated metal products, rubber and plastic products, non-metallic mineral products, paper and paper products and publishing and printing. Volume of Production Index (VoPI) also reported a 25.6% YoY growth in Aug 2010. Twelve of 16 major sectors exhibited significant growth in production output. Month-on-month, VaPI grew by 1.4% while VoPI increased by 2.3% in Aug 2010.

MPIC to run Our Lady of Lourdes Hospital (MPI; P4.00)

- Metro Pacific Investments Corporation, (MPIC) announced that its wholly-owned subsidiary East Manila Hospital Managers Corp. (EMHMC), will manage and operate the Our Lady of Lourdes Hospital, a 230-bed tertiary hospital, in Sta. Mesa, Manila starting Nov 1, 2010. Our Lady of Lourdes Hospital, the 5th hospital in MPIC's growing healthcare portfolio of now approximately 1,600 beds, is currently managed by the Missionary Sisters Servants of the Holy Spirit congregation (SSpS) since 1958 through Our Lady of Lourdes Hospital Inc. (OLLHI), a non-stock non-profit corporation. OLLHI has signed a 20-year lease of the hospital land and facilities in favor of EMHMC, which covers the commitment of EMHMC to spend at least P350M on facilities and equipment for the hospital over the next five years.

Please Read!

This document was prepared by Wealth Securities, Inc. (WSI) for information purposes only. It is not to be considered as an offer to sell, or as a solicitation of an offer to buy. Although reasonable care has been taken to ensure that the information contained therein is accurate and complete, WSI makes no representation as to its accuracy or completeness. No liability is accepted for any loss arising from the reliance on this information. This document cannot be reproduced in whole or in part by the recipient or another person, nor should it be redistributed by the person or the company to whom it was first addressed. All recipients are urged to make their own assessment as to the accuracy of the information contained herein. All information/opinion is subject to change without prior notice.

FMIC’s nine-month income surges by 63% (FMIC; P31.00)

- Metrobank’s investment banking arm, First Metro Investment Corp. (FMIC), reported a P1.3B (+63% YoY) net income for the Jan to Sep period on the back of a buoyant financial market and a rebounding domestic economy. FMIC’s Investment Banking Group earned P363.2M (+24% YoY) while Treasury earnings rose by 27% to P2.4B due to the reduction of interest costs and gains from trading of government securities. The Investment Advisory Group’s income from stock investments amounted to P307M (+64% YoY). As of end-Sep, FMIC’s total assets amounted to P60.67B.

Union Bank posts P4.25 B net income as of end-Sep (UBP; P61.90)

- Union Bank of the Philippines (UBP) reported a P4.25B (+25.3% YoY) net income for the period Jan-Sep 2010. Lower interest expenses at P3.59B (-15.2% YoY) and impairment losses of P315M (-71.6% YoY), coupled with stronger net trading gains of P2.09B (+31.3% YoY) offset slightly weaker total interest-based income of P8.75B (-3.4% YoY) for the nine-month period.

PDS 1-Year Tenor Yield: 12-month period



Source: Philippine Dealing and Exchange Corp.