



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

15 Nov 2010

MORNING NOTES

PSEi performance

PSEi Index 12 Nov 2010:	4,078.68	- 67.73
Value T/O, net	Php 3,437 million	
52-week High	4,413.42	
Low	2,787.66	
Foreign Buying:	Php 2,293 million	
Foreign Selling:	Php 2,183 million	

Regional performance

Dow Jones	: 11,192.58	- 90.52
FTSE 100	: 5,796.87	- 18.36
Nikkei 225	: 9,724.81	- 136.65

Trading snapshot

Index Movers	Points
SM Investments	-13.70
Ayala Land	-7.54
Metrobank	-5.97
Banco de Oro	-5.97
PLDT	-5.76

Index Out-performers	Up
Globe Telecom	3.01%
Alliance Global	0.91%
China Bank	0.90%
Metro Pacific Investments	0.79%
Aboitiz Equity	0.58%

Index Under-performers	Down
Universal Robina	6.19%
Lepanto Consolidated A	5.33%
SM Investments	5.28%
ICTSI	4.10%
Lepanto Consolidated A	3.80%

Calendar

Nov 15	AC/ CEB 3Q Results Briefing
Nov 15	Sep '10 OF Remittances
Nov 17	Roxas and Company, Inc. ASM
Nov 18	4Q'10 Business Expect'ns Survey

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

U.S. equities drop on China inflation worries

Wall Street tumbled on Friday (Nov 12) as higher inflation in China raised the threat of tighter credit, and worries over demand for commodities, prompting investors to book profits. The CBOE Volatility Index jumped 10.6% to 20.61. Energy and natural resource stocks declined as crude oil futures fell 3.3% and copper dropped nearly 3%. Alcoa Inc (-2.3%), Exxon Mobil (-1.2%) and Caterpillar Inc (-1.7%) were among the Dow's major decliners. Meanwhile, Boeing Co (-3.5%) slid after an analyst downgrade to "market perform," because of more potential delays for its 787 Dreamliner. But Intel Corp (+1.5%) rose after boosting its dividend.

JG Summit's 9-month net income at P12.77B (JGS; P25.00)

JG Summit's 3Q 2010 net income amounted to P5.02B, bringing net profit for the nine months of the year to P12.77B (+113.3% YoY). Core earnings before taxes showed a 115.6% YoY growth to P15.36B while EBITDA reached P27.09B (+42.4% YoY). Consolidated revenues increased to P90.14B (+14.4% YoY), driven by continued improvement in sales and revenues of the food, airline, banking, real estate development, and mobile phone businesses. Only the petrochemical business showed a decline in sales (-40.9% YoY to P2.13B). Financing costs and other charges slid 13.2% YoY to P4.45B mainly due to lower forex rates used to translate dollar-denominated debt. Other income (+205.5% YoY) of P840.30M includes commission on insurance brokering, rental income and reversal of outstanding liabilities to income.

Digital posts P851M Jan-Sep 2010 net income (DGTL; P1.57)

Digital Telecommunications Phils, Inc.'s (Digitel) consolidated revenues for the nine months ended Sep 30, 2010 amounted to P12.125B (+18.0% YoY), driven mainly by the 27.7% YoY revenue growth in the wireless segment to P9.534B. Net service revenues, 55.3% of which refers to unlimited services, improved substantially by 26.9% YoY. Meanwhile, consolidated cost and operating expenses grew by 16.8% YoY to P7.889B due to higher cost of sales, network-related and general expenses. Consolidated EBITDA reached P5.366B (+24.7% YoY). Net income amounted to P850.8M – a turnaround from last year's net loss of P310.6M.

Cebu Air reports 153.8% YoY growth in net income (CEB; P125.60)

Cebu Air, Inc. (Cebu Pacific) registered revenues of P21.52B (+30.8% YoY) for period Jan-Sep 2010, a result of higher average fares, the automatic recognition of revenue from no-show passengers, additional flight frequencies to existing destinations and the opening of 1 domestic (Pagadian) and of 2 new regional (Brunei and Beijing) destinations. Correspondingly, costs and operating expenses increased 17.3% YoY to P16.83B. Forex gain recognized for the period amounted to P693.73M, significantly higher than last year's P8.26M. A fair value gain of P130.02M was recorded this year as a result of higher market valuation of newly acquired quoted debt and equity instruments designated at FVPL. All these factors contributed to the airline's 153.8% YoY growth in net income from P1.90B last year to P4.83B this year.

Please Read!

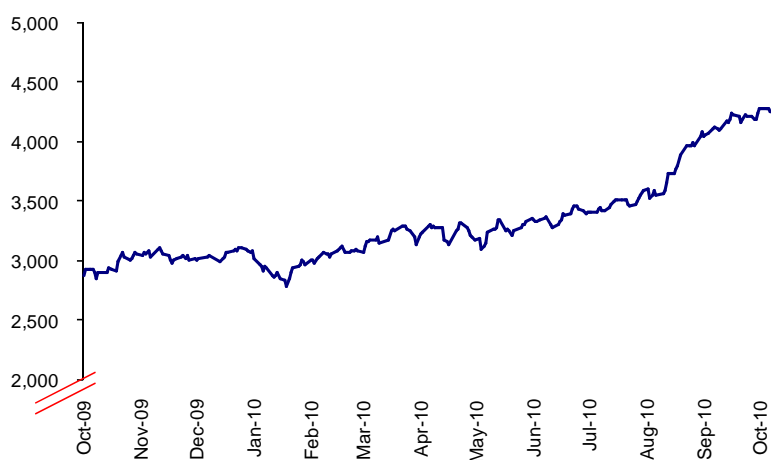
This document was prepared by Wealth Securities, Inc. (WSI) for information purposes only. It is not to be considered as an offer to sell, or as a solicitation of an offer to buy. Although reasonable care has been taken to ensure that the information contained therein is accurate and complete, WSI makes 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.

SM Jan-Sep 2010 net income rises 16% YoY to Php12.5B (SM; P520.00)

- SM Investments Corporation (SM) realized a 16% YoY growth in net income to P12.5B for Jan to Sep this year, as better economic conditions proved favorable for SM's retail and property based operations. Consolidated revenues increased 12% YoY to P124.3B. EBITDA for the period reached P27.4B, for an EBITDA margin of 22%. Among SM's core businesses, the banking group took the top slot in profit contribution with 31.5% as BDO posted sharp gains following its recovery from the shocks of the global crisis. The retail group came next with 31.0% as it continued to post hefty gains from higher volume sales and its aggressive expansion of the food business. Shopping malls and real estate contributed 24.3% and 13.2%, respectively. SM President Harley T. Sy said that the normally slow 3Q is exceptionally strong this year, largely due to a more buoyant economy and stronger consumer spending. He added that the group expects the strong trend to continue in 4Q as we move into the holiday season.

Filinvest Land's 9-month income jumps by 66% YoY (FLI; P1.28)

- Filinvest Land, Inc. (FLI) reported that its net income for the first nine months of 2010 reached P1.991B (+66% YoY), including a P566M gain from the purchase of its former partner's 40% stake in Northgate Cyberzone and a portion of Timberland Heights earlier this year. Without this gain, net income for 9M10 would have hit P1.424B (+19% YoY). Booked revenues from Real Estate Sales jumped 61% YoY to P3.657B while rental revenues reached P1.031B (+16% YoY) due to improved occupancy rates as well as higher lease rates. Total revenues in 9M10 increased by 45% YoY to P5.253B. Real estate sales accounted for 70% of total revenues while recurring rental income generated by the Company's BPO offices and mall leasing operations accounted for 20% of total revenues. The balance was accounted for by interest and other income, which includes the gain from business combination. FLI's total assets reached P60.648B while Stockholder's Equity stood at P40.368B as of end Sep 2010. The Company's leverage position continued to be low with debt-to-equity ratio at 0.31:1 and net debt-to-equity ratio at 0.25:1.

PSEi : 1-Year Price Chart

Source: Philippine Stock Exchange