



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

21 Oct 2011

MORNING NOTES

PSEi performance

PSEi Index 20 Oct 2011:	4,170.57 - 22.98
Value T/O, net	Php 1,546 million
52-week High	4,563.65
Low	3,705.18
Foreign Buying:	Php 1,164 million
Foreign Selling:	Php 1,074 million

Regional performance

Dow Jones	: 11,541.80	+ 37.16
FTSE 100	: 5,384.68	- 65.81
Nikkei 225	: 8,682.15	- 90.39

Trading snapshot

Index Movers	Points
Ayala Corp.	-3.26
Meralco	-2.56
Bank of the Phil. Islands	-2.42
Universal Robina Corp.	+2.41
Energy Dev't Corp.	-2.31

Index Out-performers	Up
Universal Robina Corp.	2.57%
JG Summit Inc.	0.62%
Megaworld Corp.	0.54%
Alliance Global Inc.	0.20%
First Gen Corp.	0.14%

Index Under-performers	Down
Belle Corp.	3.51%
DMCI Holdings	2.50%
Meralco	2.28%
Ayala Corp.	1.79%
Philex Mining	1.70%

Calendar

Oct 21	Sep `11 NG Cash and Treasury Stats
Oct 25	Aug `11 External Trade Performance
Oct 25	SUN ASM
Oct 26	Aug `11 MISSI

Wealth Securities, Inc.

2103 East Tower, PSE Center, Exchange Road,
Ortigas Center, Pasig City 1600
Telephone: 02.634.5038
Facsimile: 02.634.5043

HEADLINES

US stocks end mixed as Europe's negotiation of a debt bailout deal drag on

US stocks ended mixed in yesterday's (Oct 20) trading as new signs that cracks in Europe's effort to come out with solution to their impending sovereign debt crisis confuse the financial markets. The Dow and the S&P ended with slight gains of 0.32% and 0.46% respectively while the Nasdaq posted a slight decline of 0.21%. France and Germany jointly announced yesterday that European leaders will now hold two summits instead of one to discuss a solution to Europe's debt crisis. A solution is scheduled to be announced by Wednesday, the second day of the summit following this Sunday's. This recent development again pushed anxiety levels of investors as reflected by another rise in the VIX volatility index. US economic data however helped offset these concerns as data showed that factory activity in the US Mid-Atlantic region regained traction in October while jobless claims fell last week. Another report however showed that sales of existing homes declined last month. Notable earnings released yesterday include Microsoft's, which reported a moderate rise in quarterly profit. Results were in line with Wall Street expectations resulting in a slight decline of its price in after-hours trading.

Key rates unchanged for fourth straight month

The Bangko Sentral ng Pilipinas kept key policy rates unchanged for the fourth straight month to address the need to support slowing domestic growth and to safeguard against volatile global economic conditions. Overnight borrowing and lending rates have been kept at 4.5% and 6.5% since June. The BSP also cut its inflation forecast for next year and 2013 to 3.05% and 3% respectively. Inflation forecast was initially set at 3.4% for next year and 3.23% for 2013.

PLDT completes consolidation of Meralco shares to Beacon Electric

In a disclosure to the PSE, Metro Pacific Investments Corp. announced that it had completed the transferring of all its Meralco shares to Beacon Electric Asset Holdings Inc., a special purpose company jointly owned by MPIC and PCEV, the sole purpose of which is to hold shares in Meralco. Beacon Electric will acquire from PCEV a total of 68.8M Meralco shares at a price of P220 per share for an aggregate consideration price of P15.136B. As a result of the transfer of shares, Beacon Electric now owns 45.35% of Meralco while PCEV no longer holds any direct share of the power distribution entity. In a separate disclosure by the PCEV, the price of P220 per Meralco share was reportedly based on a discount to the 15-day weighted average share price of Meralco. With the transfer of shares, PCEV also agreed to subscribe to 1.199B preferred shares of Beacon Electric for an issue value of P15.136B

SMC executes share price agreement with ISM Communications Telecom

San Miguel Corp. announced yesterday that through its subsidiary, San Miguel Equity Securities Inc., the company had completed the execution of a share price agreement with ISM Communications for the purchase of 37.5% of Eastern Telecom as authorized by the company's Board of Directors last December 16, 2010 and September 22, 2011. This recent development would increase SMC's holdings on Eastern Telecom to around 78%.

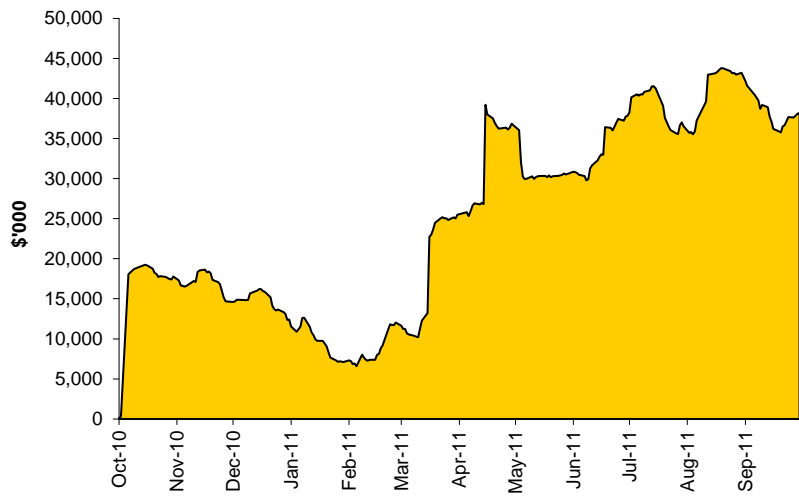
Please Read!

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.

Cebu Pacific eyes more mainland China flights for growth

- Cebu Pacific said that it is eyeing to expand its destination network in mainland China as a reaction to the 30% growth in China passengers in the third quarter of the year compared to 2010. Starting next year, Cebu Pacific’s Manila-Beijing-Manila route will now fly four times weekly to cope with the increasing demand.

Foreign Buying-Selling : 12-month period



Source: Technistock