



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

27 Oct 2011

## MORNING NOTES

### PSEi performance

PSEi Index 26 Oct 2011:	4,224.76 - 17.76
Value T/O, net	Php 2,377 million
52-week High	4,563.65
Low	3,705.18
Foreign Buying:	Php 1,836 million
Foreign Selling:	Php 1,708 million

### Regional performance

Dow Jones	: 11,869.00	+ 162.42
FTSE 100	: 5,553.24	+ 27.70
Nikkei 225	: 8,748.47	- 13.84

### Trading snapshot

Index Movers	Points
PLDT	+6.11
Aboitiz Equity Ventures	-3.36
Banco De Oro	-2.95
Bank of the Phil. Islands	-2.67
JG Summit Holdings Inc.	+2.40

Index Out-performers	Up
JG Summit Holdings Inc.	1.78%
PLDT	1.04%
San Miguel Corp.	0.61%
SM Prime Holdings	0.31%
--	--

Index Under-performers	Down
Semirara Mining Corp.	2.82%
Metro Pacific Investments	2.19%
Meralco	2.04%
DMCI Holdings	1.92%
Banco De Oro	1.78%

### Calendar

Oct 29	AR, WIN, EVER ASM Sept '11 Int'l Reserves and Foreign Currency Liquidity Stats
Oct 31	
Nov 02	MER 3Q '11 Results
Nov 03	TEL 3Q '11 Results

### 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 gain on reports that China will aid Europe

US stocks gained yesterday (Oct 26) after reports that China will aid Europe by investing in a financial rescue plan fueled positive sentiments on the region. Reports of a debt deal from an EU summit, although scant in details, also added to yesterday's buying. All three of US's major indices posted gains to recover some of the losses they had incurred the previous day. The Dow rose 1.39%; the S&P, 1.05%; and the Nasdaq, 0.46%. A report from Agence France-Presse that China had agreed to invest in Europe's financial rescue fund pushed the Dow more than 100 points shortly after it came out. From the EU summit in Brussels, European officials announced a debt deal that will help Europe solve its debt problems although details on the said deal are not expected until November. After the market closed, EU officials also announced a plan that will require the region's banks to raise more cash to better protect themselves from exposures to Greece. In corporate news, Boeing jumped 4.5% after raising its outlook, Visa shed 2.1% after reporting 3Q results, while Amazon plunged 12.7% after forecasting a disappointing outlook for the current quarter the previous day citing higher costs for expansion.

### PLDT completes Digital acquisition

In separate disclosures to the PSE, PLDT and JGS announced that the planned merger deal between PLDT and Digitel had finally been completed after the NTC approved the transfer of 51.55% interest in Digitel to PLDT. The transaction, valued at about P69.2B, involved the acquisition of PLDT of 3.277B Digitel shares and zero-coupon bonds issued by the Digitel Group to JG Summit, which are convertible into 18.6B Digitel shares. PLDT in turn issued 27,679,210 new common stock at the issue price of P2,500 per share to JG Summit. In exchange for the NTC's approval, Smart Communications will divest CURE, a subsidiary that owns the 10MHz of 3G frequency in the 2100 band. CURE will sell its Red Mobile business to Smart, while Smart will then in turn sell all its interest on CURE. Another condition set by the NTC for the approval of the said merger requires Digitel to keep unlimited call and text services, and implement these services across the country.

### MBT, Wells Fargo partner for US remittance operations

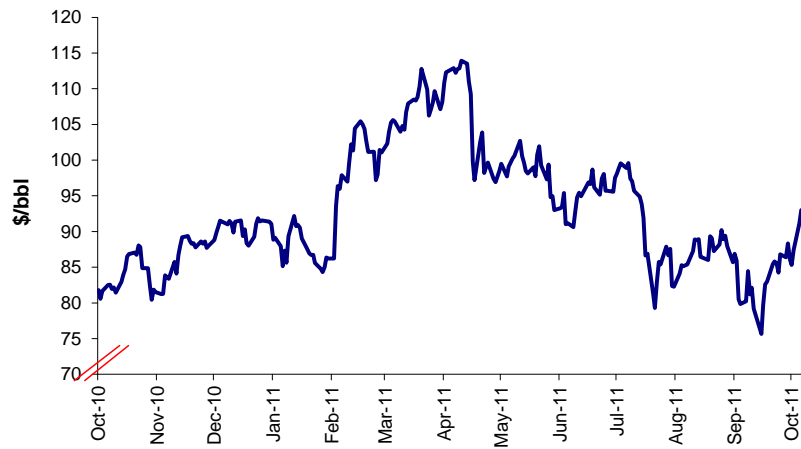
Head of Wells Fargo's Global Remittance Services operations Daniel Ayala told the press yesterday that they are partnering with Metrobank in offering an affordable remittance service that will tap the US remittance market. Ayala said that the service will offer a flat remittance charge of just US\$5 per transaction, lower than charges incurred by competitors which range from US\$7 to US\$10. The service will also allow remitters to pay only a US\$3.50 charge per transaction if one were an account holder of Wells Fargo or not pay anything at all if the account holder maintains a high balance with the bank. He added that the partnership will help Metrobank capture more of the remittance market down the line.

## 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.

**GMA-7 enters subscription agreement with E-Games**

- GMA-7 announced yesterday that its subsidiary, GMA New Media, Inc. entered into a subscription agreement with IP E-Games for P130M. No price per share has been disclosed yet although the venture, if completed, is expected to improve the profitability and stability of IP E-Games Ventures.

**Nymex Crude 1-Yr Price Chart**

Source: Bloomberg