



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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## MORNING NOTES

### PSEi performance

PSEi Index 02 Dec 2011:	4,290.92	+ 0.33
Value T/O, net	Php 3,725 million	
52-week High	4,563.65	
Low	3,705.18	
Foreign Buying:	Php 3,568 million	
Foreign Selling:	Php 2,970 million	

### Regional performance

Dow Jones	: 12,019.40	- 0.61
FTSE 100	: 5,552.29	+ 62.95
Nikkei 225	: 8,643.75	+ 46.37

### Trading snapshot

Index Movers	Points
PLDT	-9.37
San Miguel Corp.	-4.81
SM Investments Corp.	+4.67
Universal Robina Corp.	-3.35
Metrobank	+3.05

Index Out-performers	Up
Meralco	2.63%
Jollibee Foods Corp.	1.93%
First Gen Corp.	1.76%
SM Investments Corp.	1.71%
Metrobank	1.65%

Index Under-performers	Down
Universal Robina Corp.	3.42%
San Miguel Corp.	2.52%
ICTSI	2.19%
Robinsons Land Corp.	2.01%
PLDT	1.38%

### Calendar

Dec 06	Nov `11 CPI, inflation rate
Dec 07	Nov `11 GIR Press Release
Dec 08	Oct `11 Rediscount Rate
Dec 09	GEO, NI ASM

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## HEADLINES

### US stocks end stellar week flat as investors take profit

US stocks ended mostly flat on Friday (Dec 01) as investors took profits from a stellar week for stocks. The Dow and the S&P closed 0.01% and 0.02% lower respectively, while the Nasdaq ended green with a 0.03% gain. Stocks opened high for the day as data from the government showed a drop in the US jobless rate. The US government said that 120,000 jobs were created last month and the jobless rate fell to a 2 ½ year low of 8.6%, supporting views that the US economy will avoid another recession. Indices erased earlier gains however as investors took the opportunity to book profits earned from last week's stellar performance. The Dow, Nasdaq, and the S&P each posted more than 7% of gains for the week after the central banks of Europe, the US, Britain, Canada, Japan and Switzerland announced funding costs for banks to assure that there will be no liquidity shortage. Last week marked the best weekly performance for US stocks since March of 2009. Oil and gold likewise advanced as investors bet on a brightening economic outlook. Brent crude gained 0.87%, while spot gold was up 0.2%. Looking forward, all eyes will again be on Europe this week as investors are likely to act upon headlines of this week's expected summit of European leaders. European leaders are expected to meet on Dec. 9 to discuss solutions to the region's ballooning debt crisis. The ECB earlier said that it stands ready to act more aggressively to curb Europe's crisis if the region's leaders agree to tighter budget controls.

### Gov. Tetangco – monetary easing a possibility next year

BSP Governor Amando M. Tetangco had reportedly said that the BSP might consider easing its policy stance next year to prop up the economy amid weak global outlooks. The BSP had hiked key policy rates earlier this year. Tetangco pointed out that inflation is on a downward trajectory and is expected to continue until 2012. He however said that there are still risks that might drive inflation particularly capital inflows although he assured investors that the BSP is continuing to monitor such risks.

### Digitel increases capital stock to P25B

Digitel confirmed reports that on a meeting last November 28, its Board had approved the increase of the company's capital stock by P16B to P25B, divided into 25B common shares at P1 apiece. The company said that the increase in capital stock was "provision for shares for the 2013 and 2014 convertible bonds that were issued by [the company]."

### Allied Bank will not comply with 10% free float requirement in light of merger

In a disclosure to the PSE, Allied Bank said that it will no longer seek to comply with the PSE's 10% free float requirement for listed companies in light of a merger with PNB which Allied Bank said "will realistically happen next year." Allied Bank said that it is now vigorously pursuing its merger plans with PNB and both banks are now working out the details for the planned move. The US Federal Reserve had recently approved of placing Allied Bank's entire stake of Oceanic Bank Holdings in a trust to be managed by a qualified trustee which will manage the disposition of the shares to third parties.

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**Top Frontier sells 9M SMC common shares**

- San Miguel Corporation disclosed that Top Frontier Investment Holdings, a stockholder of the company, had sold 9M SMC common shares through the Exchange on Friday.

**PSEi : 1-Year Price Chart**



Source: Philippine Stock Exchange