



WEALTH SECURITIES

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Consistently ranked among the top 20 brokerages in the Philippines since opening in 1986

Recipient of the Euro Money Award for Excellence as the "Best Domestic Securities House in the Philippines"



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

FRIDAY, 13 January 2012

Index	Value	Change	% Chg	
PSEI	4,648.11	2.25	0.0484	↑
All Shares	3,145.12	5.99	0.1901	↓
Financials	1,033.42	3.56	0.3433	↓
Industrial	7,338.61	32.40	0.4396	↓
Holding Firms	3,695.01	38.73	1.0593	↑
Property	1,622.71	8.42	0.5216	↑
Services	1,742.60	11.05	0.6301	↓
Mining & Oil	25,307.28	132.15	0.5195	↓

JANUARY

13

2012

WORLD INDICES

Dow Jones	12,471.00	+21.57
FTSE 100	5,662.42	-8.40
NIKKEI 225	8,385.59	-62.29

TRADING SNAPSHOT

Index Movers	Points
SM Investments Corp.	↑ 8.03
PLDT	↓ 6.60
Robinsons Land Corp.	↑ 3.05
Alliance Global Inc.	↑ 2.41
Banco De Oro	↓ 2.33

Index Out-performers	Up
Robinsons Land Corp.	5.53%
Megaworld	2.73%
SM Investments Corp.	2.61%
Alliance Global Inc.	1.82%
JG Summit Holdings	1.56%

Index Under-performers	Down
First Gen Corp.	2.70%
Jollibee Foods Corp.	2.04%
Banco De Oro	1.30%
PLDT	0.85%
San Miguel Corp.	0.83%

CALENDAR

Jan 10	Nov' 11 KB Loans
Jan 10	Oct' 11 FDI
Jan 12	MMI SSM
Jan 13	Dec'11 CB Accts. statistics



PSEi Index

12 Jan 2011:	4,648.11	+ 2.25
Value T/O, net	Php 4,003 million	
52-week High	4,656.27	
Low	3,705.18	
Foreign Buying:	Php 3,347 million	
Foreign Selling:	Php 1,924 million	



HEADLINES

US stocks extend gains for fourth day

➤ US stocks posted gains for the fourth day yesterday (Jan 12) as favorable result of the scheduled European debt auction offset lackluster US economic data. All three major indices posted gains with the Dow gaining 0.17%; the S&P 0.23%; and the Nasdaq 0.51%. A successful sale of European debt yesterday boosted investors' sentiments, easing concerns that troubled European countries will have difficulties financing their debts. Italy was able to sell 10B euros of bonds, twice that of target, while Italy was able to sell 12B euro worth. Government bond yields of Spain and Italy fell as a result of the successful auction. Meanwhile in the US, economic data disappointed as the US government reported that US retail sales rose at its slowest pace in 7 months in December while first-time jobless claims for benefits rose last week. Energy shares were the biggest drag in yesterday's session as oil prices continue to drop. Chevron Corp. fell 2.6% after commenting that fourth quarter profits will be lower than the previous quarter.

Government debt up 4.68% to P4.898T as of end-October

➤ According to the Bureau of Treasury, National Government debt as of end-October 2011 stood at P4,898.34 trillion, P27.52B or 4.68% higher than end-September levels. Of the said total, 42.11% is owed to foreign creditors while 57.89% is owed to domestic creditors. The BTr explained that domestic debt increased to P54.55B due to the P5476B net issuance of government securities by the NG and the P0.21B net appreciation of the peso against the USD and euro. The foreign debt increase on the other hand was largely due to the appreciation of the local currency against the dollar and a net repayment of P0.30B. These were however offset by a P11.57B net appreciation of third currencies against the dollar.

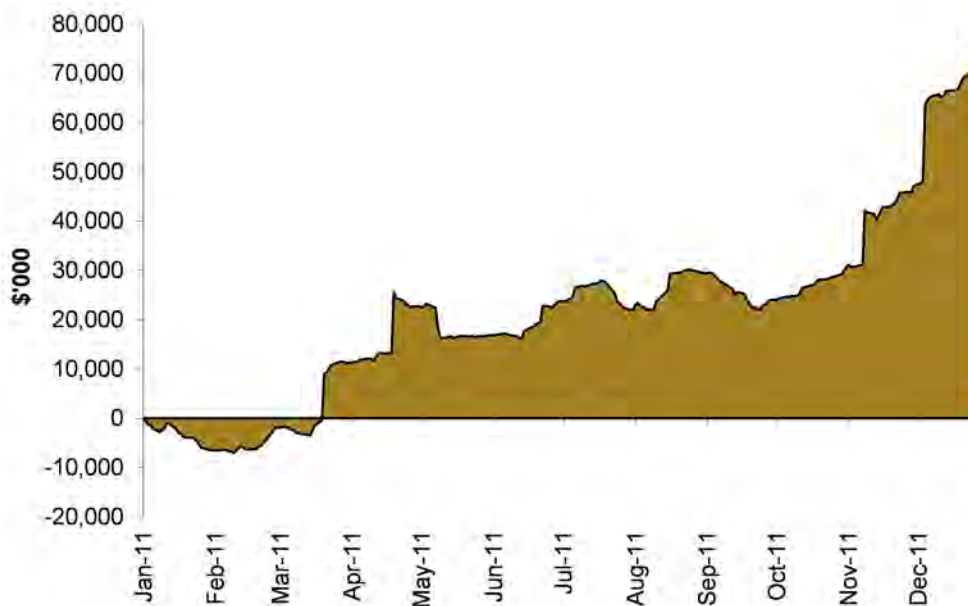
BSP - December 2011 foreign portfolio investments yielded US\$140M

➤ In a statement, the Bangko Sentral ng Pilipinas reported that foreign portfolio investment transactions for December of last year yielded US\$140M, 71.5% lower than the US\$490M level in November 2011, and 67.4% lower than what was recorded in the same period last year. “Combined investments in PSE-listed securities and Peso GS reached US\$1.0 billion this month, lower by 19.0 percent from the US\$1.3 billion level last month and by 25.2 percent from of last year’s US\$1.4 billion figure due to persistent euro zone debt crisis, the United States’ shaky economy, the developments in the Korean peninsula and the political concerns at home all of which triggered profit taking.” For January to December of last year, transactions yielded a net inflow of US\$4.1B, 11.5% lower than the US\$4.6B recorded in the same period in 2010.

Cebu Pacific posts 14% growth in passenger in 2011

➤ In a press release, Cebu Pacific announced that the airline flew close to 12 million passengers for the whole year of 2011. 14% higher than the 10.5B passengers the airline company had managed in 2010. CEB said that the passenger growth was driven by a 22% increase in international passengers and a 12% increase in domestic passengers. CEB attributed the increase in international passengers to added flights in Hong Kong, Kuala Lumpur, Brunei, Singapore, Ho Chi Minh, Seoul and Bangkok. Domestic passenger growth on the other hand was attributed to capacity additions to key destinations, lower fares and the arrival of five new Airbus A-320 aircrafts in 2011.

Foreign Buying-Selling : 12-month period



Source: PSE

CURRENCIES

US, Dollar	44.0060
Japan, Yen	0.5727
UK, Pound	67.4392
Hong Kong, Dollar	5.6664
EU, Euro	55.9140
Bahrain, Dinar	116.7671
Saudi Arabia, Rial	11.7346
China, Yuan	6.9680

As of 1/12/2011

COMMODITIES

NYMEX		
Crude	100.87	↓ 1.34%
Futures		
NY Gold		
Spot (\$/t oz.)	1,639.20	↑ 0.48%
Silver Comex		
(\$/t oz.)	30.03	↑ 0.50%
London		
Copper Spot	7,767.00	↑ 0.44%

As of 1/11/2011



Earnings Projections

As of 12 January 2012



Sector / Company	Rating	Price (P)	Target (P)	Market Cap (Pm)	Absolute Performance			Year	Net Income (Pm)	EPS			PER (x)	PEG (x)	BVPS (P)	P/BV (x)	EV/Ebitda (x)	ROE (%)	Div Yield (%)
					1m	6m	12m			EPS (P)	Growth (%)								
CONGLOMERATES																			
Aboitiz Equity	Hold	41.50	40.00	229,158	5%	-1%	17%	2010	21,866	1.50	163.2	27.6	0.2	14.2	2.9	7.3	32.9	1.3	
								2011f	23,229	3.96	6.2	10.5	1.7	18.1	2.3	6.9	26.0	3.8	
								2012f	23,858	4.21	2.7	9.9	3.6	20.9	2.0	6.7	22.2	3.8	
Alliance Global	Hold	11.20	12.00	115,022	-4%	0%	0%	2010	6,908	0.47	44.0	24.0	0.5	10.1	1.1	10.6	12.6	0.5	
								2011f	7,386	0.67	6.9	16.7	2.4	13.2	0.8	10.8	12.0	3.2	
								2012f	9,675	0.72	31.0	15.6	0.5	16.7	0.7	8.3	14.0	3.2	
Ayala Corp.	Buy	343.00	399.50	198,151	17%	6%	8%	2010	10,800	12.24	52.7	28.0	0.5	219.6	1.6	23.5	8.5	1.2	
								2011f	11,438	18.69	5.9	18.3	3.1	231.7	1.5	17.4	8.8	1.2	
								2012f	14,337	19.80	25.3	17.3	0.7	248.1	1.4	13.9	10.3	1.2	
DMCI Holdings	Hold	44.55	45.30	118,302	15%	4%	31%	2010	7,867	1.77	67.2	25.1	0.4	10.1	4.4	9.7	33.2	1.1	
								2011f	10,853	2.96	38.0	15.0	0.4	13.2	3.4	6.4	35.0	2.2	
								2012f	11,925	4.09	9.9	10.9	1.1	16.7	2.7	5.7	30.0	2.2	
Metro Pacific	Buy	3.70	4.35	90,994	7%	3%	-6%	2010	2,871	0.09	24.8	39.6	1.6	2.2	1.7	7.5	5.4	0.3	
								2011f	4,796	0.12	67.0	31.7	0.5	2.4	1.6	6.5	8.5	0.7	
								2012f	6,173	0.20	28.7	19.0	0.7	2.6	1.4	5.7	10.2	1.6	
San Miguel Corp	Buy	120.00	150.00	284,088	2%	-7%	-33%	2010	14,268	2.49	142.3	48.2	0.3	60.5	2.0	8.4	10.0	5.6	
								2011f	24,674	6.03	72.9	19.9	0.3	81.2	1.5	4.0	14.7	0.9	
								2012f	31,957	10.42	29.5	11.5	0.4	94.0	1.3	3.4	15.4	0.9	
SM Investments	Hold	610.50	610.00	373,724	17%	13%	22%	2010	18,440	26.18	15.1	23.3	1.5	231.6	2.6	8.6	13.8	1.3	
								2011f	20,540	30.12	11.4	20.3	1.8	258.5	2.4	7.9	13.7	1.5	
								2012f	22,939	33.55	11.7	18.2	1.6	292.2	2.1	7.4	13.6	1.4	
UTILITIES																			
Aboitiz Power	Hold	31.00	33.00	228,117	5%	-1%	18%	2010	24,428	3.32	361.7	9.3	0.0	7.8	4.0	7.8	53.2	1.0	
								2011f	22,918	3.11	(6.2)	10.0	(1.6)	8.9	3.5	7.4	37.3	4.3	
								2012f	19,839	2.70	(13.4)	11.5	(0.9)	9.9	3.1	7.3	28.7	3.0	
EDC	Buy	6.24	8.00	117,000	2%	-9%	5%	2010	4,116	0.22	24.3	28.4	1.2	1.6	3.8	16.3	13.8	1.9	
								2011f	2,083	0.11	(49.4)	56.2	(1.1)	1.6	3.9	17.2	6.9	2.6	
								2012f	8,854	0.47	325.1	13.2	0.0	2.0	3.1	8.9	26.1	1.8	
Manila Water	Hold	21.25	20.00	42,661	7%	8%	15%	2010	3,987	1.99	23.4	10.7	0.5	9.9	2.2	7.1	21.8	2.2	
								2011f	4,522	2.25	13.4	9.4	0.7	10.7	2.0	6.2	21.9	2.6	
								2012f	15,487	13.74	7.9	19.1	2.4	52.3	5.0	12.6	26.3	2.6	
Petron Corp	Buy	13.24	16.40	124,125	4%	-21%	-21%	2010	6,941	0.74	63.7	17.9	0.3	4.6	2.8	11.7	17.2	0.8	
								2011f	10,216	1.09	47.2	12.2	0.3	5.6	2.4	7.8	21.2	0.8	
								2012f	13,208	1.41	29.3	9.4	0.3	6.9	1.9	6.4	22.5	0.8	
Semirara	Buy	226.00	265.00	80,513	5%	6%	17%	2010	3,953	11.10	114.1	20.4	0.2	34.6	6.5	11.7	35.6	2.7	
								2011f	6,894	19.35	74.4	11.7	0.2	44.0	5.1	7.0	49.2	4.4	
								2012f	7,846	22.02	13.8	10.3	0.7	56.0	4.0	6.7	44.0	4.4	
MINING																			
Atlas	Buy	18.32	28.40	32,318	5%	-21%	8%	2010	-757	(0.43)	64.3	(42.7)	(0.7)	1.6	11.2	18.3	(55.7)	0.0	
								2011f	3,688	2.09	(587.1)	8.8	(0.0)	3.7	4.9	9.9	77.9	0.0	
								2012f	4,026	2.28	9.2	8.0	0.9	6.0	3.0	7.8	46.9	0.0	
Nickel Asia	Hold	22.70	23.06	30,414	9%	15%	20%	2010	1,479	1.10	388.3	20.6	0.1	11.1	2.0	5.6	11.3	13.9	
								2011f	1,836	1.37	24.1	16.6	0.7	12.5	1.8	4.8	11.6	2.2	
								2012f	2,059	1.54	12.2	14.8	1.2	14.1	1.6	4.6	11.6	2.2	
Philex	Buy	21.25	25.00	104,758	-3%	-13%	40%	2010	3,963	0.80	40.0	26.4	0.7	4.2	5.1	33.0	21.1	1.4	
								2011f	6,020	1.22	51.9	17.4	0.3	5.4	0.0	11.2	25.6	0.9	
								2012f	6,261	1.27	4.0	16.7	4.2	6.7	0.0	10.8	21.1	0.9	

Sector / Company	Rating	Price (P)	Target (P)	Market Cap (Pm)	Absolute Performance			Year	Net Income (Pm)	EPS				BVPS (P)	P/BV (x)	EV/		Div Yield (%)
					1m	6m	12m			EPS (P)	Growth (%)	PER (x)	PEG (x)			Ebitda (x)	ROE (%)	
BANKS																		
Banco de Oro	Hold	60.70	66.00	158,272	3%	10%	9%	2010	8,500	3.26	48.9	18.6	0.4	31.8	1.9	n/a	11.7	1.3
								2011f	10,033	3.85	18.0	15.8	0.9	33.2	1.8	n/a	11.8	1.3
								2012f	12,676	4.86	26.3	12.5	0.5	37.2	1.6	n/a	13.8	1.3
Bank of P.I.	Hold	58.10	64.00	208,604	5%	1%	7%	2010	11,312	3.18	32.8	18.3	0.6	22.8	2.5	n/a	15.3	1.5
								2011f	12,117	3.41	7.1	17.1	2.4	25.1	2.3	n/a	14.2	1.7
								2012f	15,742	4.43	29.9	13.1	0.4	28.5	2.0	n/a	16.5	1.7
China Bank	Buy	410.00	500.00	43,977	2%	3%	4%	2010	5,003	46.65	22.0	8.8	0.4	330.3	1.2	n/a	15.2	2.9
								2011f	4,283	39.93	(14.4)	10.3	(0.7)	344.2	1.2	n/a	11.8	2.9
								2012f	5,408	50.42	26.3	8.1	0.3	385.3	1.1	n/a	13.8	2.9
Metrobank	Hold	76.50	82.00	161,492	11%	6%	19%	2010	7,851	3.72	41.6	20.6	0.5	38.5	2.0	n/a	10.5	0.8
								2011f	8,725	4.13	11.1	18.5	1.7	41.2	1.9	n/a	10.4	1.3
								2012f	11,195	5.30	28.3	14.4	0.5	45.5	1.7	n/a	12.2	1.3
PNB	Buy	63.25	100.00	41,884	20%	8%	6%	2010	3,515	5.31	60.8	11.9	0.2	50.3	1.3	n/a	11.0	0.0
								2011f	4,516	6.82	28.5	9.3	0.3	93.3	0.7	n/a	9.5	0.0
								2012f	6,468	9.77	43.2	6.5	0.1	103.1	0.6	n/a	9.9	0.0
RCBC	Buy	30.50	36.00	37,668	0%	14%	10%	2010	3,845	3.11	34.9	9.8	0.3	22.1	1.4	n/a	14.6	2.0
								2011f	4,145	3.36	7.8	9.1	1.2	30.4	1.0	n/a	12.8	2.6
								2012f	5,451	4.41	31.5	6.9	0.2	33.2	0.9	n/a	13.9	2.6
Security Bank	Hold	106.00	98.00	53,212	10%	23%	51%	2010	7,160	14.26	133.8	7.4	0.1	49.0	2.2	n/a	33.8	1.9
								2011f	5,101	10.16	(28.8)	10.4	(0.4)	55.8	1.9	n/a	19.4	1.9
								2012f	5,810	11.57	13.9	9.2	0.7	66.4	1.6	n/a	18.9	1.9
UnionBank	Buy	63.25	75.00	40,569	20%	8%	6%	2010	5,353	8.35	23.8	7.6	0.3	56.1	1.1	n/a	15.9	3.5
								2011f	3,820	5.96	(28.6)	10.6	(0.4)	59.6	1.1	n/a	10.3	2.4
								2012f	4,725	7.37	23.7	8.6	0.4	65.5	1.0	n/a	11.8	2.4
TELECOMS																		
Globe	Hold	1,120	1,250	148,230	19%	25%	37%	2010	9,745	73.63	(22.5)	15.2	(0.7)	354.1	3.2	5.8	20.6	7.1
								2011f	10,329	78.04	6.0	14.4	2.4	376.1	3.0	5.4	21.4	5.5
								2012f	10,639	80.39	3.0	13.9	4.6	397.3	2.8	5.2	20.8	5.5
PLDT	Hold	2,794	3,000	599,134	14%	20%	15%	2010	40,788	190.21	2.5	14.7	5.8	452.7	6.2	7.7	41.6	7.8
								2011f	39,000	181.87	(4.4)	15.4	(3.5)	401.0	7.0	8.3	42.6	7.9
								2012f	40,170	187.33	3.0	14.9	5.0	419.7	6.7	8.0	45.6	7.9
PROPERTY																		
Ayala Land	Buy	17.04	19.30	221,912	11%	9%	12%	2010	5,398	0.41	35.7	41.1	1.2	4.4	3.9	24.5	9.9	0.5
								2011f	6,832	0.52	26.6	32.5	1.2	4.9	3.5	20.6	11.3	0.9
								2012f	8,162	0.63	19.5	27.2	1.4	5.5	3.1	17.5	12.0	0.9
Filinvest Land	Hold	1.14	1.20	27,645	7%	-7%	-10%	2010	2,952	0.12	46.3	9.4	0.2	1.7	0.7	13.3	7.3	2.9
								2011f	2,925	0.12	(0.9)	9.5	(10.2)	1.8	0.6	13.1	6.8	3.4
								2012f	3,396	0.14	16.1	8.1	0.5	2.0	0.6	11.4	7.3	3.4
Megaworld	Hold	1.88	1.67	48,199	9%	-7%	-19%	2010	5,026	0.20	23.9	9.6	0.4	2.3	0.8	9.5	9.4	1.0
								2011f	6,392	0.25	27.2	7.5	0.3	2.5	0.8	4.9	10.5	1.3
								2012f	7,191	0.28	12.5	6.7	0.5	2.8	0.7	4.0	10.6	1.0
Robinsons Land	Hold	13.36	14.00	54,694	16%	6%	6%	2010	3,593	0.88	10.1	15.2	1.5	6.8	2.0	10.3	13.5	3.3
								2011f	4,216	1.03	17.3	13.0	0.7	7.3	1.8	8.4	14.6	2.8
								2012f	4,812	1.18	14.1	11.4	0.8	7.9	1.7	7.4	15.4	2.9
SM Dev't	Buy	7.00	8.30	58,996	0%	-14%	1%	2010	3,022	0.36	62.4	19.5	0.3	3.0	2.3	21.5	16.5	1.1
								2011f	4,054	0.48	34.1	14.6	0.4	3.5	2.0	14.2	14.6	1.2
								2012f	5,217	0.62	28.7	11.3	0.4	4.1	1.7	11.2	16.1	1.1
SM Prime	Hold	14.30	15.00	198,755	11%	24%	30%	2010	7,856	0.57	11.9	25.3	2.1	4.2	3.4	14.2	14.7	1.7
								2011f	8,794	0.63	11.9	22.6	1.9	4.6	3.1	12.9	14.3	2.0
								2012f	9,941	0.72	13.1	20.0	1.5	4.9	2.9	11.6	15.0	2.2
Vista Land	Hold	3.09	3.25	26,262	9%	-2%	3%	2010	3,013	0.35	31.0	8.7	0.3	4.5	0.7	10.9	8.2	1.7
								2011f	3,441	0.40	14.2	7.6	0.5	4.9	0.6	8.7	8.6	1.7
								2012f	3,990	0.47	16.0	6.6	0.4	5.4	0.6	7.2	9.1	1.7



Sector / Company	Rating	Price (P)	Target (P)	Market Cap (Pm)	Absolute Performance			Year	Net Income (Pm)	EPS				BVPS (P)	P/BV (x)	EV/		Div Yield (%)
					1m	6m	12m			EPS (P)	Growth (%)	PER (x)	PEG (x)			Ebitda (x)	ROE (%)	
C O N S U M E R																		
Jollibee	Hold	91.45	95.00	94,649	4%	6%	3%	2010	3,090	2.99	16.0	30.6	1.9	16.5	5.5	15.4	18.5	2.5
								2011f	3,160	3.05	2.3	30.0	13.2	16.5	5.5	15.0	18.5	1.2
								2012f	3,625	3.50	14.7	26.1	1.8	16.5	5.5	13.2	21.2	1.2
URC	Hold	52.95	52.50	109,162	5%	18%	50%	2010	7,817	3.79	101.1	14.0	0.1	20.3	2.6	10.5	20.0	1.8
								2011f	5,973	2.90	(23.6)	18.3	(0.8)	20.3	2.6	10.3	14.3	3.6
								2012f	7,263	3.52	21.6	15.0	0.7	20.3	2.6	9.2	17.4	3.6
M E D I A																		
ABS-CBN	Buy	30.05	35.00	22,983	2%	-32%	-35%	2010	3,179	4.16	86.7	7.2	0.1	24.5	1.2	3.3	3.7	18.3
								2011f	2,504	3.27	(21.2)	9.2	(0.4)	26.0	1.2	3.8	7.0	13.0
								2012f	2,285	2.99	(8.7)	10.1	(1.2)	27.8	1.1	3.7	7.0	11.1
GMA-7	Hold	6.60	6.70	22,183	8%	-7%	-5%	2010	1,950	0.58	0.1	11.4	124.5	3.5	1.9	4.7	17.3	10.6
								2011f	2,438	0.73	25.0	9.1	0.4	4.0	1.7	4.3	19.5	6.8
								2012f	2,638	0.78	8.2	8.4	1.0	4.5	1.5	3.9	18.4	6.8
T R A N S P O R T																		
Cebu Air	Hold	69.00	64.00	40,199	2%	-18%	-31%	2010	6,922	11.88	112.5	5.8	0.1	30.4	2.3	5.6	54.9	0.0
								2011f	3,770	6.47	(45.5)	10.7	(0.2)	35.1	2.0	7.4	19.8	4.3
								2012f	4,503	7.73	19.4	8.9	0.5	43.0	1.6	6.0	19.8	2.9
ICTSI	Hold	56.95	56.00	110,244	7%	6%	32%	2010	4,324	2.23	79.0	25.5	0.3	12.3	4.6	11.3	19.5	0.7
								2011f	5,430	2.81	25.6	20.3	0.8	15.7	3.6	8.3	20.0	0.9
								2012f	6,120	3.16	12.7	18.0	1.4	18.3	3.1	7.3	18.6	0.9

NOTE:

1. Figures in italics are based on consensus.
2. For ICT, Php44/US\$ exchange rate was used.

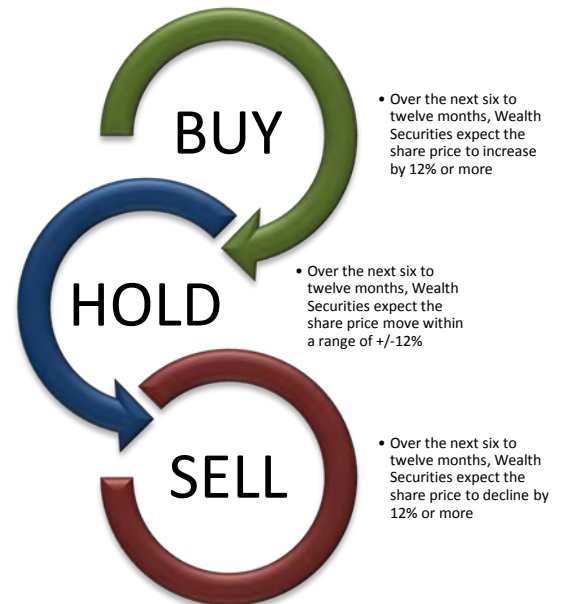
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