



WEALTH SECURITIES

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THE WEALTH VAULT

A Product of Wealth Securities, Inc.

FRIDAY, 13 April 2012

Index	Value	Change	% Chg	
PSEI	5,046.78	29.34	0.5848	↑
All Shares	3,403.86	8.26	0.2433	↑
Financials	1,237.76	6.68	0.5426	↑
Industrial	7,819.58	38.67	0.497	↑
Holding Firms	4,199.08	48.65	1.1722	↑
Property	1,853.55	6.47	0.3503	↑
Services	1,727.88	2.88	0.167	↑
Mining & Oil	25,423.92	47.05	0.1854	↑

APRIL

13

2012

WORLD INDICES

Dow Jones	12,986.60	+1.41%
FTSE 100	5,710.46	+1.34%
NIKKEI 225	9,524.79	+0.70%

TRADING SNAPSHOT

Index Movers	Points
JG Summit Holdings	+8.98
Ayala Corp.	+4.28
Alliance Global Inc.	+2.80
Aboitiz Power	+2.14
Energy Dev't Corp.	+2.10

Index Out-performers	Up
JG Summit Holdings	6.29%
Alliance Global Inc.	2.03%
Ayala Corp.	1.97%
Aboitiz Power	1.47%
Energy Dev't Corp.	1.36%

Index Under-performers	Down
Philex Mining	0.98%
DMCI Holdings	0.66%
San Miguel Corp.	0.61%
SM Dev't Corp.	0.43%
Semirara Mining Corp.	0.24%

CALENDAR

Apr 10	GMA7 Results Briefing
Apr 11	ANS ASM
Apr 12	NI ASM
Apr 16	MWC Results Briefing



PSEi Index

12 Apr 2012:	5,046.78	+ 29.34
Value T/O, net	Php 2,772 million	
52-week High	5,145.89	
Low	3,715.01	
Foreign Buying:	Php 3,051 million	
Foreign Selling:	Php 3,251 million	



HEADLINES

US stocks continue rebound on good news flow from China and Europe

➤ US stocks gained for the second day yesterday (April 12) as good news flow from the global economic scene tempered fears of a slowdown. All three major indices posted strong gains with the Dow rising 1.41%; the S&P, 1.38%; and the Nasdaq, 1.30%. China reported a surprising jump in loans growth yesterday, easing fears of a slowdown in the powerhouse. Meanwhile in Europe, Italy's government was able to quickly sell US\$6.4B in bonds, sending the country's borrowing rates falling. European stocks erased earlier declines after the favorable results of the auction. Basic materials stocks led yesterday's gains with US Steel and Freeport McMoRan Copper & Gold rising 7.5% and 5.9% respectively. S&P's materials sector index jumped 2.8%.

BSP – FDI surged four fold in January

➤ The Bangko Sentral ng Pilipinas reported that foreign direct investments (FDI) posted net inflows of US\$766M in January as positive economic developments and strong earnings boosted investors' sentiments on the country. This is almost four times higher than the US\$214M recorded a year earlier. Equity capital inflows surged 2,283.9% to US\$739M. Placements rose 2013.9% as a result of "the final tranche of the share purchase agreement for the acquisition of shares of stock by a foreign firm in a local beverage manufacturing company," while withdrawals grew 340% to US\$22M.

Export growth posts 14.6% growth in February

➤ In its latest Merchandise Export Performance report, the NSO said that export growth rose to a 10-month high of US\$4.431 in February. On a month to month basis, exports grew 7.4% from US\$4.123B in January. For the first two months of the year, exports rose 8.8% to US\$8.554B from the same two month period last year. Electronic products, which accounted for 52.7% of the exports, rose 15.8% YoY.

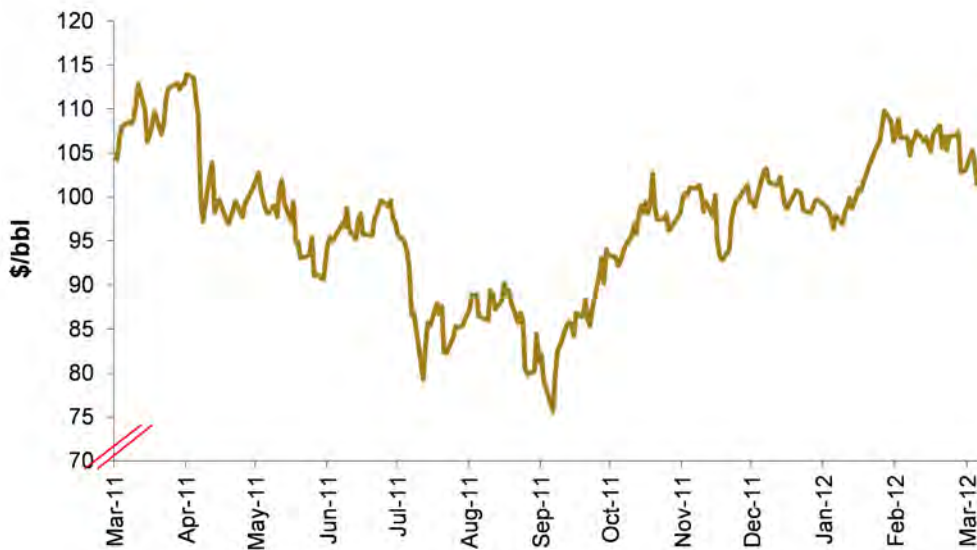
JFC declares cash dividends

- Jollibee Foods Corp. announced that its Board approved the declaration of P0.58 cash dividends per common share payable to shareholders on record as of May 9, 2012 on May 31, 2012. Ex-date for the said cash dividends is on May 4, 2012.

Moody's lowers PLDT's credit rating

- Moody's Investors Service downgraded PLDT's local currency rating by one notch to Baa3 from Baa2. Moody's said that the downgrade was not an indication of any deterioration in company's credit fundamentals but was done to more closely reflect shared risks between the company and the Philippines as a sovereign. Moody's said that PLDT is predominantly a domestic entity, with substantially all of its revenues derived and assets based in the Philippines.

Nymex Crude 1-Yr Price Chart



Source: Bloomberg

CURRENCIES

US, Dollar	42.7980
Japan, Yen	0.5305
UK, Pound	67.9461
Hong Kong, Dollar	5.5119
EU, Euro	56.0012
Bahrain, Dinar	113.5286
Saudi Arabia, Rial	11.4128
China, Yuan	6.7810

As of 4/11/2012

COMMODITIES

NYMEX		
Crude	102.70	+1.66%
Futures		
%NY Gold	1,657.90	-0.08%
Spot (\$/t oz.)		
Silver Comex	31.59	+0.00%
(\$/t oz.)		
London		
Copper Spot	8,077.50	+0.24%

As of 04/11/2012



Vista Land and Lifescapes, Inc. (VLL)

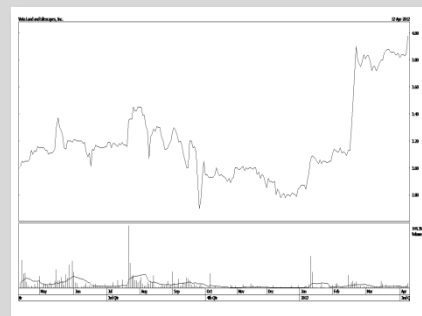
Initiating Coverage with a Buy

Company Snapshot

Price (P)	3.98
Price Target (P)	6.14
Shares O/S (million)	8,499
Market Cap (P million)	32,637
52-week High (P)	4.00
Low (P)	2.60
12-mo Avg. Value T/O (P'm)	15.7
Shareholders	
Villar group of companies	67.2%
Free float	32.0%

Price Performance

	1m	6m	12m
VLL	+7.0%	+32.7%	+32.2%
PSEi	+1.4%	+23.7%	+20.2%



Your Local Property Company Now on the Rise

- **Property company with the widest geographic reach.** While other property companies have filled Metro Manila with their advertisements and condominiums, none are anywhere near VLL in terms of nationwide reach. With projects in 25 provinces, as well as 55 cities and municipalities all over the country, VLL has created a national brand (see map on next page – red dots mark the locations of the various projects of VLL).
- **Strategic landbanking continues.** To maintain its wide presence, VLL continues to acquire land in areas of growth. From spending PhP 10 billion and PhP 11 billion for capex in 2010 and 2011, respectively, VLL drastically increased its capex budget for 2012. At PhP 15 billion, PhP 2.5 billion is to be spent for land acquisition with the balance to be utilized for land development and construction.
- **Daang Hari to boost VLL's net asset value.** About 1/3 of VLL's landbank stands to be positively affected by the Daang Hari-SLEX Link Road project. Once this project is completed, the area will become much more accessible, boosting land values and, consequently, VLL's NAV.

Forecasts and ratios

in P'million	2009A	2010A	2011A	2012E	2013E
Revenues	10,767	12,483	13,513	16,216	19,459
Gross profit	5,163	5,682	6,902	8,108	9,730
Net profit	2,299	3,013	3,528	4,059	4,961
EPS (P)	0.28	0.36	0.42	0.48	0.58
EPS Growth %	-17.0	28.2	16.6	15.1	22.2
BVPS	4.19	4.49	4.90	5.37	5.95
P/E (x)	14.3	11.2	9.6	8.3	6.8
P/B (x)	0.95	0.89	0.81	0.74	0.67
Gross margin %	48.0	50.1	51.1	50.0	50.0
Dividend yield %	1.8	1.7	3.8	3.6	3.6

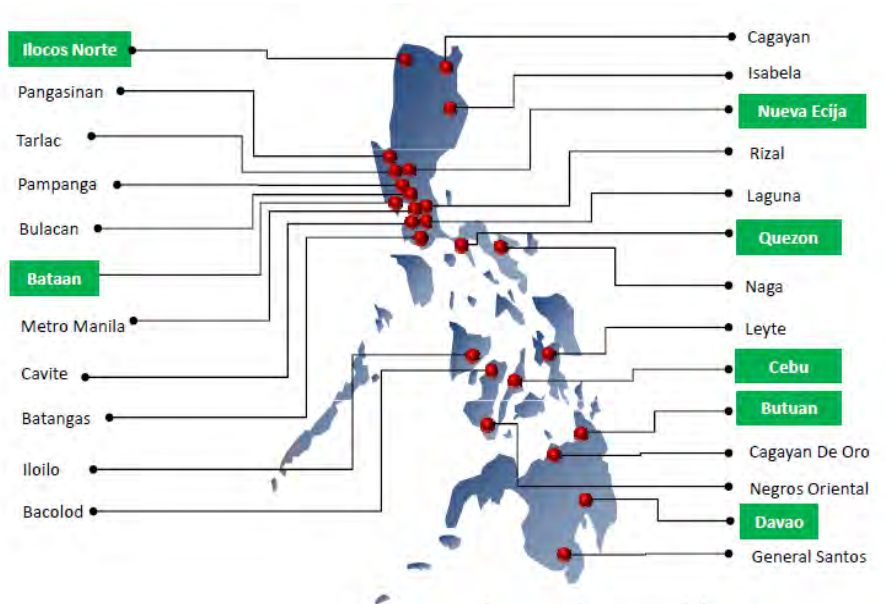
Source: Wealth Securities estimate, company data

A = Actual calendar/fiscal year results; C = Bloomberg consensus; I = Annualized interim results; E = Wealth Securities estimates

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- **VLL rewarded for its low exposure to vertical residences.** Based on 2011 numbers, less than 10% of VLL's revenues came from vertical residences. With the exception of RLC, all the other large property companies derive at least half of their revenues from condominium developments. As such, VLL will remain mostly immune to the upcoming glut for condominiums. Its nearly pure exposure to the house & lot segment has set it apart from other property companies, with its stock price up by a whopping 40% YTD.
- **Short construction cycle and low leverage gives the company flexibility.** Given that the cyclical nature of real estate will be a recurring theme, property companies have to be flexible enough to survive the famine that follows the feast. With net debt-to-equity at 7% and H&L construction taking only 4-6 months vs. 3 years for condominium towers, VLL has the flexibility and financial leeway to survive a down cycle in the property market.
- **Reservation sales up for 8 straight quarters.** One advantage of its strong H&L presence in the provinces is that demand is more robust. While condominiums are now bought often for investment, H&Ls are generally purchased as a residence. With 60% of VLL's sales coming from OFWs, the growth in remittances will only serve to bolster the sales growth of VLL. Therefore, it is not surprising that VLL was able to show that for the past 8 quarters, reservation sales have continually risen. This is very different from the experience of other property companies which have experienced slackening growth over the past few quarters.

- **Earnings visibility an advantage.** For 2012, the company is forecasting 20% topline growth. While forecasts are not binding on the company even though it is disclosed, we would like to note that ever since VLL's IPO in July 2007, it has either met or exceeded every revenue and net income target that has been disclosed publicly. Since its earnings visibility has never been in question, it is easier to forecast the trajectory of the company, which we think is upward.
- **Share buybacks a sign of confidence in the company.** With very low leverage, VLL has cash which is readily deployable for the benefit of the shareholders. One use of cash is for share buybacks. In June of last year, the company declared a 2-year, PhP 1.5 billion share buyback program. For 2011, the company has bought back more than 39 million shares. This amounts to less than 10% of the company's allotment for the buyback program, so it still has more room to buy in the coming months.
- **Foreign fund buys 5% of VLL.** 2 months ago, an Australian investment fund manager, Platinum Investment Ltd., disclosed that it had accumulated a 5.02% stake in VLL through purchases of shares between PhP 2.94 and PhP 3.09 per share this year. The presence of foreign funds among VLL's significant shareholders is also a reliable indicator of the company's strong fundamentals.
- **Dividend yield boosted by special cash dividend.** While VLL's policy is to have a 20% dividend payout, it raised this to 30% by virtue of a special cash dividend last year. Although that is not a regular policy, we think that it is highly likely that they will declare a special cash dividend again this year. Based on our income forecast, that would translate to a 3.6% dividend yield at current prices.
- **Initiating coverage with a strong BUY – 54% upside from here.** Based on our calculations, VLL has a net asset value of PhP 10.23/share. Applying a 40% discount for illiquidity, provincial land exposure and other factors, our 12-month target price for VLL would be PhP 6.14/share, giving an investor 54% upside from current levels. We estimate that EPS will grow 15% to PhP 0.48/share. This implies that at current prices, VLL is trading at 8.3x 2012 P/E. Once VLL reaches our target price, it would be trading at 12.8x 2012 P/E and 10.5x 2013 P/E, valuation levels which are still not stretched. With clear growth prospects, we think that this stock has significant upside, especially considering that it is trading more than 60% below its NAV. Since we expect this discount to narrow in the coming months, we advise investors to BUY the stock.



BDO Unibank (BDO)

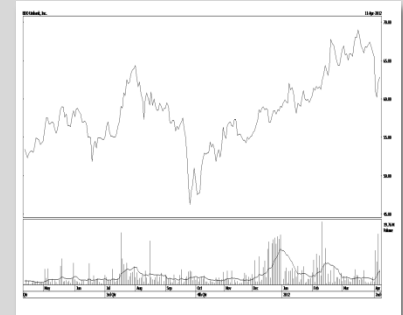
Downgrade to Hold

Company Snapshot

Price (P)	63.55
Price Target (P)	70.20
Shares O/S (million)	2,607
Market Cap (P million)	165.703
52-week High (P)	70.00
Low (P)	46.00
12-mo Avg. Value T/O (P'm)	146.147
Shareholders	
SM Investments	26.2%
Free float	54.1%

Price Performance

	1m	6m	12m
BDO	-3.1%	+20.3%	+20.0%
PSEi	+1.4%	+22.5%	+20.2%



The Bitter Pill

- **Hitting a Brick Wall.** We have always liked BDO for its successful implementation of an aggressive growth strategy. However, we raised some concerns on BDO's growth, as it was the only listed bank with a leverage multiple of more than 10x. Moreover, BDO's focus on aggressively raising Tier 2 Capital has left it with the lowest Tier 1 Ratio among listed banks. This raised concerns about the bank's ability to comply with the impending regulatory changes that Basel III will bring.

	BDO	BPI	MBT	SECB	CHIB	RCB	PNB	UBP
CAR	15.8%	14.9%	17.4%	20.3%	17.8%	19.3%	21.7%	18.2%
Tier 1	10.2%	13.4%	13.7%	18.2%	17.0%	14.6%	14.5%	15.3%

Source: Company data

- **SRO Details.** The SRO (Stock Rights Offer) will allow investors to buy 1 discounted BDO share for every 3 BDO shares that they have. The Discount range was pegged at 20-25%. Aside from these, no further details have been disclosed yet. Using a discount of 25% to yesterday's price, the SRO would raise P41.5B in Tier 1 Capital, which will essentially replace the P46.0B of Tier 2 Capital as of YE2011.
- **Short-term Pain, Long-term Gain.** The SRO will resolve concerns on BDO's leverage and capital position. This will put BDO in a better position to comply with stricter capital requirements of Basel III. Considering this, we thought that BDO will not again overstretch its CAR and Tier 1 Ratios in anticipation of Basel III, even as it has a stronger capital base.

Financial and Valuation Highlights

in P'million	2009A	2010A	2011A	2012E	2013E
Net Revenues	46,042	51,999	54,678	62,276	70,055
Operating Expenses	32,129	34,789	36,316	39,455	42,649
PPOP	13,913	17,210	18,362	22,821	27,406
Net Income	6,101	8,881	10,588	12,475	15,684
ROE	9.7%	11.3%	11.4%	10.5%	10.6%
ROA	0.7%	1.0%	1.0%	1.1%	1.2%
EPS	2.46	3.35	3.91	3.97	4.40
BVPS	28.74	31.84	35.03	38.98	42.58
PE	15.85	17.48	15.46	15.99	14.45
P/BV	1.36	1.84	1.73	1.63	1.49

Sources: Company data, Wealth Securities estimates

A = Actual calendar/fiscal year results; C = Bloomberg consensus; I = Annualized interim results; E = Wealth Securities estimates

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	Pre-SRO	Post-SRO	Change
2012E BVPS	37.23	38.98	4.7%
2012E EPS	4.86	3.97	-18.2%
2012E ROE	13.40%	10.45%	295 bps
2012 TP	74.00	70.20	-5.1%
P/BV at 2012 TP	2.00	1.80	-10.0%

Since the discounted shares will probably be sold at a price greater than 2012E BVPS, we expect the SRO to be mildly accretive in BVPS terms. However, we estimate that BDO's 2012E and 2013E Net Income would be relatively unchanged post-SRO compared to our pre-SRO estimates. We therefore expect the SRO to cause considerable EPS dilution and dampen ROE in the near-term.

- **HOLD, with lower TP.** We downgrade our rating for BDO to HOLD, as we lower our Target Price to P70.20 from P74.00. Although we have noted that the SRO resolves concerns on BDO's capital position, we think that the EPS dilution and the lower ROE that the SRO will bring will be an overhang that BDO will have to contend with in the short-term.

Earnings Projections

As of 13 April 2012



Sector / Company	Rating	Price (P)	Target (P)	Market Cap (Pm)	Absolute Performance			Year	Net Income (Pm)	EPS (P)	EPS Growth		PER (x)	PEG (x)	BVPS (P)	P/BV (x)	EV/Ebitda (x)	ROE (%)	Div Yield (%)
					1m	6m	12m				(%)	(%)							
CONGLOMERATES																			
Aboitiz Equity	Hold	49.10	46.50	273,333	-3%	30%	21%	2010	21,866	1.50	163.2	32.6	0.2	14.2	3.5	8.7	32.9	1.1	
								2011	21,191	3.96	(3.1)	12.4	(4.0)	17.7	2.8	8.3	24.0	3.2	
								2012f	23,858	3.84	12.6	12.8	1.0	20.5	2.4	8.0	22.6	3.2	
Alliance Global	Hold	12.04	12.00	133,508	18%	34%	11%	2010	6,908	0.47	44.0	25.8	0.6	10.1	1.2	12.2	12.6	0.5	
								2011f	7,386	0.67	6.9	17.9	2.6	13.2	0.9	12.4	12.0	2.8	
								2012f	9,675	0.72	31.0	16.7	0.5	16.7	0.7	9.5	14.0	2.8	
Ayala Corp.	Hold	415.00	464.00	239,168	5%	42%	38%	2010	10,800	12.24	52.7	33.9	0.6	219.6	1.9	27.7	8.5	1.0	
								2011f	11,438	18.69	5.9	22.2	3.8	231.7	1.8	20.5	8.8	1.0	
								2012f	14,337	19.80	25.3	21.0	0.8	248.1	1.7	16.5	10.3	1.0	
DMCI Holdings	Hold	53.00	51.65	141,272	12%	47%	40%	2010	7,867	1.77	67.2	29.9	0.4	10.1	5.2	11.6	33.2	0.9	
								2011f	10,853	2.96	38.0	17.9	0.5	13.2	4.0	7.7	35.0	1.9	
								2012f	11,925	4.09	9.9	13.0	1.3	16.7	3.2	6.9	30.0	1.9	
Metro Pacific	Hold	4.11	4.17	102,799	17%	35%	31%	2010	2,871	0.09	24.8	44.0	1.8	2.2	1.9	8.7	5.4	0.2	
								2011	5,059	0.12	76.2	35.2	0.5	2.4	1.7	7.5	9.0	0.6	
								2012f	6,173	0.21	22.0	20.0	0.9	2.6	1.6	6.6	10.1	1.5	
San Miguel Corp	Buy	113.30	138.00	267,516	-2%	-7%	-28%	2010	14,268	2.49	142.3	45.6	0.3	60.5	1.9	8.0	10.0	6.0	
								2011f	24,674	6.03	72.9	18.8	0.3	81.2	1.4	3.8	14.7	0.9	
								2012f	31,957	10.42	29.5	10.9	0.4	94.0	1.2	3.2	15.4	0.9	
SM Investments	Hold	646.00	702.00	387,497	1%	22%	23%	2010	18,440	26.18	15.1	24.7	1.6	231.6	2.8	8.9	13.8	1.2	
								2011	21,200	30.12	15.0	21.4	1.4	258.5	2.5	8.2	14.1	1.4	
								2012f	22,939	34.63	8.2	18.7	2.3	292.2	2.2	7.7	13.6	1.4	
UTILITIES																			
Aboitiz Power	Hold	34.60	33.00	243,202	11%	11%	15%	2010	24,428	3.32	361.7	10.4	0.0	7.8	4.4	10.4	53.2	0.9	
								2011	21,106	2.87	(13.6)	12.1	(0.9)	8.9	3.9	9.9	34.4	4.0	
								2012f	19,839	2.70	(6.0)	12.8	(2.1)	9.9	3.5	9.7	28.7	2.6	
EDC	Buy	5.96	6.85	106,313	4%	-3%	-9%	2010	4,116	0.22	24.3	27.2	1.1	1.6	3.6	15.3	13.8	2.1	
								2011f	2,083	0.11	(49.4)	53.7	(1.1)	1.6	3.8	16.1	6.9	2.8	
								2012f	7,957	0.42	282.0	14.0	0.0	1.9	3.1	8.8	24.3	1.9	
Manila Water	Hold	23.95	24.90	46,174	4%	17%	28%	2010	3,987	1.99	23.4	12.1	0.5	9.9	2.4	7.5	21.8	2.0	
								2011f	4,522	2.25	13.4	10.6	0.8	10.7	2.2	6.6	21.9	2.4	
								2012f	5,008	2.49	10.7	9.6	0.9	11.6	2.1	6.3	22.4	2.4	
Meralco	Buy	260.20	303.00	293,090	-2%	9%	16%	2010	12,155	10.78	73.6	24.1	0.3	52.3	5.0	15.0	20.9	2.7	
								2011	14,887	13.21	22.5	19.7	0.9	52.3	5.0	12.9	25.2	2.5	
								2012f	15,487	13.74	4.0	18.9	4.7	52.3	5.0	12.1	26.3	2.6	
Petron Corp	Buy	10.58	16.00	93,375	-9%	-32%	-26%	2010	6,941	0.74	63.7	14.3	0.2	4.6	2.3	9.8	17.2	1.0	
								2011f	10,216	1.09	47.2	9.7	0.2	5.6	1.9	6.5	21.2	1.0	
								2012f	12,879	1.37	26.1	7.7	0.3	6.9	1.5	5.5	22.0	1.0	
Semirara	Hold	247.40	264.40	86,796	10%	22%	4%	2010	3,953	12.10	82.3	20.4	0.2	34.6	7.1	12.5	35.6	2.5	
								2011	6,024	16.89	39.6	14.6	0.4	39.7	6.2	9.8	45.5	4.1	
								2012f	6,952	19.50	15.4	12.7	0.8	47.4	5.2	8.2	44.7	4.9	
CONSUMER																			
Jollibee	Sell	115.00	95.00	121,495	13%	37%	43%	2010	3,090	2.98	16.0	38.7	2.4	16.4	7.0	19.8	18.6	1.9	
								2011	3,213	3.09	4.0	37.2	9.3	16.4	7.0	18.2	18.9	0.9	
								2012f	3,625	3.49	12.8	32.9	2.6	16.4	7.0	17.5	21.3	0.9	
URC	Sell	62.50	52.50	129,469	21%	50%	87%	2010	7,817	3.79	101.1	16.5	0.2	19.9	3.1	12.4	20.2	1.5	
								2011	4,636	2.25	(40.7)	27.8	(0.7)	19.9	3.1	12.2	11.3	3.0	
								2012f	7,263	3.52	56.7	17.7	0.3	19.9	3.1	11.2	17.7	2.1	

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	63.55	70.20	172,091	-1%	25%	32%	2010	8,500	2.44	48.9	26.0	0.5	23.9	2.6	n/a	11.7	1.3
								2011f	10,206	2.94	20.1	21.6	1.1	26.3	2.4	n/a	11.7	1.3
								2012f	12,090	3.48	18.5	18.3	1.0	39.0	1.6	n/a	10.7	1.3
Bank of P.I.	Hold	72.95	73.00	268,300	10%	37%	41%	2010	11,312	3.18	32.8	22.9	0.7	22.8	3.2	n/a	15.3	1.2
								2011	12,117	3.41	7.1	21.4	3.0	25.1	2.9	n/a	14.2	1.3
								2012f	15,742	4.43	29.9	16.5	0.6	28.5	2.6	n/a	16.5	1.3
China Bank	Buy	479.60	539.00	50,519	7%	18%	23%	2010	5,003	46.65	22.0	10.3	0.5	330.3	1.5	n/a	15.2	2.5
								2011f	4,283	39.93	(14.4)	12.0	(0.8)	344.2	1.4	n/a	11.8	2.5
								2012f	5,408	50.42	26.3	9.5	0.4	385.3	1.2	n/a	13.8	2.5
Metrobank	Buy	86.40	103.00	184,713	4%	29%	41%	2010	7,851	3.72	41.6	23.2	0.6	38.5	2.2	n/a	10.5	0.7
								2011	10,516	4.98	33.9	17.3	0.5	49.0	1.8	n/a	11.4	1.1
								2012f	11,779	5.58	12.0	15.5	1.3	51.3	1.7	n/a	11.1	1.1
PNB	Buy	72.20	100.00	47,016	5%	48%	45%	2010	3,515	5.31	60.8	13.6	0.2	50.3	1.4	n/a	11.0	0.0
								2011f	4,516	6.82	28.5	10.6	0.4	93.3	0.8	n/a	9.5	0.0
								2012f	6,468	9.77	43.2	7.4	0.2	103.1	0.7	n/a	9.9	0.0
RCBC	Buy	41.00	46.60	50,944	20%	25%	55%	2010	4,258	3.45	27.7	11.9	0.4	22.1	1.9	n/a	16.1	1.5
								2011f	5,020	4.06	17.9	10.1	0.6	30.4	1.3	n/a	15.5	1.9
								2012f	5,868	4.75	16.9	8.6	0.5	33.2	1.2	n/a	14.9	1.9
Security Bank	Hold	139.00	150.00	74,296	15%	73%	118%	2010	7,160	14.26	133.8	9.7	0.1	49.0	2.8	n/a	33.8	1.4
								2011	3,086	6.15	(56.9)	22.6	(0.4)	61.3	2.3	n/a	11.1	1.4
								2012f	7,383	14.71	139.2	9.5	0.1	75.0	1.9	n/a	21.6	1.4
UnionBank	Sell	96.00	79.00	65,744	11%	71%	75%	2010	5,353	8.35	23.8	11.5	0.5	56.1	1.7	n/a	15.9	2.1
								2011f	3,820	5.96	(28.6)	16.1	(0.6)	59.6	1.6	n/a	10.3	1.5
								2012f	4,725	7.37	23.7	13.0	0.5	65.5	1.5	n/a	11.8	1.5
TELECOMS																		
Globe	Buy	1,127	1,300	152,201	-3%	30%	64%	2010	9,745	73.63	(22.5)	15.3	(0.7)	354.1	3.2	5.9	20.6	7.0
								2011f	9,832	74.29	0.9	15.2	17.0	376.1	3.0	5.7	20.3	5.4
								2012f	10,639	80.39	8.2	14.0	1.7	397.3	2.8	5.3	20.8	5.4
PLDT	Buy	2,622	3,000	557,534	-7%	18%	32%	2010	40,217	187.55	1.1	14.0	12.8	452.7	5.8	7.5	41.0	8.5
								2011f	31,697	147.82	(21.2)	17.7	(0.8)	401.0	6.5	7.8	34.6	7.3
								2012f	37,000	172.55	16.7	15.2	0.9	419.7	6.2	8.0	42.0	6.9
PROPERTY																		
Ayala Land	Hold	20.65	19.80	275,436	2%	42%	40%	2010	5,398	0.41	35.7	49.8	1.4	4.4	4.7	30.3	9.9	0.4
								2011	7,140	0.55	32.3	37.7	1.2	4.9	4.2	21.1	11.8	0.7
								2012f	7,351	0.56	3.0	36.6	12.4	5.5	3.8	19.3	10.9	0.8
Filinvest Land	Hold	1.29	1.20	32,252	7%	17%	24%	2010	2,952	0.12	46.3	10.6	0.2	1.7	0.8	14.8	7.3	2.5
								2011f	2,925	0.12	(0.9)	10.7	(11.6)	1.8	0.7	14.6	6.8	2.9
								2012f	3,396	0.14	16.1	9.2	0.6	2.0	0.7	12.7	7.3	2.9
Megaworld	Sell	1.92	1.68	59,004	10%	12%	-7%	2010	5,026	0.17	23.9	11.4	0.5	1.9	1.0	12.2	9.4	1.0
								2011f	6,392	0.21	27.2	9.0	0.3	2.2	0.9	6.4	10.5	1.2
								2012f	7,191	0.24	12.5	8.0	0.6	2.4	0.8	5.1	10.6	1.0
Robinsons Land	Hold	16.36	17.60	69,186	8%	43%	38%	2010	3,593	0.88	10.1	18.6	1.9	6.8	2.4	12.8	13.5	2.6
								2011f	4,216	1.03	17.3	15.9	0.9	7.3	2.2	10.4	14.6	2.2
								2012f	4,812	1.18	14.1	13.9	1.0	7.9	2.1	9.2	15.4	2.3
SM Dev't	Buy	6.96	8.30	60,007	-4%	-12%	9%	2010	3,022	0.36	62.4	19.4	0.3	3.0	2.3	21.9	16.5	1.1
								2011	4,180	0.50	38.3	14.0	0.4	3.5	2.0	12.8	15.1	1.2
								2012f	5,217	0.62	24.8	11.2	0.5	4.2	1.7	11.4	16.1	1.1
SM Prime	Hold	16.30	18.00	230,722	-2%	43%	51%	2010	7,856	0.57	11.9	28.8	2.4	4.2	3.8	16.2	14.7	1.5
								2011f	8,794	0.63	11.9	25.8	2.2	4.6	3.6	14.7	14.3	1.7
								2012f	9,941	0.72	13.1	22.8	1.7	4.9	3.3	13.2	15.0	1.9
Vista Land	Sell	3.98	3.25	32,976	-1%	24%	50%	2010	3,013	0.36	28.2	0.9	0.0	4.5	0.9	14.3	8.2	1.4
								2011f	3,528	0.42	16.6	0.8	0.0	4.9	0.8	11.8	8.8	2.6
								2012f	4,059	0.48	15.1	0.7	0.0	5.4	0.7	9.5	9.3	3.6

Sector / Company	Rating	Price (P)	Target (P)	Market Cap (Pm)	Absolute Performance			Year	Net Income (Pm)	EPS				EV/ Ebitda		Div Yield (%)		
					1m	6m	12m			EPS (P)	Growth (%)	PER (x)	PEG (x)	BVPS (P)	P/BV (x)		Ebitda (x)	ROE (%)
MINING																		
Atlas	Buy	18.92	28.40	31,860	0%	2%	22%	2010	-757	(0.43)	64.3	(44.1)	(0.7)	1.6	11.5	18.1	(55.7)	0.0
								2011f	3,688	2.09	(587.1)	9.1	(0.0)	3.7	5.1	9.8	77.9	0.0
								2012f	4,026	2.28	9.2	8.3	0.9	6.0	3.1	7.7	46.9	0.0
Nickel Asia	Sell	31.82	23.06	38,185	21%	55%	46%	2010	1,479	1.10	388.3	28.8	0.1	11.1	2.9	7.6	11.3	11.1
								2011f	1,836	1.37	24.1	23.2	0.9	12.5	2.5	6.6	11.6	1.8
								2012f	2,059	1.54	12.2	20.7	1.5	14.1	2.3	6.3	11.6	1.8
Philex	Buy	20.30	27.50	99,335	-3%	-13%	42%	2010	3,963	0.80	40.0	25.3	0.6	4.2	4.9	31.3	21.1	1.5
								2011	5,800	1.18	46.3	17.3	0.4	5.3	0.0	11.0	24.8	1.0
								2012f	6,261	1.27	7.9	16.0	2.0	6.6	0.0	10.3	21.3	1.0
MEDIA																		
ABS-CBN	Sell	40.00	35.00	27,610	3%	3%	-18%	2010	3,179	4.16	86.7	9.6	0.1	24.5	1.6	3.8	3.1	18.3
								2011f	2,504	3.27	(21.2)	12.2	(0.6)	26.0	1.5	4.5	5.8	13.0
								2012f	2,285	2.99	(8.7)	13.4	(1.5)	27.8	1.4	4.3	5.8	11.1
GMA-7	Sell	8.64	6.70	31,930	-13%	46%	36%	2010	1,950	0.58	0.1	14.9	163.0	3.5	2.5	7.0	17.3	7.4
								2011f	2,438	0.73	25.0	11.9	0.5	4.0	2.2	6.4	19.5	4.7
								2012f	2,638	0.78	8.2	11.0	1.3	4.5	1.9	5.9	18.4	4.7
TRANSPORT																		
Cebu Air	Hold	69.00	64.00	39,792	-3%	-11%	-20%	2010	6,922	11.88	112.5	5.7	0.1	30.4	2.3	5.5	54.9	0.0
								2011f	3,770	6.47	(45.5)	10.6	(0.2)	35.1	2.0	7.3	19.8	4.4
								2012f	4,503	7.73	19.4	8.8	0.5	43.0	1.6	5.9	19.8	2.9
ICTSI	Sell	68.00	56.00	121,955	4%	26%	54%	2010	4,324	2.23	79.0	30.4	0.4	12.3	5.5	12.5	19.5	0.6
								2011f	5,430	2.81	25.6	24.2	0.9	15.7	4.3	9.2	20.0	0.8
								2012f	6,120	3.16	12.7	21.5	1.6	18.3	3.7	8.0	18.6	0.8

NOTES:

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

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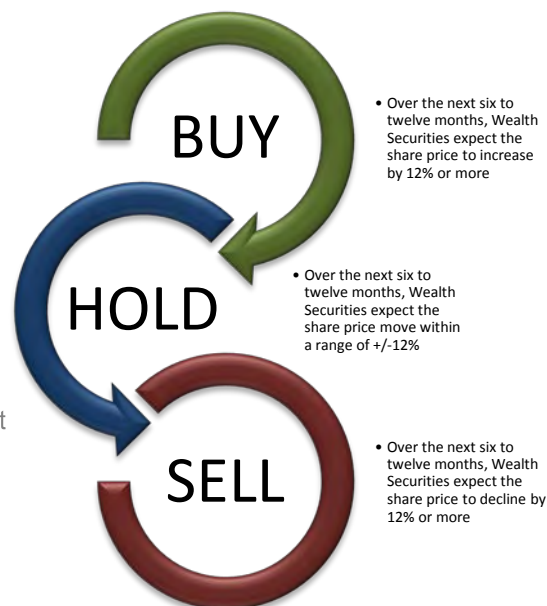
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