



## WEALTH SECURITIES

Backed by a research group of analysts with over 25 years of experience in equity securities

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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.

Wednesday, 10 October 2012

Index	Value	Change	% Change
PSEi	5,394.90	-39.23	0.72 ▼
All Shares	3,567.26	-23.54	0.66 ▼
Financials	1,345.10	-19.18	1.41 ▼
Industrial	8,338.86	-53.83	0.64 ▼
Holding Firms	4,656.30	-28.29	0.60 ▼
Services	1,782.84	-11.66	0.65 ▼
Mining and Oil	19,574.32	-82.38	0.42 ▼
Property	2,054.60	-12.58	0.61 ▼

WORLD INDICES

DJIA	13,473.50	-0.81%
FTSE 100	5,810.25	-0.54%
Nikkei	8,769.59	-1.06%

TRADING SNAPSHOT

Index Movers	Points
TEL	-8.30
MBT	-5.70
BDO	-4.89
AGI	+3.39
SM	-3.22

Index Out-performers	Up
AGI	2.10%
ICT	1.26%
GLO	0.71%
PX	0.43%
MWC	0.34%

Index Under-performers	Down
MBT	2.33%
BDO	2.02%
JGS	1.78%
MEG	1.66%
RLC	1.66%



PSEi Index

Oct 10, 2012: 5,394.90 -39.23  
 Value T/O, net Php3,490million  
 52-week High 5,484.63  
 Low 3,912.61

Foreign Buying: Php 2,906million  
 Foreign Selling: Php2,978 million



HEADLINES

**Expectations on earnings cause Apple and Intel to fall but Alcoa to rise**

➤ US stock indices fell as analysts are expecting third quarter earnings to disappoint. Earnings season began with Alcoa Inc. posting a net income of -\$143M or -\$0.13 per share. However, adjusted earnings came in at \$0.03 per share, slightly above Wall Street's expectations. Hence, Alcoa shares gained 1.6% to close at \$9.28. On the other hand, analysts have revised Apple Inc.'s adjusted earnings per share to \$8.92 from \$10.55. Apple shares closed at \$635.85 (-0.4%). Similarly, Intel Corp. closed at \$21.9 (-2.71%) and was the worst performer on the DJIA after the stock was downgraded by Sanford C. Bernstein & Co.

**RFM to settle buy out or joint venture deal for Swift within the month**

➤ Food and beverage company RFM Corp. is in talks with Century Canning Corp. for either a joint venture deal or the sale of its Swift meat business segment. RFM expects to close a deal with their counterparty by end October. The Swift meat group (distinct from Swift Foods Inc that is into the production of poultry) processes hotdogs, bacon, hams, corned beef, luncheon meat and sausages. The divestment of the meat segment will allow RFM to focus on its market leading brands such as Selecta ice cream, White King (cake mixes and flour-based products) and Sunkist fruit juices.

**Aboitiz Purchases Shares of AP**

➤ Jon Ramon M. Aboitiz purchased 300,000 shares of Aboitiz Power at 33.80-33.85 last October 4, 2012

**Sumitomo Metal Mining Philippines Confirms Stock Dividends**

➤ Based on the 50% stock dividends given by NIKL Asia, Sumitomo Metal Mining Philippine Holdings Corporation has received 169,539,338 shares worth P3.12 Bil. The company now owns 25.26% of the total outstanding shares of Nickel Asia

### **Social Security System (SSS) Purchased Shares of Philex Mining**

- According to SEC 23-B filing, SSS acquired 12,287,800 shares at P21.52 from Sept 1 to Sept 30, 2012. The company owns 21.52% of the total outstanding shares of Philex Mining.

### **Swift Foods Sells Parcels of Land**

- The Board Directors of Swift Foods Inc approved the sale of 3 parcels of land, situated at the Manggahan Light Industrial Park, Pasig City for P266.93 Mil to LBL Industries. The price was determined based on the market price for similar properties.

### **CEB on-time performance hits 92.5%**

- Cebu Pacific has reported a 92.5% high on on-time performance (OTP) last September 2012. These figures are based on CEB's on-the-dot departures and departures within 15 minutes of the scheduled departure time. Major and regional European carriers have achieved an average of 85% OTP, while Asian carriers achieved an average 72.6% OTP.

### **Alsons, Toyota Tsusho Corporation Nears Deal in Mindanao Power Project**

- Alsons Consolidated Resources is still ironing out the final details of the project documentation of the Shareholders agreement in connection with the planned entry of Toyota Tsusho Corporation as 25% shareholder in Sarangani Energy Corporation. Sarangani Energy is expected to build the 105-megawatt first phase of the coal power plant over a three-year period. The company is also likely to raise some P9.3 Bil to finance the project through a syndicated loan from local banks. Sarangani Energy has already signed power sales agreements with South Cotabato II Electric Cooperative Inc. for up to 70 MW of electricity.

### **Megawide signs Build-Lease-Transfer Agreement**

- The consortium of Megawide Construction Corporation and Citicore Holdings Investment signed on Oct 8, 2012 the build-lease-transfer agreements for School Infrastructure Contract Packages B and C for Regions III and IV-A respectively with the Department of Education.

### **Paje signs mining IRR revisions**

- Environment Secretary Ramon Paje signed yesterday the implementing rules and regulations (IRR) to Executive order 79, or the new mining policy. Final revisions were made on Sections 3, 7, and 9 of the IRR. Section 3 now defines an expired mining tenement as a lapsed mining contract of 25-50 years. Revised Section 7 prohibits the issuance of new mining permits until a law rationalizing the revenue sharing scheme between the government and mining firms have taken effect. Amendment of Section 9 grants mining rights and mining tenements over areas with known and verified mineral resources and reserves, including those owned by the government and all expired tenements through competitive bidding.

## **CURRENCIES**

US, Dollar	41.4630
Japan, Yen	0.5298
UK, Pound	66.3408
Hong Kong, Dollar	5.3483
EU, Euro	53.3973
Saudi Arabia, Rial	11.0562
China, Yuan	6.5942
Singapore, Dollar	33.6796

## **COMMODITIES**

WTI CRUDE FUTURE (USD/bbl.)	92.18	-0.23%
GOLD 100 OZ FUTR (USD/t oz.)	1,766.40	+0.08%
SILVER FUTURE (USD/t oz.)	33.90	-0.25%
CORN FUTURE (USd/bu.)	740.75	-0.17%
SUGAR #11 (WORLD) (USd/lb.)	21.47	+0.23%
SOYBEAN FUTURE (USd/bu.)	1,542.50	-0.48%



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