



WEALTH 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.

Friday, 19 October 2012

Index	Value	Change	% Change
PSEi	5,435.94	-2.44	0.04▼
All Shares	3,601.59	-0.24	0.01▼
Financials	1,383.60	-7.27	0.52▼
Industrial	8,392.76	-51.86	0.61▼
Holding Firms	4,659.73	24.23	0.52▲
Services	1,766.83	2.29	0.13▲
Mining and Oil	20,377.63	-195.27	0.95▼
Property	2,106.80	3.46	0.16▲

WORLD INDICES

DJIA	13,548.90	-0.06%
FTSE 100	5,917.05	+0.10%
Nikkei	8,982.86	+2.00%

TRADING SNAPSHOT

Index Movers	Points
SM	+6.45
BPI	-5.14
URC	-5.01
ALI	-2.43
AC	+2.30

Index Out-performers	Up
SMDC	2.77%
SM	1.24%
MEG	1.22%
AC	0.99%
GLO	0.98%

Index Under-performers	Down
URC	3.18%
BPI	1.44%
MER	1.25%
MBT	0.81%
ALI	0.64%



PSEi Index

Oct 19, 2012: 5,435.94 -2.44
 Value T/O, net Php3,896million
 52-week High 5,484.63
 Low 4,158.33

Foreign Buying: Php2,493million
 Foreign Selling: Php2,187 million



HEADLINES

Google tumbles on missed earnings estimates

➤ Google's stock lost a whopping 8% to \$695 as both sales and earnings fell behind analyst estimates. The weak figures were a result of the 15% YOY decline in the average amount advertisers paid per click on a promotion. This is an indication that Google's advertising tools are becoming less valuable. In addition, costs to expand into other businesses hurt the company's bottom line. The S&P 500 declined 0.2% to 1,457.34 while the Dow slid 0.06% to 13,548.90.

Philippines needs to overcome hurdles to investment grade

➤ The following concerns were raised by credit rating agency Standard & Poor's: 1) the country's low revenue base that encumbers narrowing the budget deficit, 2) a lower per capita income compared to Indonesia, and 3) a high population growth that further cuts the per capita income levels.

MWC signs deal to acquire half of Indonesian water firm

➤ Manila Water Company has signed a deal with Suez Environment to purchase the latter's 51% stake in PT PAM Lyonnaise Jaya (PALYJA). However, the closing of the acquisition is subject to government approvals in Indonesia. PALYJA has a total water capacity of 700M liters per day as well as 5,300 kilometers of pipe network.

EDC signs deal for exploration work in Chile and Peru

➤ Energy Development Corp(EDC) signed an agreement with Canadian-based Alterra Power Corp. to conduct exploration field works in Chile and Peru. EDC will secure a 70% stake in the potential joint ventures. Moreover, there are no upfront costs to the investment.

News Clarification on "Cebu Firm May Get Vitarich, Paje's Special Mining Permit"

- According to Manila Standard, "Vitarich's disclosure about a white knight investing in the company gives credence to stock market rumors that a Cebu based firm with a flour milling business is interested in buying into the Sarmiento owned poultry and feeds producer. Vitarich's operations fit the operations of the Cebu-based company which has interests in flour and feed milling, poultry and hog farms." The company wishes to clarify that it is currently talking to possible investors, without any firm offer and is pursuant to its approved rehabilitation plan. The company however, wishes to clarify that the talks might not even result to anything concrete.

RFM Confirms P700M Capital Expenditure Plans from Malaya Business Insight

- The company confirms RFM officials' quote in a Malaya Business Insight article writing "RFM will allocate P700M in expanding the ice cream, pasta, milk and flour businesses after the successful stake sale in Swift for P850M." The company however wishes to clarify that P700M is an estimate and 2013 plans are still being reviewed.

BPI Issues Cash Dividends

- BPI's board has declared a 90 centavo cash dividend per share, for the second semester of the year 2012 payable to stock holders on record as of the 15th day from receipt by BPI of the approval from Bangko Sentral ng Pilipinas (BSP) of the said dividend declaration, and payable on the 15th day from the said record date.

Tanduay Holdings completes share issuance to Tangent Holdings

- Tanduary Holdings, soon to be renamed as Lucio Tan Group of Companies, has completed the issuance of 5B shares to Tangent Holdings Corporation, making the total outstanding common shares to 8,981,388,889. The company also became the controlling shareholder of the following companies: Saturn Holdings – with a 99.0% stake; Asia Brewery with a 90% stake; Paramount Land Equities – with a 98.2% stake; and Fortune Tobacco – with a 82.3% stake.

CURRENCIES

US, Dollar	41.3000
Japan, Yen	0.5209
UK, Pound	66.2921
Hong Kong, Dollar	5.3287
EU, Euro	53.9940
Saudi Arabia, Rial	11.0127
China, Yuan	6.6077
Singapore, Dollar	33.8914

COMMODITIES

WTI CRUDE FUTURE (USD/bbl.)	92.09	-0.01%
GOLD 100 OZ FUTR (USD/t oz.)	1,742.80	-0.11%
SILVER FUTURE (USD/t oz.)	32.83	-0.12%
CORN FUTURE (USD/bu.)	761.00	+0.03%
SUGAR #11 (WORLD) (USD/lb.)	19.79	-1.59%
SOYBEAN FUTURE (USD/bu.)	1,544.25	-0.08%



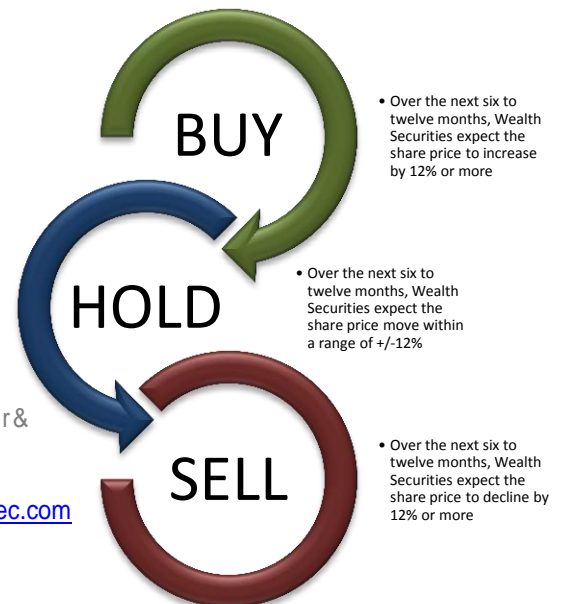
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