



WEALTH SECURITIES

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

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.

Thursday, 25 October 2012

Index	Value	Change	% Change
PSEi	5,398.69	-33.63	0.62 ▼
All Shares	3,573.54	-21.42	0.60 ▼
Financials	1,371.58	-14.15	1.02 ▼
Industrial	8,395.54	-33.34	0.40 ▼
Holding Firms	4,613.94	-58.09	1.24 ▼
Services	1,754.83	4.42	0.25 ▲
Mining and Oil	19,933.62	-210.17	1.04 ▼
Property	2,080.80	-11.33	0.54 ▼

WORLD INDICES

DJIA	13,077.30	-0.19%
FTSE 100	5,804.78	+0.12%
Nikkei	8,954.30	-0.67%

TRADING SNAPSHOT

Index Movers	Points
SM	-8.50
TEL	+7.75
AGI	-6.11
MEG	-5.93
BPI	-4.28

Index Out-performers	Up
BEL	4.17%
SMDC	1.13%
TEL	1.06%
PCOR	0.93%
DMC	0.27%

Index Under-performers	Down
AGI	3.61%
FGEN	2.05%
MEG	2.04%
MPI	1.95%
SM	1.57%



PSEi Index

Oct 25, 2012: 5,398.69 -33.63
 Value T/O, net Php3,846million
 52-week High 5,484.63
 Low 4,205.79

Foreign Buying: Php2.628million
 Foreign Selling: Php2,920 million



HEADLINES

US stocks decline after Fed announces moderate economic growth

➤ Both the Dow and the S&P 500 reversed their day gains to end at 13,077.30 (-0.19%) and 1,408.75 (-0.31%). The indices were in the green during the morning trade due to a slightly better factory output in China and to a 2-year high in new home purchases in the US. However, the Fed said that the economy is still growing modestly with a stubbornly high unemployment rate. Moreover, earnings are becoming a growing concern for investors. Companies like Netflix Inc. (-12%) and AlteraCorp (-8.4%) have cut their revenue forecasts for the fourth quarter.

Volkswagen Appoints Ayala as Philippine Distributor

➤ Volkswagen has chosen to partner with Ayala Corporation. Volkswagen announced the appointment of Ayala's wholly-owned subsidiary, Ayala Automotive Holdings Corporation, as the Philippine distributor for Volkswagen passenger vehicles. The Volkswagen Group is the world's second largest automobile manufacturer as of 2011, with global sales of 8.265M units accounting for a 12.3% share of the passenger car market.

EastWest Acquires P1B FLI receivables

➤ EastWest Bank has purchased P1B worth of receivables of sister firm Filinvest Land Inc, in a bid to increase the bank's mortgage portfolio. While over 50% of EastWest's portfolio is still in consumer loans, the target portfolio mix is envisaged to be optimal in terms of risk adjusted returns of the bank. As of 1H2012, the bank's net NPL ratio was at 4% against 4.2% last year. EastWest is looking at a loan growth of 35-40% for 2012.

News Clarification on "Metro Pacific to buy two more hospitals"

➤ Metro Pacific Investments Corporation is currently in discussions with several parties for the acquisition of additional hospitals throughout the country, but no definitive agreement has been reached yet.

MJC Approves Cash Dividends

- MJC Investments' board of directors has approved the declaration of a cash dividend of P0.08 / share with ex-date of November 7, 2012 and payment date of November 26, 2012.

MJIC Aborts P2.15B equity infusion from new investors

- Manila Jockey Club group has decided to keep a 51% stake in property unit MJIC Investments, aborting the latter's acceptance of a P2.15 B fresh equity infusion from new investors. The corporation shall now proceed to negotiate and accept new investments in accordance with such guideline that at least 51% of the subscribed expanded capital shall remain with the parent company.

ABS CBN eyes partnership with PLDT

- PLDT is in talks with ABS CBN for a possible content partnership. ABS CBN Chief Finance Officer Rolando Valdueza said exploratory talks are being conducted with telecom providers for possible content partnership. He also added that he is in talks with Globe Telecom as ABS-CBN wants its content to be available in all platforms.

Philex Petroleum Reports Losses

- Philex Petroleum continued to incur losses in the third quarter due to lower oil sales. The company lost P51.35 M, almost unchanged from the P50.98 M loss a year ago. The resulting net loss for the period is mainly due to lower petroleum revenues from Service Contract 14 Block C-1 Galoc. For 9M2012, revenues more than halved to P154.37 M from P387 M a year ago. The bulk of revenues come from petroleum sales, with 20% accounted by coal sales.

News Clarification on "National Book Store eyes backdoor listing"

- Vulcan's Board approved the increase in capital stock of the company to accommodate the conversion into equity of advances from, and possible additional subscription of, National Book Store and its affiliates. Vulcan reiterates its statement that the Board discussed the possibility of the company exiting the mining sector although no definite plans have been made. National Bookstore and its affiliates have communicated to the Board that they're in the process of exploring strategic options for Vulcan; and that appropriate disclosures will be made in due course.

Cooperation Agreement with Melco Crown Entertainment Limited, Voluntary Trading Halt

- Belle Corporation will be releasing to the press the attached statement regarding its execution of a Cooperation Agreement with Melco Crown Entertainment Limited (MCE), a developer and owner of integrated resort facilities in Macau. To allow the investing public to properly digest the impact of the foregoing information with regard to the Corporation's relationship with MCE, BEL will have a trading halt from 9:00 am to 10:00 am .

CURRENCIES

US, Dollar	41.3700
Japan, Yen	0.5181
UK, Pound	66.3300
Hong Kong, Dollar	5.3377
EU, Euro	53.6437
Saudi Arabia, Rial	11.0317
China, Yuan	6.6213
Singapore, Dollar	33.8599

COMMODITIES

WTI CRUDE FUTURE (USD/bbl.)	85.77	+0.05%
GOLD 100 OZ FUTR (USD/t oz.)	1,704.70	+0.18%
SILVER FUTURE (USD/t oz.)	31.85	+0.71%
CORN FUTURE (USd/bu.)	752.75	-0.23%
SUGAR #11 (WORLD) (USd/lb.)	19.68	+0.15%
SOYBEAN FUTURE (USd/bu.)	1,569.25	-0.19%



Please Read!

The information and opinions in this report were prepared by Wealth Securities, Inc. The information herein is believed to be reliable and has been obtained from public sources believed to be reliable. Wealth Securities makes no representation as to the accuracy or completeness of such information.

Wealth Securities may engage in securities transactions, on a proprietary basis or otherwise, in a manner inconsistent with the view taken in this research report. In addition, others within Wealth Securities, including traders and sales staff, may take a view that is inconsistent with that taken in this research report.

Opinions, estimates and projections in this report constitute the current judgment of the author as of the date of this report. They do not necessarily reflect the opinions of Wealth Securities and are subject to change without notice. Wealth Securities has no obligation to update, modify or amend this report or to otherwise notify a recipient thereof in the event that any opinion, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. Prices and availability of financial instruments are subject to change without notice. This report is provided for informational purposes only. It is not an offer or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy. Target prices are inherently imprecise and a product of the analyst judgment.

Jerome Gonzalez
Research Head
T: 634.5038 local 8127
jerome@wealthsec.com

Miguel Agarao
Mining & Property
T: 634.5038 local 8164
miguel.agarao@wealthsec.com

ND Fernandez
Banking, Telcos &
Transport
T: 634.5038 local 8152
ndfernandez@wealthsec.com

Bernard Aviñante
Conglomerates, Power &
Gaming
T: 634.5038 local 8121
bernardavinante@wealthsec.com

Nikki Yu
Consumer
T: 634.5038 local 8150
nikki.yu@wealthsec.com

RATINGS DEFINITION



Wealth Securities, Inc.
2103 East Tower, PSE Center,
Exchange Road, Ortigas Center,
Pasig City 1600
Telephone: 02.634.5038
Facsimile: 02.634.5043

www.wealthsec.com