



## 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.

Wednesday, 31 October 2012

Index	Value	Change	% Change
PSEi	5,426.67	29.25	0.54▲
All Shares	3,587.77	16.00	0.45▲
Financials	1,380.64	1.85	0.13▲
Industrial	8,553.98	159.90	1.90▲
Holding Firms	4,603.99	8.16	0.18▲
Services	1,755.01	10.77	0.62▲
Mining and Oil	20,025.84	41.27	0.21▲
Property	2,090.62	-4.08	0.19▼

WORLD INDICES

DJIA	13,107.20	--
FTSE 100	5,849.90	+0.95%
Nikkei	8,841.98	-0.98%

TRADING SNAPSHOT

Index Movers	Points
URC	+7.60
TEL	+6.07
MER	+5.16
EDC	+5.13
AGI	+3.61

Index Out-performers	Up
URC	4.90%
MER	4.05%
EDC	3.33%
AGI	2.21%
FGEN	1.87%

Index Under-performers	Down
DMC	1.73%
RLC	1.05%
MEG	0.83%
ALI	0.63%
JGS	0.30%



PSEi Index

Oct 31, 2012: 5,426.67 +29.25  
 Value T/O, net Php3,487million  
 52-week High 5,484.63  
 Low 4,207.44

Foreign Buying: Php3,530million  
 Foreign Selling: Php2,906 million



HEADLINES

**U.S. bond and stock trading will officially resume on Wednesday, October 31, 2012.**

**National Bookstore eyes backdoor listing**

➤ National Bookstore Inc. is acquiring P12.86M worth of shares of listed mining firm Vulcan Industrial & Mining Corp and will subscribe to up to P2.9B worth of shares. Vulcan is increasing its authorized capital to P4B from only P500M to facilitate the entry of the NBS.

**BSP hints at using non-conventional policy moves**

➤ BSP hinted that its reduction of policy rates may not be enough to manage the strong inflow of hot money into the country. BSP officials said that they will consider other policy measures in order to manage the strengthening of the peso against the US dollar.

**BPI 9M2012 earnings up 37% YOY**

➤ BPI's net income rose 37% YOY to P13.2B for 9M2012. Despite the prevailing low interest rate environment, net interest income increased 7.8% as the average asset base expanded by around 6.4%. Non-interest income was 34% higher, mainly driven by higher securities trading gain. Asset quality as reflected in the net 30-day NPL ratio improved to 1.7% from last year's 2.3%. Removing the gains from securities trading, BPI's adjusted ROE and ROA as of September 2012 would be 16.9% and 1.9%, respectively.

**Alcorn Gold to become holdings company**

➤ Alcorn Gold Resources will focus on being a holding firm to facilitate the infusion of new businesses. The listed firm will increase its authorized capital to P10B, and change its corporate name to reflect its primary purpose as a holding company. The company will increase its authorized capital up to P10B while increasing the par value of its capital stock to P1 per share from P0.01.

### **Meralco to expand to Vietnam**

- Manila Electric Co. (Meralco) is looking at 150 to 600-megawatt (MW) power plants in Vietnam through joint venture deals. Vietnam's growth prospects, demographics and increasing urbanization create a favorable environment for investments in energy, water distribution, mining, hospital, infrastructure, media, food and agribusiness.

### **Holcim 9M2012 earnings up 22% YOY**

- Cement manufacturer Holcim Philippines Inc. grew its nine-month net profit by 22.2% YOY to P2.53B due to increased infrastructure spending as well as steady rollout of residential and commercial projects. Sales volume expanded 20% to a record high 119.44M bags of cement. The challenge for Holcim will be to meet increasing demand over the next few years. The company's grinding plant in Mabini will be operational by third quarter 2013. In addition, the firm is building a new plant that will produce around two million tons of cement per year.

### **E-Games raises authorized capital**

- IP E-Games is raising its authorized capital to P9B in preparation for the acquisition of a large gaming and resort complex. E-Games earlier confirmed that it was considering a private placement to a strategic investor to fund new businesses, including casino operations. The company recently acquired 36,000 sqm of land at the planned casino complex in the Cagayan Special Economic Zone.

### **Trans-Asia to raise P1.627B**

- Trans Asia plans to raise up to P1.6B from a stock rights offering. Offer price will be set at P1 per share, representing a 21.41% discount to the stock's 10-day trading volume weighted average price (VWAP). Trans Asia will sell 1.4M common shares to shareholders on record as of Nov. 7. Offer period will run from Nov 14-20 while tentative listing date is on Nov 27. Each eligible shareholder is entitled to subscribe to two rights share for every two common shares held as of record date. Net proceeds will be used by the company to finance its advances for subsequent conversion into equity and investment in a 54MW wind energy project in San Lorenzo, Guimaras and the planned second 135MW unit of the coal-fired power plant in Calaca, Batangas.

### **Pagcor reports P31B net income for 9M2012**

- Philippine Amusement and Gaming Corp (Pagcor) reported a net income of P31B for 9M2012, 16.35% higher YOY. As of 9M12, Pagcor generated winnings of P21B from table games and slot machine operations of casinos and arcades. Pagcor also earned P9.45B from other related services like the regulatory fees that it collects from licensed casinos and income share from activities such as e-games, commercial bingo and poker.

### **RCBC to sell bad assets**

- RCB disclosed that it will sell P4.8B of non-performing assets to Phil. Assets Growth One, Inc., a special purpose company owned by the International Finance Corp. The bank said that it was getting rid of the bad assets in preparation for the more stringent capital requirements of Basel III.

## **CURRENCIES**

US, Dollar	41.1830
Japan, Yen	0.5174
UK, Pound	66.2319
Hong Kong, Dollar	5.3137
EU, Euro	53.3873
Saudi Arabia, Rial	10.9815
China, Yuan	6.5993
Singapore, Dollar	33.7649

## **COMMODITIES**

WTI CRUDE FUTURE (USD/bbl.)	85.73	+0.06%
GOLD 100 OZ FUTR (USD/t oz.)	1,710.70	-0.08%
SILVER FUTURE (USD/t oz.)	31.86	+0.14%
CORN FUTURE (USd/bu.)	742.50	+0.10%
SUGAR #11 (WORLD) (USd/lb.)	19.56	+0.77%
SOYBEAN FUTURE (USd/bu.)	1,537.00	+0.03%



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