



## WEALTH SECURITIES

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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.

Friday, 09 November 2012

| Index          | Value     | Change | % Change |
|----------------|-----------|--------|----------|
| PSEi           | 5,446.71  | 9.42   | 0.17▲    |
| All Shares     | 3,575.28  | -6.30  | 0.18▼    |
| Financials     | 1,418.72  | 2.41   | 0.17▲    |
| Industrial     | 8,584.10  | -40.26 | 0.47▼    |
| Holding Firms  | 4,675.01  | -13.15 | 0.28▼    |
| Services       | 1,721.88  | -1.92  | 0.11▼    |
| Mining and Oil | 19,697.01 | -93.37 | 0.47▼    |
| Property       | 2,099.15  | 31.83  | 1.54▲    |

WORLD INDICES

|          |           |        |
|----------|-----------|--------|
| DJIA     | 12,811.30 | -0.94% |
| FTSE 100 | 5,776.05  | -0.27% |
| Nikkei   | 8,837.15  | -1.51% |

TRADING SNAPSHOT

| Index Movers | Points |
|--------------|--------|
| ALI          | +14.54 |
| BDO          | +10.12 |
| MBT          | -3.43  |
| AGI          | -2.48  |
| URC          | -2.17  |

| Index Out-performers | Up    |
|----------------------|-------|
| BDO                  | 4.15% |
| ALI                  | 4.04% |
| FGEN                 | 0.89% |
| MEG                  | 0.40% |
| ICT                  | 0.29% |

| Index Under-performers | Down  |
|------------------------|-------|
| SMDC                   | 1.59% |
| MER                    | 1.49% |
| AGI                    | 1.44% |
| URC                    | 1.33% |
| DMC                    | 1.33% |



PSEi Index

Nov 09, 2012: 5,446.71 +9.42  
 Value T/O, net Php4,859 million  
 52-week High 5,484.63  
 Low 4,207.44

Foreign Buying: Php3,260 million  
 Foreign Selling: Php3,371 million



HEADLINES

**Delayed aid for Greece adds to fiscal cliff woes**

➤ US equities continued their post-election slump causing the Dow to end at 12,811.30, its lowest level since July and the S&P 500 to end below its 200-day moving average at 1,377.51. It was announced yesterday that the Greek parliament had approved austerity measures required to obtain a bailout from the European Central Bank (ECB). However, the ECB revealed that they would delay releasing funds for Greece to late November.

**SMIC Sets Record P65B capex for 2013; Net income for 9M2012 up 14% YOY**

➤ SM Investments Corp. (SMIC) has allotted P65B for its capital expenditures for 2013 to continue growing its profits by 12% to 15% from 2013-2015. According to SMIC's CFO Mr. Jose Sio, about a third of the capex will be funded through equity or loan issuance and the rest will be internally funded. For 9M12, the firm posted a 14% YOY gain in net income to P16.1B on the back of strong performance from its banking and retail units. SMIC's income was derived 36% from banking (BDO Unibank and China Banking Corp), 26% from retail operations (SM Retail), 23% from malls (SM Prime), and 15% from property development (SM Development Corp and SM Land).

**ICTSI income up 4% to \$106M for 9M12**

➤ ICTSI income climbed 4% YOY for 9M12 to \$105.8M on the back of stronger operations here and abroad. Revenues from port operations increased by 7% to \$524.7M as consolidated volume handled increased 6% to 4.08M twenty foot equivalent units (TEU) in 9M2012. Increase in volume was mainly due to growth in international and domestic trade, new shipping line customers and routes, continuous containerization of break bulk cargoes and full period contribution of the Company's new ports in the USA and Croatia as well as new terminal operations in Jakarta and Indonesia. Volume from the company's six key terminal operations, which accounted for three-fourths of total consolidated volume, increased 7% to 3.04M TEUs.

## FPH Issues Cash Dividends

- First Philippine Holdings approved the declaration of cash dividends of P1/sh for all stock holders on record as of November 22, 2012 with payment date on or before December 12, 2012.

## Potato Corner plans to listing at PSE

- French Fries retailer Potato Corner is considering listing on the PSE in line with its plan to expand and grow the business. Potato Corner is looking to have a total of 2,000 stores in the next five to seven years by expanding 1,000 stores in the US. There are currently a total of 307 Potato Corner outlets located in the Philippines, Malaysia, Panama, Indonesia and the United States. Potato Corner chief executive officer Jose Magsaysay Jr expects to have 21 outlets in the US by year end and is currently in negotiations with prospective master franchisees in Mexico, Brazil, Canada, China, among others. The company is also looking at acquiring a food business and is currently talking to three food chains.

## Phoenix Petroleum raises P2.5B via notes

- Oil firm Phoenix Petroleum Philippines Inc. will raise as much as P2.5B through the issuance of 5-year fixed rate notes this month. Penta Capital Investments Corp. and China Banking Corp. will act as joint arrangers for the corporate notes. The company plans to double its service stations to at least 500 in the next five years through a nationwide expansion program. In July, Phoenix Petroleum and BDO signed the deal for the convertible debt with warrants, with BDO Capital as the sole arranger. As of end 1Q2012, the company's network consisted of 240 retail stations.

## DMC Holdings profits up 12% to P7.9B

- DMCI recorded a 12% YOY increase in net income for 9M12 to P7.9B. The company's miner and power producer Semirara Mining Corp, suffered from a significant decline in its bottom line driven by lower coal prices and lower contributions from the power segment as it rehabilitates a coal plant. Coal operations fell 14% to P1.8B while income from electricity slipped 6% to P944M. Maynilad Water services and DMCI Homes helped offset those decline. Real estate business posted a 47% increase in earnings of up to P1.8B while income from water distribution grew 21% to P1.87B.

## Globe nets P6.8B for 9M12

- Globe registered a 19% YOY drop in net income for 9M12 to P6.8B due to higher expenses brought about by its capital intensive \$700M network modernization and transformation program. Consolidated revenues increased 6% to P61.3B on the back of resilient performance of mobile, broadband, and fixed line data segments.

## GT Capital eyes P9B loans; Net income for 9M2012 surges 51%

- GT Capital plans to raise as much as P9B amid record low interest rates. The holding firm reported a 51% YOY surge in its core earnings to P3.9B for 9M12. Last month, Bangko Sentral ng Pilipinas (BSP) cut key policy interest rates by 25bps to a record low 3.5% for overnight borrowing and 5.5% for overnight lending. GT Capital said its consolidated net income, which includes non-core earnings, more than doubled to P5.3B in the 9M12, while consolidated revenues more than tripled to P16.7B.

## CURRENCIES

|                    |         |
|--------------------|---------|
| US, Dollar         | 41.0500 |
| Japan, Yen         | 0.5164  |
| UK, Pound          | 65.5960 |
| Hong Kong, Dollar  | 5.2959  |
| EU, Euro           | 52.3197 |
| Saudi Arabia, Rial | 10.9452 |
| China, Yuan        | 6.5755  |
| Singapore, Dollar  | 33.4965 |

## COMMODITIES

|                                    |          |        |
|------------------------------------|----------|--------|
| WTI CRUDE<br>FUTURE<br>(USD/bbl.)  | 85.09    | +0.77% |
| GOLD 100<br>OZ FUTR<br>(USD/t oz.) | 1,726.00 | +0.70% |
| SILVER<br>FUTURE<br>(USD/t oz.)    | 32.24    | +1.83% |
| CORN<br>FUTURE<br>(USd/bu.)        | 743.25   | -0.37% |
| SUGAR #11<br>(USd/lb.)             | 18.56    | -1.49% |
| SOYBEAN<br>FUTURE<br>(USd/bu.)     | 1,496.75 | +0.07% |

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