## What The Chart Says

12 Nov 2012



In the short-term, the Philippine Stock Exchange index is moving sideways with a flat resistance line at 5,484 and an ascending trend line with immediate support at 5,402. Based on the index's behaviour last week, it would appear as if a retest of 5,484 should occur this week. However, if prices are able to breakout from here, do not expect that it will shoot up upon registering a new all time high. In fact, the index is moving in a sideways to upward fashion in both the short-term and medium term perspective. Notice, how prices always hesitate as it meets its medium term resistance line, which extends to 5,550. It is only upon a convincing breakout above this level that momentum could kick in. On the off chance that the index breaks 5,402 instead, next support may be found at 5,325 to 5,353.

Recommendation: Hold

💭 01

## What The Chart Says

12 Nov 2012



Last October, we recommended a buy on breakout on Meralco as it formed what looked like a flag. Unfortunately, prices failed to breakout above 290. Instead, it consolidated within range, with support at 273.8 and resistance at 290. Last week, MER broke below this indicated support and fell to as low as 261.6. Based on its previous range, we calculate a potential downside target for MER of 257.6, which is just a few pesos away from its medium term support of 255. MER's upward channel is intact.

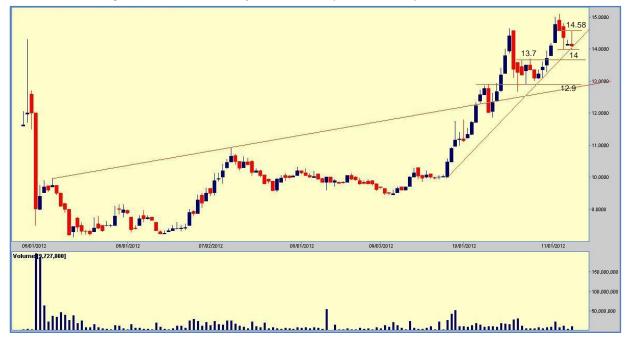
Recommendation: Buy as close to 257.6



## What The Chart Says

12 Nov 2012

### Bloomberry Resorts Corporation (BLOOM)



After reaching a peak at 15.10, BLOOM is currently retesting support at 14. This support may extend to as low as 13.70, which is the resistance of its previous consolidation that has now turned to support. Bear in mind that BLOOM's up trend line rests at the 14 level. This shows that inability for prices to hold at current levels may end its short-term uptrend and the start of a sideways trend, which may potentially bring prices back to 12.90.

Recommendation: Sell if breakdown



# What The Chart Says 12 Nov 2012

Stock Code	Support 2	Support 1	Resistance 1	Resistance 2
ALI	21.25	21.9	23.2	24.5
	Rebounding off support but may encounter resistance at 23.2. Sell if resistance holds.			
BDO	65	66.6	70	74.3
	Broke previous resistance at 65 and made a new 52 week high closing at 68.95. Buy closest to support.			
EDC	6.4	6.58	6.73	7
	Bullishly consolidating at the highs. Buy if support holds.			
LPZ	6	6.2	6.95	8
	Broke first resistance at 6 forcibly with strong volume. Buy on possible continuation closest to 6.20.			
LR	8.7	9	10.3	11.04
	Bullishly consolidating at the highs. Buy if support holds.			
MBT	94.85	96	99.8	110
	Broke above a three month consolidation pattern at 94.85. Buy as previous resistance now acts as support.			
MPI	4	4.2	4.44	4.65
	Broke above a six month consolidation pattern at 4.20. Buy as previous resistance now acts as support.			
SM	770	795.5	850	900
	Bullishly consolidating at the highs. Buy closest to support.			
STI	0.95	1	1.1	1.25
	Broke above two day high of 0.99, and about to test previous resistance at 1.10. Buy closest to support.			
VLL	4.8	5	5.2	6
	Broke above psychological resistance at 5 and made a new 52 week high closing at 5.12. Buy closest to supp			





#### 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.

#### **RATINGS DEFINITION**

**BUY** 

SELL

HOLD

#### 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

Sarah Uy

Construction T: 634.5038 local 8160 sarah.uy@wealthsec.com

twelve months, Wealth Securities expects the share price to decline by 12% or more

Over the next six to

 Over the next six to twelve months, Wealth

Over the next six to

twelve months, Wealth Securities expects the share price move within a range of +/-12%

Securities expects the share price to increase by 12% or more



Wealth Securities. Inc.

#### www.wealthsec.com