



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.

Friday, 16 November 2012

Index	Value	Change	% Change
PSEi	5,414.82	-36.27	0.67 ▼
All Shares	3,568.67	-25.14	0.70 ▼
Financials	1,405.94	-10.26	0.72 ▼
Industrial	8,617.83	-49.95	0.58 ▼
Holding Firms	4,693.18	-11.31	0.24 ▼
Services	1,687.56	-22.86	1.34 ▼
Mining and Oil	18,964.65	-196.87	1.03 ▼
Property	2,059.19	-26.37	1.26 ▼

WORLD INDICES

DJIA	12,542.40	-0.23%
FTSE 100	5,677.75	-0.77%
Nikkei	8,829.72	+1.90%

TRADING SNAPSHOT

Index Movers	Points
TEL	-13.24
ALI	-8.08
MER	-4.33
MWC	+3.22
EDC	+2.93

Index Out-performers	Up
MWC	3.17%
EDC	1.80%
BDO	0.59%
AC	0.27%
AEV	0.21%

Index Under-performers	Down
MER	3.62%
JFC	2.46%
PX	2.24%
ALI	2.19%
TEL	1.88%



PSEi Index

Nov 16, 2012:	5,414.82	-36.27
Value T/O, net	Php4,530 million	
52-week High	5,488.92	
Low	4,211.04	

Foreign Buying:	Php3,001million
Foreign Selling:	Php3,088 million



HEADLINES

Dow decline led by Walmart; Budget debate still primary concern

➤ Walmart slid 3.6% after it provided 4th quarter forecasts that were lower than analysts' estimates. The company has been lowering retail prices in order to lure shoppers that are struggling with the effects of the slow US economy. However, 90% of the drop in US stocks since Election Day can be attributed to concerns about the fiscal cliff. The Dow declined yet again to 12,542.4 (-0.23%) and the S&P 500 fell to 1,353.33 (-0.16%), below its 200-day moving average.

D&L offers 1.07B primary shares, Tentative listing on Dec 12

➤ D&L Industries will list up to 3.58B shares with a par value of P1/share under the first board selling 1.07 B primary shares to the public equivalent to 39% of the company with an offer price of P3.85-4.80/share. There will also be an overallotment option of up to 160.72M shares granted to Maybank ATR Kim Eng, the stabilizing agent and book runner for this issuance. The distribution of the offered shares will be up to 70% for institutions, up to 20% for PSE's trading participants and up to 10% to small investors. The final pricing and allocation will be given on Nov 26. Subscription period is from Nov 28 to Dec 3. The tentative listing date is on Dec 12.

Lopez Holdings posts 76% profit hike

➤ Lopez Holdings 9M12 net income surged to P6.18 B (+76% YOY) due to a onetime gain in Earnings of associate First Philippine Holdings (FPH). Earnings of associates grew 16-fold to P5.31B from only P305M due to FPH's sale of a 2.66% in Meralco amounting to P3.34B. Unaudited consolidated revenues went up to P24.02B (+13% YOY) after associate ABS CBN logged in stable numbers and higher advertising rates beginning February.



FGEN fully prepaid \$142M loan

- First Gen Corporation fully prepaid its \$142M 6 and 7 year floating rate committed term loan with a consortium of foreign and commercial banks (BDO,BPI, Maybank, RCBC, UBP, Mizuho Corp, Allied Bank, Robinsons Savings Bank). The company was able to prepay the loan using proceeds it received from the US\$420M 10-year term loan facility of FGP Corp, owner of the 500MW San Lorenzo natural gas-fired power plant.

Phoenix Petroleum 9M12 income surges 45%

- Phoenix Petroleum posted 9M12 income of P516M (+5% YOY) as well as revenues of P24.9B (+19% YOY) after fuel sales volume surged 24% YOY. Newly acquired affiliate Chelsea Shipping Corp contributed 20.5% of 9M12 income. The company claims that it has grown its share of the oil industry to 6% from 3.2% a year ago based on sales volume. As of 9M12, the company has 275 retail stations, 173 of which are in Mindanao, 21 in Visayas and 81 in Luzon.

CURRENCIES

US, Dollar	41.1800
Japan, Yen	0.5075
UK, Pound	65.3236
Hong Kong, Dollar	5.3122
EU, Euro	52.6329
Saudi Arabia, Rial	10.9796
China, Yuan	6.6066
Singapore, Dollar	33.6410

COMMODITIES

WTI CRUDE FUTURE (USD/bbl.)	85.45	-1.01%
GOLD 100 OZ FUTR (USD/t oz.)	1,713.80	-0.94%
SILVER FUTURE (USD/t oz.)	32.67	-0.63%
CORN FUTURE (USd/bu.)	725.00	-0.58%
SUGAR #11 (USd/lb.)	19.04	0.00%
SOYBEAN FUTURE (USd/bu.)	1,403.75	+0.12%



Vista Land delivered record sales for 9M2012

- VLL reported that its 9M2012 sales reached P30.1B, resulting to 9M2012 Net Income of P3.2B. This is on-track with the company's FY2012 targets of P40B of sales and P4.2 in Net Income. The company also said that most of the sales for this year came from its Camella brand, both in Metro Manila and in the provinces. Moving forward, the company expects to continue delivering strong sales performance as the demand for house and lots continues to be strong.

Leisure and Resorts World earnings jumped 8-fold in 9M2012

- LR reported that 9M2012 Net Income Attributable to Shareholders surged to P107.6M, a huge increase from P12.3M in the same period last year. This was driven by a 14% YOY increase in revenues, which reached P3.3B for 9M2012. Likewise, 9M2012 EBITDA was up 118%% YOY to P239M. Moving forward, the company expects to maintain its growth trajectory, as revenues from electronic bingo as well as service and hosting fees generated by its subsidiary, First Cagayan, continue to grow strongly.

First Gen 9M2012 net income reached \$147M

- FGEN's 9M2012 Net Income surged to \$147.0M from only \$10.1M in the same period last year. The company said that the increase was mostly due from stronger earnings from EDC, as well as the absence of the impairment charges that dragged EDC and FGEN's earnings. FGEN's revenues also grew by 15.2% to \$1.2B for 9M2012. The consolidation of the Santa Rita and San Lorenzo gas plants into FGEN also contributed to the growth in FGEN's earnings, as they contributed \$81.5M for 9M2012, \$21.9M higher than their earnings contribution for the same period last year.

EastWest 9M2012 jumped to P1.4B

- EW reported that its 9M2012 Net Income reached P1.4B, up 9.9% vs. the same period last year. EW's results were driven by a 22.1% YOY increase in Net Interest Income, which reached P4.3B in 9M2012, as well as an 84.6% YOY increase in Non-Interest Income, which reached P2.9B in 9M2012. EW's loans also grew to P61.0B (+36.4% YOY). The effects of increase in the bank's Net Revenues, however, were tempered by the increase in Operating Expenses (+46.6% YOY to P4.5B) and Provisions (+127.9% YOY to P1.2B).
- Comment: EW's results are in-line with our forecast and we believe that the company is on-track to deliver or exceed P1.7B in Net Income for FY2012. We also like how EW has continued to deliver strong loan growth and high margins, just when most local banks are dealing with slowing loan growth and margin contraction. We also think that the increase in EW's opex shows that the company is investing in the bank's infrastructure and that this investment will allow the bank to enjoy economies of scale later on.

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

Sarah Uy
Construction
T: 634.5038 local 8160
sarah.uy@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