



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.

Tuesday, 05 February 2013

Index	Value	Change	% Change
PSEi	6,435.98	117.37	1.86▲
All Shares	4,040.92	63.85	1.60▲
Financials	1,659.94	23.37	1.43▲
Industrial	9,725.20	149.20	1.56▲
Holding Firms	5,679.20	142.51	2.57▲
Services	1,914.09	34.00	1.81▲
Mining and Oil	22,177.77	376.68	1.73▲
Property	2,623.70	26.06	1.00▲

WORLD INDICES

DJIA	13,880.08	-0.93%
FTSE 100	6,246.84	-1.58%
Nikkei	11,260.30	+0.62%

TRADING SNAPSHOT

Index Movers

SM	+18.31
TEL	+16.59
AC	+12.31
BDO	+12.21
AEV	+7.77

Index Out-performers

Up

PCOR	7.52%
SMDC	6.00%
SMC	4.62%
RLC	4.37%
BDO	4.14%

Index Under-performers

Down

AP	0.65%
ALI	0.33%
MWC	0.28%
FGEN	0.19%



PSEi Index

Feb 04, 2013:	6,435.98	+117.37
Value T/O, net	P 6,639	million
52-week High	6,449.44	
Low	4,739.87	

Foreign Buying:	P 6,885	million
Foreign Selling:	P 4,900	million



HEADLINES

US stocks fall on Spain and Italy concerns

➤ All 10 S&P 500 industry groups were in the red, led by losses in tech and financial stocks. The S&P 500 ended 1.2% down at 1,495.71. The Dow Jones Industrial Average lost 0.9%, at 13,880.08 after closing above 14,000 last Friday. Only one out of the Dow average's 30 components – Boeing Co. – ended higher. In Spain, Prime Minister Mariano Rajoy is mired in a corruption scandal. Yields on Spain's 10-year government notes surged to above 5%. Similarly, Italian Prime Minister Silvio Berlusconi promised to refund about 4B euros in property taxes if his party wins elections. This is viewed as a step in the opposite direction of current reforms. Italy's FTSE MIB index plunged 4.5% to 16,539.00, while the yield on 10-year government bonds rose 15 basis points to 4.47%

ICTSI bags Honduras deal

➤ International Container Terminal Services Inc. (ICTSI) won the international public bidding process for 30-year contract to for the design, financing, construction, maintenance, operation, and exploitation of the specialized container and general cargo terminal of Puerto Cortes in Honduras. The container and general cargo terminal to be situated in a 62.2-hectare property would have a volume capacity of 1.8 million twenty-foot equivalent units (TEUs). The terminal would have 1,100 meters of quay for containers and 400 meters for general cargo, 14 meters of draft, and a total of 12 ship-to-shore (STS) cranes.

Security Bank profit of P7.5B in 2012

➤ Security Bank Corp. posted a record P7.5B income in 2012, a 12% YOY increase on the back of increased loan activities and higher trading gains. Customer loans grew 30% to P119.6B while deposits increased 19% to P142.4B as of end-2012. As a result, the net interest margin in 2012 was at 3.94%, slightly lower than the 4.08% in 2011. The bank ended the year with total assets of P259.5B.

BPI reports FY2012 Net Income of P16.3B

- BPI reported that its FY2012 Net Income reached P16.3B, +27% YOY. This translated to ROE of 17.5% and ROA of 1.9%. This was driven by a 6% YOY increase in Net Interest Income and 25% YOY increase in Non-Interest Income. The bank also reported that assets increased by 17% YOY to P985B and loans increased by 16% to P527B.
- Comment: BPI's results are slightly ahead of our FY2012E Net Income of P15.6B and ROE of 16.3%. Although we expect BPI to continue delivering strong results moving forward, we think that at 3.36x 2013E P/BV, it is trading at a significant premium over its other peers.

CHIB, MBT and PNB release December 2012 SOC

- CHIB, MBT and PNB all released their YE2012 Statement of Condition yesterday. Though the disclosed ROE in these statements are only of the parent companies and may be considered preliminary, all 3 banks reported ROE that are ahead of our estimates. In the table below, we show the disclosed ROE of these banks vs. our estimates.

	FY2012 ROE	
	Estimate	Actual
CHIB	11.30%	13.44%
MBT	10.80%	13.82%
PNB	13.25%	13.60%

Meralco sets P30M for power generation projects till 2019

- For its expansion into the power generation business, Meralco will pour in around P30M (\$737M) as its equity investment for numerous power projects from 2013 to 2019. Total project cost of the power generation projects is estimated at \$4.5B, which will mostly be financed through debt. Meralco, through subsidiary Meralco PowerGen Corp., is looking at reaching a generating capacity of 2,700 megawatts (MW) from now until 2020. The portfolio will be composed of four 375-MW liquefied natural gas power plants and two 600-MW coal-fired power plants.

CURRENCIES

US, Dollar	40.6200
Japan, Yen	0.4408
UK, Pound	63.9987
Hong Kong, Dollar	5.2387
EU, Euro	54.8622
Saudi Arabia, Rial	10.8311
China, Yuan	6.5172
Singapore, Dollar	32.7660

COMMODITIES

WTI CRUDE FUTURE (USD/bbl.)	95.96	-0.22%
GOLD 100 OZ FUTR (USD/t oz.)	1,675.20	-0.07%
SILVER FUTURE (USD/t oz.)	31.77	+0.17%
CORN FUTURE (USd/bu.)	734.50	+0.03%
SUGAR #11 (USd/lb.)	18.91	+0.96%
SOYBEAN FUTURE (USd/bu.)	1,486.25	-0.17%



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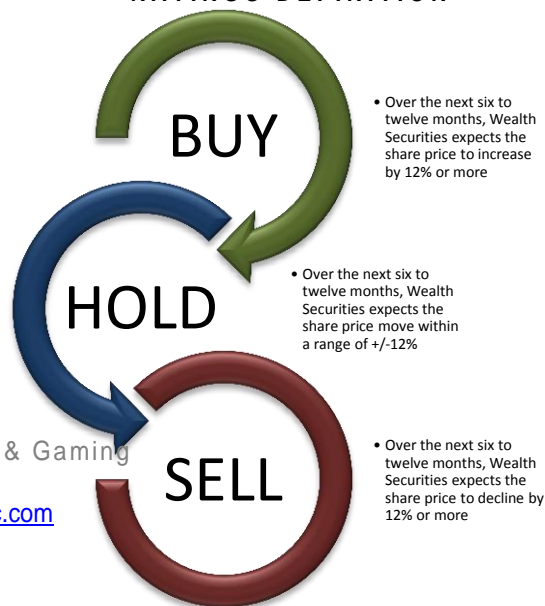
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