

# Bullseye Report

## Weekly Overview



Issue	Last Wk	Current	Wk Chg	Wk Chg %	YTD %
<b>Philippines</b>	6,585	<b>6,355</b>	<b>(230.20)</b>	<b>(3.50)</b>	9.33
<b>Peso-\$</b>	43.040	<b>43.210</b>	0.170	0.39	5.26
<b>DJIA</b>	15,616	<b>15,762</b>	146.23	0.94	20.28
<b>SP500</b>	1,762	<b>1,771</b>	8.97	0.51	24.15
<b>Nasdaq</b>	3,922	<b>3,919</b>	<b>(2.81)</b>	<b>(0.07)</b>	29.80
<b>England</b>	6,735	<b>6,708</b>	<b>(26.32)</b>	<b>(0.39)</b>	13.74
<b>Nikkei</b>	14,202	<b>14,087</b>	<b>(114.77)</b>	<b>(0.81)</b>	35.51
<b>Hong Kong</b>	23,250	<b>22,744</b>	<b>(505.40)</b>	<b>(2.17)</b>	0.39
<b>China</b>	2,150	<b>2,106</b>	<b>(43.43)</b>	<b>(2.02)</b>	<b>(7.18)</b>
<b>Bonds</b>	133.19	<b>131.31</b>	<b>(1.88)</b>	<b>(1.41)</b>	<b>(10.53)</b>
<b>10-Yr Yield</b>	26.200	<b>27.460</b>	1.260	4.81	56.38
<b>Dollar Indx</b>	80.810	<b>81.280</b>	0.47	0.58	1.89
<b>Gold</b>	1,315.30	<b>1,289.00</b>	<b>(26.30)</b>	<b>(2.00)</b>	<b>(23.00)</b>
<b>Oil</b>	94.60	<b>94.35</b>	<b>(0.25)</b>	<b>(0.26)</b>	2.84
<b>GTX</b>	4,696.50	<b>4,671.00</b>	<b>(25.50)</b>	<b>(0.54)</b>	<b>(4.46)</b>

### Authored by:

**Juanis G. Barredo**

VP; Chief Technical Analyst

COL Financial Group Inc.

(632) 636-5411

[Juanis.barredo@colfinancial.com](mailto:Juanis.barredo@colfinancial.com)

Disclaimer: All opinions and estimates constitute the judgment of COL's Equity Research Dept as of the date of the report and are subject to change without notice. The report is for informational purposes only and is not intended as an offer or solicitation for purchase or sale of a security.

## WEEK'S HIGHLIGHTS

- The Philippines' PSEi fell 230-pts Wow to 6,355 (-3.5%) and has failed its resistance challenge as selling pressure cycloned through
- Average Daily Value for the week rose to P12.3-B from P7-B from the week previous
- However net foreign flows were still observed showing outflows of P2.9-B last week listing almost 7-weeks of net foreign selling
- Weekly Gainers (66) were defeated by Losers (123) which were clearly indicated by all sectoral indices pulling back between 4.5% to 1.8%
- *The PSEi was dragged down heavily last week as heaviness in selling foiled the attempt of the index to breach major resistance. This opened a new round of corrective action which may spillover into the next few weeks as prices may have to conduct more reactions within a large consolidation pattern to try to whittle off remaining supplies of selling. Asian markets do share this sentiment and as such may be noting a regional desire to top slice. This reactionary wave may force the PSEi to seek out lower support levels looking at 6,191 to 6,100 next.*
- US and European markets have also showed choppy action in recent days after hitting resistance targets but venting off weaker MACD structures. Profit taking maneuvers may also be sighted to be conducted into the next few weeks.

## Focus Items

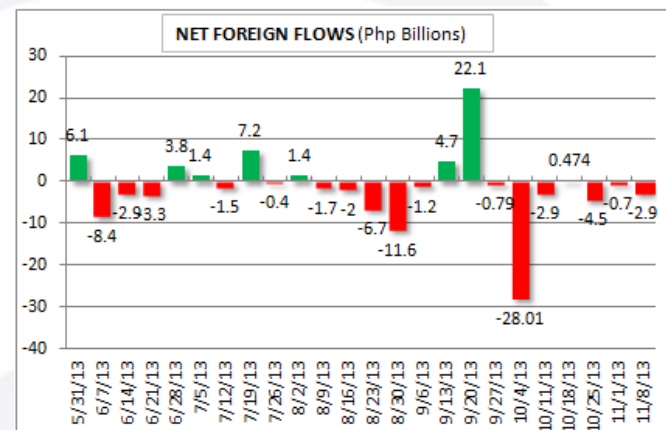
Highlight	Page
<b>Philippines : Weekly Stats</b>	2
<b>Philippines : PSEi &amp; Peso</b>	3
<b>Tech Map: Some key stocks and trend calls</b>	4
<b>US and Europe: In review</b>	5
<b>Asia: In review</b>	6
<b>Currencies &amp; Commodities: In review</b>	7



# Philippines: Weekly Stats\*

## Weekly Index Performance

	Close	Comparative Change		YTD Change	PER
		1 Week	4 Weeks		
PSEi	6,355.18	(3.50%)	(2.07%)	9.33%	19.12
All Shares Index	3,876.90	(2.52%)	(1.25%)	4.81%	18.66
Financials Index	1,544.28	(4.57%)	(3.48%)	1.20%	12.26
Industrial Index	9,203.84	(1.88%)	(2.00%)	3.68%	17.80
Holding Firms Index	5,746.23	(3.96%)	(2.04%)	11.56%	18.37
Property Index	2,567.45	(3.21%)	0.21%	11.40%	27.07
Services Index	1,964.96	(1.96%)	(2.23%)	13.93%	25.22
Mining and Oil Index	12,332.71	(3.83%)	(0.82%)	(36.46%)	26.63



## Weekly Market Statistics

(In pesos)	October 28 – November 01	November 04 – November 08	Year-to-Date
Total Market Capitalization	12,468,605,366,311.80	12,352,260,748,479.90	12,352,260,748,479.90
Domestic Market Capitalization	10,373,713,228,139.10	10,225,905,602,266.40	10,225,905,602,266.40
Total Value Traded	21,211,071,858.43	61,547,205,513.88	2,217,881,936,457.51
Ave. Daily Value Traded	7,070,357,286.14	12,309,441,102.78	10,611,875,294.06
Foreign Buying	12,541,407,044.21	26,977,665,597.68	1,148,167,687,606.50
Foreign Selling	13,242,993,869.80	29,956,907,894.87	1,123,264,225,022.49
Net Foreign Buying/ (Selling)	(701,586,825.58)	(2,979,242,297.19)	24,903,462,584.00
% of Foreign to Total	61%	46%	51%
Number of Issues (Common shares):			
Gainers - Losers - Unchanged	93 - 96 - 26	66 - 123 - 25	107 - 130 - 6

\*Source: PSE (PE Ratios are estimated using four-quarter trailing financial data)



# Philippines: PSEi & Peso



**Recommendation: Range Trade ( Take some profits )**

**Support: 6,191 – 6,100 / 5,896 Resistance: 6,650 - 6,829**

- The PSEi lost 230-pts WoW to 6,355 (-3.50%) and is overcome by selling pressure due to major resistance
- And along with weak MACD structures in Daily and Weekly frames, it proceeds to propose a short term correction
- Continue to take some profits as clear indications of short term outflows cast by breaks in support are being shown
- A pullback to its 1-yr MA (52-wk 6,357) has already been sighted and could force the index back to 6,191-6,100 next
- We must wait for a new medium term support platform to form to reclaim a new window for a ranged buy

**Recommendation: Hold or lighten some on the Peso**

**Support: 42.90 - 42.00 Resistance: 43.60 – 44.00**

- The Peso- $\$$  (at 43.21) was mostly sideways for the week but did show some upward threat (or weakness due to the Dollar rally) from its established support of 42.90
- A possible rally to 43.50 may be seen – anything more may be a little worrisome and could cause another round of corrective agitation (hence some lightening)
- However MACD reads are still good (for Peso Appreciation) and thus earmarks a Hold



# Some Key Stocks and Trend Calls

Tech Map				
↑	↻	↔	↷	↓
BEL	AEV	AC	ANI	ABS
JFC	CPG	AGI^	CEB	APC
JGS	EMP	ALI	DIZ	AT
MARC	GLO	ANS	EEL	BLOOM
MCP	GTCAP	AP	FDC	DAVIN
SCC	ICT	AUB	FOOD	EW
	MEG	BDO	GERI	FGEN
	MER	BHI	MMI	FPH
	PGOLD	BPI	NIKL	LC
	PNB	CAL	PCOR	LPZ
	RFM	CHIB	PNX	LRI
	SMPH	COAT	RCB	LTG
		COSCO		MA
		DMC		MWC
		DMPL		MWIDE
		DNL		NI
		EDC		ORE
		ELI		PAX
		FLI		PIP
		HLCM		PX
		LR		PXP
		MBT		ROCK
		MPI		SGI
		OV		STI
		PSE		TA
		RLC		
		RWM		
		SECB		
		SM		
		SMC		
		TEL*		
		UBP		
		URC		
		VLL		
<b>Total Issues (change from last week)</b>				
6 (+1)	12 (-4)	34 (+4)	12 (-9)	25 (+9)

## Legend:

(Note: Trends are cast in the short term)



### Up trends:

These issues show continuing if not strong up trends much of which seem to be technically stable and open to trading buys if risk-reward measures are appealing.



### Up trends needy of reactions or are reacting:

These issues show continuing up trends but a recent up stretch could show (or is now showing) vulnerability to some profit taking and reactive adjustments. Wait for a pullback to short term support or a rally from support to cast fresh buy trades.



### Consolidations (Sideward trends):

These issues are running through consolidation phases await key range breaks for new trend action. Stay sidelined for now but keep watch of these potential range breaks [~up/down, ^-up, \*-down].



### Down trends needy of rallies or are rallying:

These issues show continuing declines but a recent fall off could inspire (or is engendering) a temporary rebound wave. Lighten or sell into rebounds to resistance for now.



### Down trends:

These issues show continuing if not strong down trends much of which seem to be technically stable. Stay out for now until a better demand pattern appears.

## Stock Code Color Guide:

### GREEN

-These issues improved their technical condition for the week (moving to the left of their column category on the Tech Map)

### RED

-These issues regressed on their technical condition for the week (moving to the right of their column category on the Tech Map)

### BLACK

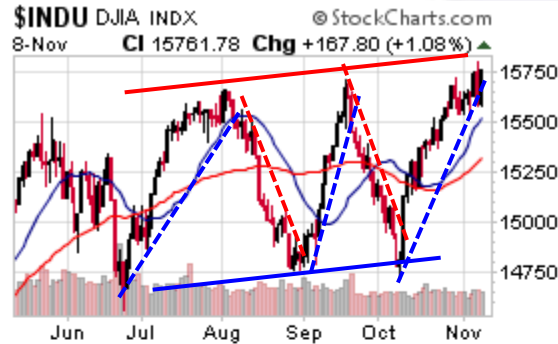
-These issues carried the same technical condition for the week (standing on the same column category on the Tech Map)



# US and European Markets

## US and European markets show profit taking wobbles near range highs; US Bonds Yields surge on strong 3Q results

- US indices showed more wobbles after hitting ranged resistance targets forced in some profit taking and increased choppiness. We may see more volatility this week as lingering bullish actions may attempt to counter the initial profit taking sway, but MACD readings are becoming more vulnerable open to a reactive slide. If more confirmation on the reactive tug surfaces (like further breaches of the 16-day Moving Averages), we could see an adjustment back to 15,300-15,200 on the Dow and 1,720-1,710 on the SP500, and 3,800-3,720 on the Nasdaq .
- The US economy grew faster than expected in the 3<sup>rd</sup> Qtr raising expectation of tapering once again – this sent Bond Yields up breaking its reactive resistance line
- Europe also stands susceptible to similar profit taking waves and will also show parallel reactions as overbought signs and weakening MACD structures call out . This despite the ECB calling in a surprising rate cut to try to keep active stimulus open for the economy to draw on



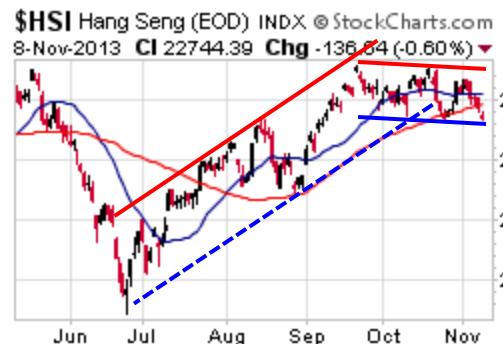
\* Simple Moving Averages: 20-Period 50-Period



# Asian Markets

## Asian markets showed corrective bias as resistance pressures proved too heavy

- Asian markets seem to be under continuing pressure as a number of indices keeled over to heavy selling outflows triggered by heavy resistance fronts
- Indices from the Philippines, Thailand, Japan, Indonesia, S Korea, Singapore, Hong Kong and China have shown corresponding pullbacks to short to medium term support and may face critical challenges into the next two weeks
- Consolidation patterns may still need to be drawn out longer in order to appropriately wind prices – as selling pressure has not abated to that degree to allow for key resistance breaks
- This should prompt for some defensive and selective action by tapering positions, and expecting key support tests and more corrective volatility for another two weeks... while at it, a close eye on support fronts will have to be raised as ongoing vulnerability may draw out threats to short / medium term demand zones



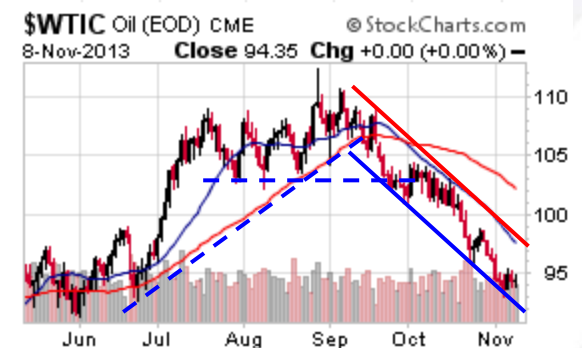
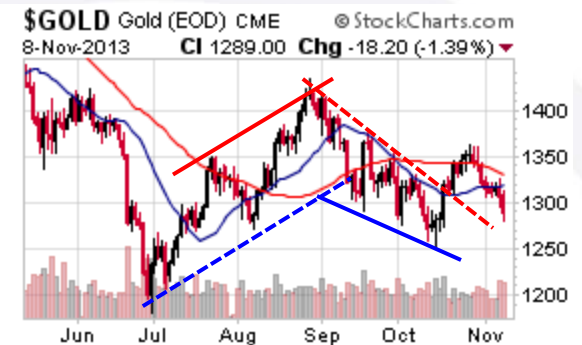
\* Simple Moving Averages: 20-Period 50-Period



# Currencies & Commodities

**The Dollar stays strong as US economy firms stronger than expected; ECB cuts rates hosing down the EURO**

- The US Dollar index rebounded strongly again last week picking up almost 0.59% and breaks free from its short term resistance at 81. This looks to trigger a wider rally which could set its eyes closer to 83
- In contrast the Euro index fell 0.85% for the week hitting its 130-day MA and may test its 1-yr (260-day) MA at 133 – the weakness was driven by the latest ECB rate cut who took the opportunity to cut due to milder inflation readings. This may prod the Euro closer to 132-131
- The Yen proceeded to cascade into a triangular consolidation and should offer a decision out of its range within 2-weeks time or so – this may have impact on the Nikkei (keep alert)
- Metals and Oil proceeded to weaken with Gold and Copper putting new threats to short term support while Oil has re-angled down but showing some near oversold indications – look to sell these on rallies



\* Simple Moving Averages: 20-Period 50-Period