



STOCKS UPDATE

Guidance for Stock Market Investing Exclusively for TrulyRichClub Members

Note: To understand the Stocks Update, first read Bo's Ebook, *My Maid Invests in the Stock Market*.

Click here www.TrulyRichClub.com to download now.

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Use the Magic of One Percent

I know you understand the magic of compound interest.

I know you understand the magic of Peso Cost Averaging, and especially our very own SAM (Strategic Averaging Method)—which has the potential of earning you more than Peso Cost Averaging.

Why? Peso Cost Averaging is buying stocks every month and never selling. SAM is buying stocks every month using our Buy Below Price (and thus guaranteeing that you buy cheap) and selling (rarely) when we hit the Target Price.

But today, I'd like to share with you the Magic of One Percent.

If you don't know about it, then a fair warning: It will astound you.

Here it is...

Let's say Bert is 30 years old and recently joined the *TrulyRichClub* and started investing P5000 a month in the stock market. He did so until he reached the age of 60. If it grew his investments by 12 percent each year, Bert will have an amazing P16.2 million in the stock market.

But because Bert isn't just doing Peso Cost Averaging but SAM (Strategic Averaging Method), his money doesn't grow by 12 percent but by 13 percent a year. Do you know what that one percent difference will do?

Answer: Instead of P16.2 million, Bert will have P19.8 million.

The difference of P3.6 million came from the Magic of One Percent.

Let me make this more graphic. If Bert retires at age 60 with P16.2 million, and decides to live on the interest of his money, withdrawing four percent, that will be P648,000 living expenses for his first year. But if Bert retires with P19.8 million and withdraws four percent, that will be P792,000. That's 22 percent extra for his expenses and charity work as a happy retiree.

Can I challenge you?

Bert's example is flawed. In other words, I want you to beat his numbers and earn much more than Bert.

First, as your income increases, you should invest more. In my example, Bert invested P5000 from age 30 to age 60. You shouldn't do that. Because as years go by, your income is expected to increase. So you should invest more too. If you do this, your money will grow exponentially too. If you do this, you'll more likely end up with P25 million to P30 million when you retire.

Happy investing!



May your dreams come true,

Bo Sanchez
Bo Sanchez

P.S. Merry Christmas! May your heart be filled with God's Love this Christmas Season.

P.S2. I'm reminding you to supercharge your 2015 by leaps and bounds. How? Join WEALTH SUMMIT 2015. Hurry before the early bird tickets disappear. Through our biggest learning financial event of the year, I know you'll grow in your rock-solid commitment to build your long-term wealth. To supercharge your 2015, visit www.trulyrichclub.com/wealthsummit now!



Market Updates and SAM Stock Reviews

By Mike Viñas

Last October, global markets dropped significantly. Because of this, many were expecting the global markets to remain weak for a prolonged period of time. However, a lot were surprised to see several markets deliver a "V" shaped rally. In the Philippines, since November our market has gone up as high as 7,372.16, challenging its previous high of around 7,400. Such previous market strength can be attributed to the low interest rate environment as well as the move of central banks to continue to pump liquidity. In fact, despite the end of the Fed's bond buying program last October, financial markets are expected to stay very liquid globally.

Thus, COL and TrulyRichClub analysts continue to believe that we are not entering a bear market anytime soon. In summary, the performance of the stock market last month reminds us that we can't be too bearish when there is so much liquidity. Moving into 2015, such liquidity will continue to play a major role affecting the performance of stock markets globally. As for our market, COL Research forecasts 7,800 as the 2015 end target.

Last November 30, 2014, the government announced that 3rd quarter GDP growth reached 5.3 percent. This is below the forecast of 6.4 percent. However, this does not alter our positive view on the economy. Furthermore, other drivers of economic growth remained strong during the quarter. Consumer spending was resilient with an increase of 5.2 percent, exports picked up going higher by 9.8 percent, and investment spending rebounding by 3.6 percent. Construction and manufacturing sectors continued to grow notably, rising by 5.1 percent and 7.2 percent respectively.

In light of this, negative reactions of the market as seen in the recent days should be viewed as opportunities to buy stocks at low prices. In fact recently, the market has gone down significantly, going back to below 7,000 levels. This negative downturn in our market is caused by the decline of oil prices, affecting other world markets negatively as well. Thus, we should be able to take advantage of this corrective drive as we continue to buy regularly SAM stocks below their buy below prices. Also, keep your eyes peeled and pegged at these buy below prices as opportunities to buy may arise.

I hope that gives you a good feel on where are market is as close 2014 and as we enter into 2015.

Now, we will be going back to our SAM Stocks Review. Last issue we featured AC and AP. For this issue we will be looking into CEB, EEI, and LRI.

CEB

Cebu Pacific reported a net loss of P1.1 billion this past 3rd quarter. Bulk of this loss was caused by the booking of P911 million worth of Forex losses due to the quarter-on-quarter depreciation of the peso. Based on just operating performance, operating loss for the period was lower at P107 million. According to the company, this loss did not come as a surprise because the 3rd quarter is usually the leanest season. During this quarter they encountered weaker passenger volume, and lower average yield per passenger caused by slower demand for travel. However, in spite of that, management expect operating performance to pick up to profit in this 4th quarter where average yields are higher in light of the Christmas season as well as the potential cost savings from declining fuel prices.

One of the reasons why we are positive on CEB is falling oil prices. The company's fuel expense comprise around 50 percent of its total operating expenses. Recently, jet fuel price has fallen by around 50 percent from the end of August to the end of September this year due to several factors that includes the robust oil production in the US and the slower global economic growth. According to the company's management, it will benefit from the drop in oil price this 4th quarter. This lower oil prices should give a significant increase to CEB's margins.



Despite its poor net income during the 3rd quarter, we continue to include CEB in our SAM Stock list because fundamentally, we believe that the carrier is a major beneficiary of industry consolidation and falling oil prices. Average yields continue to be better and we expect this trend to stay given CEB's reign in the domestic segment. Furthermore, this decline in fuel prices should lead to significant cost savings for Cebu Pacific.



EEI

During the 3rd quarter, net profit of EEI dropped by 21 percent to P153 million due higher revenues and gross profits that was offset by lower equity in net earnings from its foreign subsidiary ARCC and higher interest expense. EEI's equity net earnings from ARCC is unsteady in nature given that it is linked to the construction progress of each period. However, the weak numbers it posted during the 3rd quarter is not an indication of future earnings of ARCC. They still have around P10 billion of workable backlog, which will last them until 2016. To add, the company is also foreseen to win more contracts in 2015.

For EEI, its revenues for the 1st nine months of 2014 increased by 40.9 percent to P11.24 billion. However, gross profit decreased by 3.7 percent as EEI frontloaded equipment and mobilization expenses to support its new projects. In addition, EEI's manpower services contract in Singapore that gave them higher margins was also finished in mid-2013, which pulled down its margins. Moving forward, margins are expected to improve as the company benefits from better economies of scale and as it begins work on its new projects.



The company's backlog, which includes the backlog of ARCC, is at P30.86 billion as of the 3rd quarter this year. This is a 19.33 percent increase from the same period last year. Management says, the EEI's backlog has increased further to around P34 billion as of last October due to new projects that were recently given to the company. Thus, even if its profits from the first nine months of 2014 were disappointing, the increasing level of backlog continues to paint an attractive future earnings growth prospect for the company.

Despite its underperformance, we continue to include EEI in our SAM Stock List. EEI's management has been clear in saying that the higher expenses were mainly due to the frontloading of expenses related to new projects. Therefore, margins are expected to normalize later on as EEI starts to recognize revenues from such projects. Furthermore, EEI's future revenues and income will be supported by its backlog of P34 billion as well as the favorable outlook for domestic construction, given the governments growing budget for infrastructure spending.

I hope this has enlightened you on two of our SAM Stocks. Stay tuned-in for the next SAM stocks on our following issues.

Merry investing and happy Christmas!

P.S. If you would like to hear me live, I conduct free seminars every Friday at the COL Financial Training Center teaching the basics of long-term investing in the stock market. You may sign-up for these seminars at www.colfinancial.com.

I also give inspirational talks on various relevant and engaging topics every Sunday, 9:45AM at Feast ATC in Cinema 2 of Alabang Town Center. Come by and be blessed. It's for free too!

Lastly, follow me at Twitter or Instagram: @mikevinas. Thanks!

Here are our SAM Tables (as of December 18, 2014 closing).

STOCK	Current Price	Buy Below Price	Target Price	Action to Take
AC	654.50	709.00	816.00	Continue buying
AP	41.90	39.00	44.90	Stop buying for now
CEB	85.00	130.00	150.00	Continue buying
EEI	10.60	11.90	13.70	Continue buying
LRI	9.01	13.78	15.85	Continue buying
MBT	79.50	92.00	106.00	Continue buying
MEG	4.69	4.98	5.73	Continue buying
MER	252.20	253.00	291.30	Continue buying
SMPH	16.90	17.60	20.30	Continue buying

STOCK SYMBOL	DATE BOUGHT	PRICE BOUGHT	PRICE TODAY	YOUR RETURN	BUY BELOW PRICE	TARGET PRICE	EXPECTED GROWTH
AC	Jul-13	603.50	654.00	8.37%	654.80	753.00	24.77%
	Aug-13	598.50	654.00	9.27%	602.40	753.00	25.81%
	Sep-13	580.00	654.00	12.76%	602.40	753.00	29.83%
	Oct-13	601.50	654.00	8.73%	602.40	753.00	25.19%
	Nov-13	569.50	654.00	14.84%	602.40	753.00	32.22%
	Dec-13	555.00	654.00	17.84%	602.40	753.00	35.68%
	Jan-14	525.00	654.00	24.57%	599.13	689.00	31.24%
	Feb-14	538.50	654.00	21.45%	599.13	689.00	27.95%
	Mar-14	574.00	654.00	13.94%	599.13	689.00	20.03%
	Apr-14	590.00	654.00	10.85%	599.13	689.00	16.78%
	Aug-14	704.00	654.00	-7.10%	709.00	816.00	15.91%
	Oct-14	688.00	654.00	-4.94%	709.00	816.00	18.60%
	Nov-14	690.00	654.00	-5.22%	709.00	816.00	18.26%
	Dec-14	689.00	654.00	-5.08%	709.00	816.00	18.43%
TOTAL				8.59%			24.34%
AP	May-14	36.40	41.90	15.11%	38.00	44.30	21.70%
	Jun-14	36.60	41.90	14.48%	38.00	44.30	21.04%
	Jul-14	36.55	41.90	14.64%	38.00	44.30	21.20%
	Aug-14	37.00	41.90	13.24%	39.00	44.90	21.35%
	Sep-15	38.95	41.90	7.57%	39.00	44.90	15.28%
TOTAL				16.26%			20.11%
CEB	Nov-14	76.70	85.00	10.82%	78.26	90.00	17.34%
	Dec-14	85.00	85.00	0.00%	130.43	150.00	76.47%
TOTAL				5.41%			46.91%
EEI	Oct-13	9.57	10.60	10.76%	10.40	13.00	35.84%
	Nov-13	9.88	10.60	7.29%	10.40	13.00	31.58%
	Dec-13	9.70	10.60	9.28%	10.40	13.00	34.02%
	Jan-14	10.04	10.60	5.58%	11.04	12.70	26.49%
	Feb-14	10.00	10.60	6.00%	11.04	12.70	27.00%
	Mar-14	11.00	10.60	-3.64%	11.04	12.70	15.45%
	Jun-14	10.62	10.60	-0.19%	11.04	12.70	19.59%
	Jul-14	11.00	10.60	-3.64%	11.30	13.00	18.18%
	Aug-14	11.24	10.60	-5.69%	11.30	13.00	15.66%
	Oct-14	11.10	10.60	-4.50%	11.30	13.00	17.12%
	Nov-14	11.18	10.60	-5.19%	11.30	13.00	16.28%
	Dec-14	10.70	10.60	-0.93%	11.91	13.70	28.04%
TOTAL				1.26%			23.77%

Legend:

Continue Buying

Stop Buying



STOCK SYMBOL	DATE BOUGHT	PRICE BOUGHT	PRICE TODAY	YOUR RETURN	BUY BELOW PRICE	TARGET PRICE	EXPECTED GROWTH
LRI	Jun-13	11.50	9.01	-21.65%	12.68	15.85	37.83%
	Jul-13	11.00	9.01	-18.09%	12.68	15.85	44.09%
	Aug-13	10.50	9.01	-14.19%	12.68	15.85	50.95%
	Sep-13	9.72	9.01	-7.30%	12.68	15.85	63.07%
	Oct-13	9.10	9.01	-0.99%	12.68	15.85	74.18%
	Nov-13	9.25	9.01	-2.59%	12.68	15.85	71.35%
	Dec-13	8.82	9.01	2.15%	12.68	15.85	79.71%
	Jan-14	8.71	9.01	3.44%	13.78	15.85	81.97%
	Feb-14	9.00	9.01	0.11%	13.78	15.85	76.11%
	Mar-14	8.99	9.01	0.22%	13.78	15.85	76.31%
	Apr-14	9.24	9.01	-2.49%	13.78	15.85	71.54%
	May-14	9.97	9.01	-9.63%	13.78	15.85	58.98%
	Jun-14	9.59	9.01	-6.05%	13.78	15.85	65.28%
	Jul-14	9.95	9.01	-9.45%	13.78	15.85	59.30%
	Aug-14	9.85	9.01	-8.53%	13.78	15.85	60.91%
	Sep-14	9.87	9.01	-8.71%	13.78	15.85	60.59%
	Oct-14	9.49	9.01	-5.06%	13.78	15.85	67.02%
	Nov-14	9.50	9.01	-5.16%	13.78	15.85	66.84%
	Dec-14	9.40	9.01	-4.15%	13.78	15.85	68.62%
TOTAL				-6.22%			64.98%



Legend: Continue Buying Stop Buying



STOCK SYMBOL	DATE BOUGHT	PRICE BOUGHT	PRICE TODAY	YOUR RETURN	BUY BELOW PRICE	TARGET PRICE	EXPECTED GROWTH
MBT	Jun-11	50.06	79.50	58.80%	78.88	93.60	86.96%
	Jul-11	55.69	79.50	42.77%	78.88	93.60	68.09%
	Aug-11	52.85	79.50	50.43%	78.88	93.60	77.11%
	Sep-11	50.40	79.50	57.74%	78.88	93.60	85.71%
	Oct-11	48.34	79.50	64.48%	78.88	93.60	93.65%
	Nov-11	50.33	79.50	57.96%	78.88	93.60	85.97%
	Dec-11	47.60	79.50	67.02%	78.88	93.60	96.64%
	Jan-12	49.42	79.50	60.87%	83.07	108.00	118.54%
	Feb-12	55.23	79.50	43.94%	83.07	108.00	95.55%
	Mar-12	61.60	79.50	29.06%	93.91	108.00	75.32%
	Apr-12	60.20	79.50	32.06%	93.91	108.00	79.40%
	May-12	62.13	79.50	27.97%	93.91	108.00	73.84%
	Jun-12	60.55	79.50	31.30%	93.91	108.00	78.36%
	Sep-12	65.38	79.50	21.60%	93.91	108.00	65.19%
	Oct-12	65.10	79.50	22.12%	104.35	120.00	84.33%
	Nov-12	67.24	79.50	18.24%	104.35	120.00	78.48%
	Jan-13	72.38	79.50	9.84%	113.04	130.00	79.61%
	Feb-13	78.75	79.50	0.95%	129.57	149.00	89.21%
	Mar-13	81.90	79.50	-2.93%	129.57	149.00	81.93%
	Apr-13	82.81	79.50	-4.00%	129.57	149.00	79.93%
	Jun-13	84.70	79.50	-6.14%	129.57	149.00	75.91%
	Jul-13	78.89	79.50	0.77%	129.57	149.00	88.87%
	Aug-13	77.00	79.50	3.25%	119.20	149.00	93.51%
	Sep-13	84.65	79.50	-6.08%	91.68	114.60	35.38%
	Oct-13	86.95	79.50	-8.57%	91.68	114.60	31.80%
	Nov-13	80.55	79.50	-1.30%	91.68	114.60	42.27%
	Dec-13	73.20	79.50	8.61%	91.68	114.60	56.56%
	Jan-14	73.75	79.50	7.80%	86.96	100.00	35.59%
	Feb-14	79.55	79.50	-0.06%	86.96	100.00	25.71%
	Mar-14	81.40	79.50	-2.33%	86.96	100.00	22.85%
	Apr-14	79.70	79.50	-0.25%	86.00	100.00	25.47%
	May-14	83.50	79.50	-4.79%	86.00	100.00	19.76%
	Jun-14	85.15	79.50	-6.64%	86.00	100.00	17.44%
	Aug-14	85.75	79.50	-7.29%	96.50	111.00	29.45%
	Sep-14	88.00	79.50	-9.66%	96.50	111.00	26.14%
	Oct-14	83.65	79.50	-4.96%	96.50	111.00	32.70%
	Nov-14	82.50	79.50	-3.64%	96.50	111.00	34.55%
	Dec-14	82.95	79.50	-4.16%	92.17	106.00	27.79%
TOTAL				16.97%			63.04%

Legend: Continue Buying Stop Buying



STOCK SYMBOL	DATE BOUGHT	PRICE BOUGHT	PRICE TODAY	YOUR RETURN	BUY BELOW PRICE	TARGET PRICE	EXPECTED GROWTH
MEG	May-13	4.23	4.69	10.87%	4.16	4.78	13.00%
	Jun-13	3.67	4.69	27.79%	4.16	4.78	30.25%
	Jul-13	3.15	4.69	48.89%	4.16	4.78	51.75%
	Aug-13	3.40	4.69	37.94%	3.89	4.87	43.24%
	Sep-13	3.21	4.69	46.11%	3.89	4.87	51.71%
	Oct-13	3.64	4.69	28.85%	3.89	4.87	33.79%
	Nov-13	3.58	4.69	31.01%	3.89	4.87	36.03%
	Dec-13	3.23	4.69	45.20%	3.89	4.87	50.77%
	Jan-14	3.36	4.69	39.58%	3.95	4.54	35.12%
	Feb-14	3.78	4.69	24.07%	4.70	5.48	44.97%
	Apr-14	4.43	4.69	5.87%	4.70	5.48	23.70%
	May-14	4.65	4.69	0.86%	4.70	5.48	17.85%
	Jun-14	4.51	4.69	3.99%	4.70	5.48	21.51%
	Jul-14	4.47	4.69	4.92%	4.70	5.48	22.60%
	Aug-14	4.26	4.69	10.09%	4.58	5.73	34.51%
	Sep-14	4.30	4.69	9.07%	4.98	5.73	33.26%
TOTAL				23.44%			34.00%
MER	Sep-14	258.00	252.20	-2.25%	284.00	355.00	37.60%
	Oct-14	260.00	252.20	-3.00%	284.00	355.00	36.54%
	Nov-14	262.00	252.20	-3.74%	284.00	355.00	35.50%
	Dec-14	261.80	252.20	-3.67%	253.30	291.30	11.27%
TOTAL				-3.16%			30.22%
SMPH	Oct-13	16.90	16.90	0.00%	17.20	21.50	27.22%
	Nov-13	16.40	16.90	3.05%	17.20	21.50	31.10%
	Dec-13	15.10	16.90	11.92%	17.20	21.50	42.38%
	Jan-14	14.68	16.90	15.12%	16.73	19.41	32.22%
	Feb-14	14.70	16.90	14.97%	16.73	19.41	32.04%
	Mar-14	14.90	16.90	13.42%	16.73	19.41	30.27%
	Apr-14	14.90	16.90	13.42%	16.80	19.41	30.27%
	May-14	16.34	16.90	3.43%	16.80	19.41	18.79%
	Jun-14	16.18	16.90	4.45%	16.80	19.41	19.96%
	Jul-14	16.52	16.90	2.30%	16.80	19.41	17.49%
	Aug-14	15.40	16.90	9.74%	17.60	20.30	31.82%
	Sep-14	16.64	16.90	1.56%	17.60	20.30	22.00%
	Oct-14	16.50	16.90	2.42%	17.60	20.30	23.03%
	Nov-14	17.48	16.90	-3.32%	17.60	20.30	16.13%
	Dec-14	16.98	16.90	-0.47%	17.60	20.30	19.55%
TOTAL				6.13%			26.28%

Legend:

Continue Buying

Stop Buying



2013 Top Winners of TrulyRichClub's Stocks

If you followed our Stock Recommendations in the past, you'd have enjoyed these earnings. We're reposting this again to encourage you to be faithful to your monthly investments *today* for the stocks we recommend *above*. Never give up. And you'll have great winners 10 to 20 years from now!

Note: The percentage returns cannot be compared between the two tables below. The All Time Winners table does not take into consideration a cost-averaging method. The percentage return is only from a buy-and-hold strategy. The 2013 Table however integrates a cost-averaging method throughout the months it was under the Buy-Below.

STOCKS	STOCK SYMBOL	TIME RECOMMENDED	ESTIMATED TIME HELD	PRICE RANGE	ESTIMATED RETURN
Alliance Global	AGI	January 2013 to February 2013	1 Month	P17.54 to P20.50	16.88%
Meralco	MER	January 2013 to April 2013	3 Months	P268.00 to P377.00	28.05%
First Philippine Holdings	FPH	June 2011 to June 2013	25 Months	P63.18 to P95.20	32.92%
JG Summit Holdings	JGS	February 12 to October 2013	18 Months	P25.75 to P43.50	39.96%

Top Past Winners of TrulyRichClub's Stocks

STOCKS	STOCK SYMBOL	TIME RECOMMENDED	ESTIMATED TIME HELD	PRICE RANGE	ESTIMATED RETURN
Ayala Land	ALI	June 2011 to February 2012 (3 rd week)	9 Months	P15.09 to P21.65	35%
Nickel Asia	NIKL	February 2012 to March 2012 (3 rd week)	2 Months	P23.75 to P26.20	10.32%
Bank of The Philippine Islands	BPI	February 2012 to November 2012 (4 th week)	10 Months	P68.45 to P91.00	34.29%
Ayala Corporation	AC	October 2012 to December 2012 (2 nd week)	2 Months	P440.00 to P520.00	17.65%
SM Prime Holdings	SMPH	February 2012 to December 2012 (1 st week)	10 Months	P12.48 to P17.00	27.75%
Alliance Global	AGI	January 2013 to February 2013	1 Month	P17.54 to P20.50	16.88%
Meralco	MER	January 2013 to April 2013	3 Months	P268.00 to P377.00	28.05%
First Philippine Holdings	FPH	June 2011 to June 2013	25 Months	P63.18 to P95.20	32.92%
JG Summit Holdings	JGS	February 12 to October 2013	18 Months	P25.75 to P43.50	39.96%

(Disclaimer: Past performance doesn't guarantee that you'll have the exact same results in the future. After all, your earnings all depend on the market's performance.)



Mike Viñas is an Investment Trainer of COL Financial Group, Inc. He is a Certified Securities Representative and Certified Investment Solicitor.

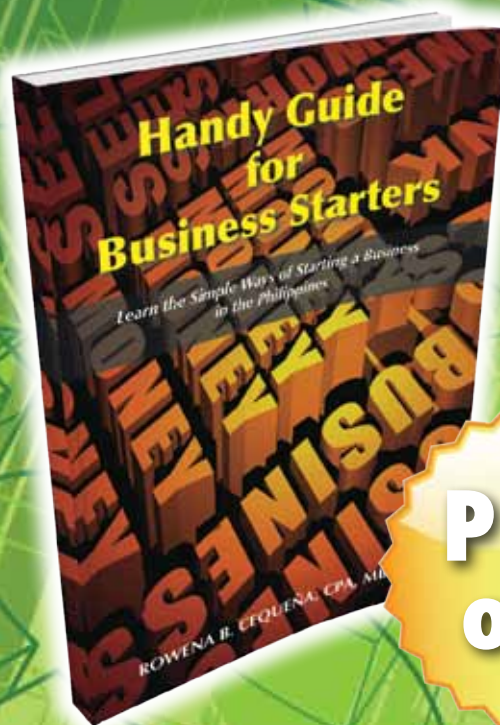


Are you an aspiring entrepreneur putting up a business or planning to have one? This book is for you.

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