



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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MORNING NOTES

PSEi performance

PSEi Index 19 Feb 2010:	2,978.53	- 21.41
Value T/O, net	Php 1,412 million	
52-week High	3,133.53	
Low	1,745.39	
Foreign Buying:	Php 1,054 million	
Foreign Selling:	Php 881 million	

Regional performance

Dow Jones	: 10,402.35	+ 9.45
FTSE 100	: 5,358.17	+ 33.08
Nikkei 225	: 10,123.58	- 212.11

Trading snapshot

Index Movers	Points
Manila Electric Co.	-5.84
Ayala Land	-4.44
BPI	+4.44
PLDT	+4.09
SM Prime	-3.33

Index Out-performers	Up
Security Bank	2.94%
BPI	2.27%
Metrobank	1.19%
Energy Dev't. Corp.	1.02%
Jollibee Foods Corp.	0.94%

Index Under-performers	Down
Lepanto Consolidated A	4.08%
Manila Electric Co.	3.57%
Megaworld Corp.	3.33%
SM Prime	3.16%
Ayala Land	2.27%

Calendar

Feb 24	MER 2009 Results Briefing
Feb 25	Dec '09 External Trade Performance
Feb 25	Dec '09 MISSI
Feb 25	1Q'10 Business Expect'ns Survey

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HEADLINES

Wall Street ends flat on rate worries

U.S. stocks closed flat on Friday (Feb 19) as the Fed said its increase in the discount rate reflected improved financial market conditions. The KBW bank index rose 1.3%. Still, there are concerns that the eventual withdrawal of easy money will hurt equities. U.S. Jan inflation data showed consumer prices rose less-than-expected, pointing no urgency for the Fed to raise its benchmark fed funds rate. FedEx Corp (+2.1%) and U.S. Steel Corp (+4.6%) led gains in the industrial and materials sectors, respectively. But Dell Inc fell 6.7% a day after reporting quarterly gross margin that missed forecasts. Oilfield services company Schlumberger Ltd fell 2.9% after news that the company is in advanced talks to buy rival Smith International Inc. (+13%).

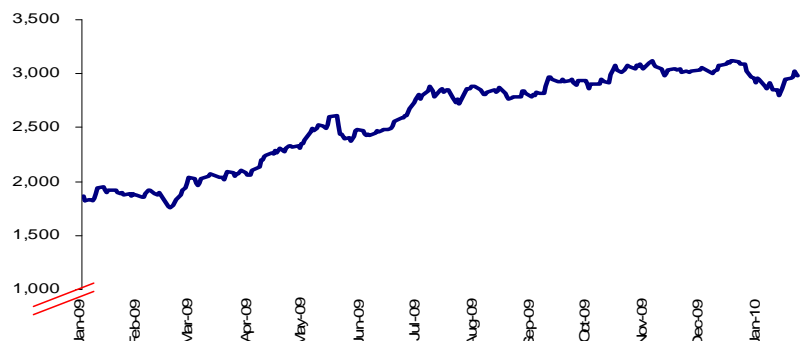
URC subsidiaries to merge with parent (URC; P20.50)

The Board of Directors of Universal Robina Corporation (URC) has approved the merger of subsidiaries CFC Corporation, Cebu Industrial and Management Co., Inc., CFC Clubhouse, Incorporated, South Luzon Green Land, Inc., and URC Confectionery Corporation into the parent firm. The merger, which will be presented for approval at the annual meeting of URC stockholders on April 15, 2010, is intended to achieve the following objectives: a) to integrate administrative processes; b) to attain greater efficiency and economy in the management of their operations; and c) to increase financial strength and creditworthiness.

Manila Water registers growth in 2009 (MWC; P14.75)

Manila Water Co., Inc (MWC) reported an unaudited net income of P3.2B for 2009 on the back of a steady rise in billed volume sales (+2.0% yoy to 396.0M cubic meters) and lower corporate income tax rates. Total revenues went up by 6.7% to P9.5B, while operating costs grew at a faster rate of 10.5% to P2.8B due to ongoing expansion activities. With EBITDA at P6.7B, EBITDA margin stayed healthy at 71%. MWC was able to connect an additional 54,000 households to its network, helping minimize lower consumption brought about by a slower economy and the onset of the rainy season. Water losses were further reduced, with non-revenue water declining to 15.8% from 19.7% in 2008.

PSEi : 1-Year Price Chart



Source: Philippine Stock Exchange

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