



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

03 March 2010

## MORNING NOTES

### PSEi performance

|                         |                   |         |
|-------------------------|-------------------|---------|
| PSEi Index 02 Mar 2010: | 3,061.89          | - 17.02 |
| Value T/O, net          | Php 2,465 million |         |
| 52-week High            | 3,133.53          |         |
| Low                     | 1,745.39          |         |
| Foreign Buying:         | Php 1,395 million |         |
| Foreign Selling:        | Php 1,293 million |         |

### Regional performance

|            |             |         |
|------------|-------------|---------|
| Dow Jones  | : 10,405.98 | + 2.19  |
| FTSE 100   | : 5,484.06  | + 78.12 |
| Nikkei 225 | : 10,221.84 | + 49.78 |

### Trading snapshot

| Index Movers        | Points |
|---------------------|--------|
| Ayala Land          | -8.87  |
| Manila Electric Co. | -4.86  |
| BPI                 | -4.44  |
| PLDT                | +4.09  |
| Energy Dev't Corp.  | -3.35  |

| Index Out-performers      | Up    |
|---------------------------|-------|
| First Phil. Holdings      | 4.04% |
| Alliance Global           | 3.09% |
| Philippine Stock Exchange | 2.59% |
| ICTSI                     | 2.38% |
| Filinvest Land            | 2.30% |

| Index Under-performers | Down  |
|------------------------|-------|
| Ayala Land             | 4.35% |
| Robinsons Land         | 3.51% |
| Manila Electric Co.    | 2.75% |
| Aboitiz Equity         | 2.22% |
| BPI                    | 2.15% |

### Calendar

|        |                                   |
|--------|-----------------------------------|
| Mar 04 | ICTSI 2009 Results Teleconference |
| Mar 05 | Feb '10 Inflation Rate            |
| Mar 05 | Atlas Consolidated ASM            |
| Mar 05 | AEV/AP 2009 Results Briefing      |

Anita L. Panaligan  
**Wealth Securities, Inc.**  
 2103 East Tower, PSE Center, Exchange Road,  
 Ortigas Center, Pasig City 1600  
 Telephone: 02.634.5038  
 Facsimile: 02.634.5043

## HEADLINES

### Wall Street closes flat as investors take profits

U.S. stocks inched higher on Tuesday (Mar 2) as investors pocketed recent gains. Mergers and acquisitions support in some sectors: fertilizer maker CF Industries Holdings (-1%) raised its bid for Terra Industries (+10.9%) to \$47.40 per share in cash and stock; while Dow Chemical (+0.7%) said it will sell its Styron basic plastics unit to Bain Capital Partners for \$1.63B. On Nasdaq, Qualcomm Inc (+6%) announced a new \$3B share buyback plan and raised its quarterly dividend by 12%. Meanwhile, Feb sales from major U.S. automakers dragged, with Ford Motors declining by 1.5%. Elsewhere, Greece's borrowing costs fell as new austerity measures is expected to be announced by its government to win European debt guarantees.

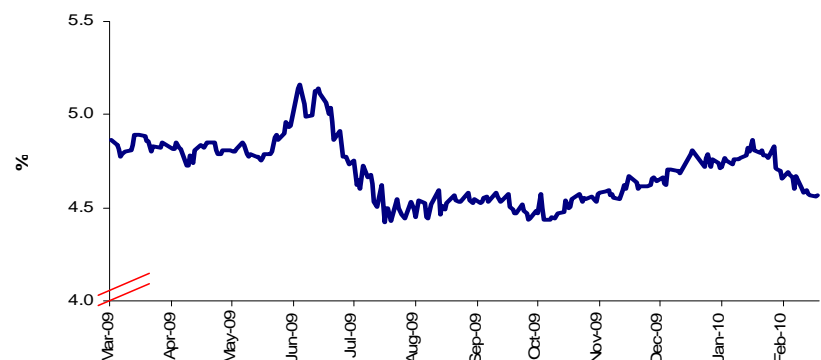
### 1Q2010 Budget deficit seen to beat P110.9-B goal

Finance Undersecretary Gil Beltran said the government will likely outperform its budget deficit target of P110.94B (US\$2.4B) for the Jan to Mar period given strong collections by Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC) in Jan and Feb.

### PLDT earns P39.8-B in 2009, declares dividends (TEL; P2,675.00)

Philippine Long Distance Telephone Company (PLDT) announced its unaudited financial results for 2009 with consolidated Reported Net Income at P39.8B (+5% yoy), and Core Net Income at P41.1B (+8% yoy). The results reflect higher recurring net income, net gain from foreign exchange revaluation of financial assets and liabilities and derivatives compared to a net loss last year, lower statutory tax rate, and the equity share of Pilipino Telephone Corporation (Piltel) in the earnings of Manila Electric Company (Meralco). Consolidated service revenues increased by 2% to P145.6B, fueled mainly by the 3% growth in data and broadband revenues. Consolidated EBITDA was lower at P86.2B while EBITDA margin was 59%. PLDT's Board of Directors also declared a regular dividend of P76 per share, and a special dividend of P65 per share, bringing total dividends for the year to P218 per share, representing a payout of 100% of 2009 core earnings.

### PDS 1-Year Tenor Yield: 12-month period



Source: Philippine Dealing and Exchange Corp.

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