



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

16 Dec 2010

## MORNING NOTES

### PSEi performance

PSEi Index 15 Dec 2010:	4,089.76	- 58.27
Value T/O, net	Php 2,933 million	
52-week High	4,413.42	
Low	2,787.66	
Foreign Buying:	Php 1,439 million	
Foreign Selling:	Php 2,261 million	

### Regional performance

Dow Jones	: 11,457.47	- 19.07
FTSE 100	: 5,882.18	- 9.03
Nikkei 225	: 10,309.78	- 6.99

### Trading snapshot

Index Movers	Points
Metrobank	-8.10
JG Summit	-7.87
Ayala Land	-6.17
BPI	-5.15
Alliance Global	-5.11

Index Out-performers	Up
Globe Telecom	1.80%
DMCI Holdings	0.73%
Jollibee Foods Corp.	0.45%
PLDT	0.08%
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Index Under-performers	Down
JG Summit	6.82%
Megaworld Corp.	5.28%
Filinvest Land	4.41%
Metrobank	4.23%
Alliance Global	3.85%

### Calendar

Dec 16	JTH Davies ASM
Dec 16	Highlights Monetary Policy Issues
Dec 17	Geograce/ NiHao Mineral ASM
Dec 18	BHI Holdings, Inc. ASM

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## HEADLINES

### Debt downgrade warning, treasury yields rise offset positive U.S. data

- U.S. stocks suffered another sell-off on Wednesday (Dec 15) after Moody's warning of a downgrade in Spain's debt rating and a sustained rise in Treasury yields outweighed positive U.S. data on November industrial production and regional manufacturing. Apple Inc (+0.02%) and Netflix Inc (+0.03%) closed flat. Honeywell International (-1.9%) fell after it gave a conservative 2011 profit growth outlook. Caterpillar Inc (+1.1%) rose after a price target upgrade from RBC. Meanwhile, a deal that President Obama struck with Republicans to extend the Bush-era tax rates sailed through the U.S. Senate.

### OF Remittances reach record level in October; Jan-Oct 2010 total at US\$15.5B

- Remittances from overseas Filipinos (OFs) coursed through banks grew by 9.3% YoY in Oct 2010 to reach US\$1.7B, the highest monthly level posted during the year. The cumulative remittance level for the ten-month period climbed to US\$15.5B (+7.9% YoY). The bulk of remittances came from the U.S., Canada, Saudi Arabia, Japan, the U.K., United Arab Emirates, Singapore, Italy, Germany and Norway.

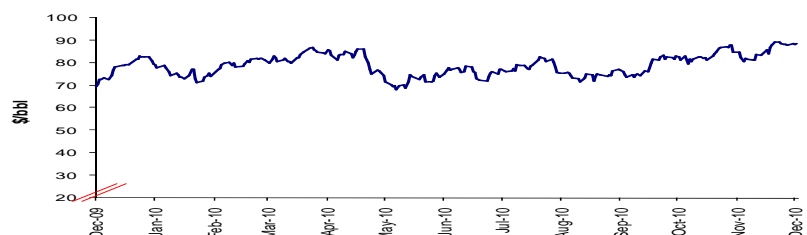
### GMA Network to re-launch Q-11 in 1Q 2011 (GMA7; P6.98)

- GMA Network, Inc. said that it will re-launch its lifestyle channel QTV 11 to news-oriented GMA News TV by 1Q 2011. GMA Network chairman and chief executive officer Felipe L. Gozon said that the move will change most of the programs in the TV channel but will retain other shows that are gaining ratings. For the rest of 2010, Mr. Gozon said that while 4Q 2010 looks better than 3Q, GMA7 may not hit its P3B net income target for the year.

### Pepsi sees growth in 2011, but limited by high sugar prices (PIP; P2.58)

- Pepsi-Cola Products Philippines Inc. president and chief executive officer Partho Chakrabarti said sales could increase by at least a fifth in 2011 as the firm increases manufacturing capacity starting next month, with new bottling lines in Cagayan de Oro and Muntinlupa to come online. The non-beverage segment is expected to contribute half of its revenues, from the current 30%, within the next few years. However, prevailing high sugar prices may limit growth. Pepsi Philippines may eventually tap non-competing products offered by Lotte Chilsung Beverage Co. Ltd., its newest strategic investor. The new board recently approved a plan to amend its primary business purpose to include the manufacture of confectionery products.

### Nymex Crude 1-Yr Price Chart



Source: Bloomberg

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