



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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## MORNING NOTES

### PSEi performance

PSEi Index 22 Dec 2010:	4,113.69	+ 21.83
Value T/O, net	Php 2,860 million	
52-week High	4,413.42	
Low	2,787.66	
Foreign Buying:	Php 2,268 million	
Foreign Selling:	Php 2,211 million	

### Regional performance

Dow Jones	: 11,559.49	+ 26.33
FTSE 100	: 5,983.49	+ 31.69
Nikkei 225	: 10,346.48	- 24.05

### Trading snapshot

Index Movers	Points
PLDT	+6.80
Aboitiz Equity	-4.64
Metro Pacific Investments	+4.05
Philex Mining	+2.53
Ayala Corp.	+2.50

Index Out-performers	Up
Lepanto Consolidated A	6.17%
Lepanto Consolidated B	6.02%
Metro Pacific Investments	4.61%
Philex Mining	3.90%
First Gen	2.72%

Index Under-performers	Down
Manila Electric Co.	2.25%
Aboitiz Equity	1.82%
JG Summit	1.69%
Manila Water	1.18%
Globe Telecom	0.73%

### Calendar

Dec 23	Oct `10 External Trade Perf., MISSI
Dec 23	3Q`10 Balance of Payments
Dec 23	MUSX Corp. ASM
Dec 29	Nov `10 Template on Int'l Reserves

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## HEADLINES

### Banks lead Wall Street higher

- Banks (+1.9%) continued to lead major indexes higher on Wednesday (Dec 22). Bank of America (+3.1%) and JPMorgan (+2.8%) gave the greatest boost to the Dow industrials. Regional banks (+3.7%) outpaced their larger counterparts after Hancock Holding Co agreed to buy Whitney Holding Corp (+28.8%), boosting hopes for more M&A to come. United Bankshares (+4.6%) advanced after a price target upgrade. Meanwhile, energy shares including Chevron Corp (+0.7%) gained as crude oil futures settled 0.7% higher at \$90.48 a barrel. Walgreen Co (+5.5%) rose after it posted higher profit on increased prescription sales as well as tempered costs, helped by a slower pace of store openings.

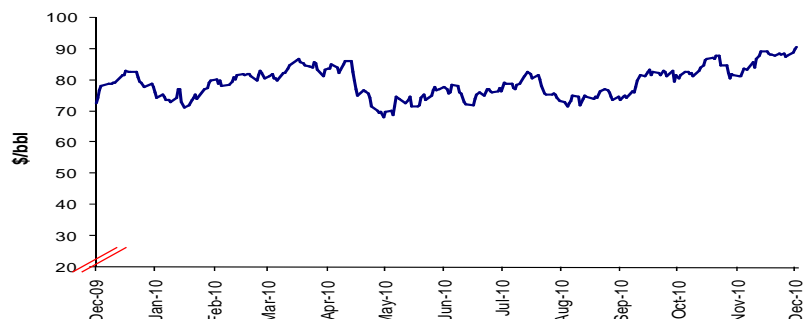
### Alliance Global buys into Fil-Estate Land (AGI/ LND; P11.10/ P0.92)

- Alliance Global Group, Inc. (AGI) has signed an agreement with Fil-Estate Land, Inc. (FELI) under which AGI will subscribe to 5B common shares of FELI for a total subscription price of P5B in cash. The subscription shares will be issued out of the P5B increase in authorized capital stock of FELI, which was approved by its stockholders on July 17, 2007. AGI will pay the subscription price in two tranches. It will be paid in full after the Securities and Exchange Commission approves the increase in FELI's capital stock. The Philippine Stock Exchange will implement a one-hour trading halt on FELI shares today, Dec 23, 2010, which will commence at 9:00 a.m. and will be lifted at 10:00 a.m.

### Meralco expects 70% hike in profit on higher power demand (MER; P195.50)

- Manila Electric Co.'s Chief Operating Officer Oscar S. Reyes said that the company expects to end 2010 with P12B in net income amid higher rates and sales. The shift to the performance-based regulation scheme which raised power rates for the first time since 2003 allowed the utility to earn P7B in 2009, from P2.6B in 2008. Mr. Reyes said revenues could hit P248B to P250B for 2010 compared to P185B last year. The increase will come mainly from the commercial and residential sectors. For 2011, Mr. Reyes said that they are hopeful that sales will remain strong next year, given favorable conditions for business such as consumer confidence, a more benign foreign exchange rate, a lot of liquidity, and the low cost of funding.

### Nymex Crude 1-Yr Price Chart



Source: Bloomberg

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