



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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MORNING NOTES

PSEi performance

PSEi Index 03 Jan 2011:	4,215.21	+ 14.07
Value T/O, net	Php 2,900 million	
52-week High	4,413.42	
Low	2,787.66	
Foreign Buying:	Php 1,400 million	
Foreign Selling:	Php 1,035 million	

Regional performance

Dow Jones	: 11,670.75	+ 93.24
FTSE 100	: Holiday	
Nikkei 225	: Holiday	

Trading snapshot

Index Movers	Points
Manila Electric Co.	+7.64
Metro Pacific Investments	+6.56
JG Summit	-4.81
First Phil. Holdings	+3.88
Metrobank	+3.13

Index Out-performers	Up
Manila Electric Co.	7.46%
First Phil. Holdings	7.03%
Metro Pacific Investments	6.68%
ABS-CBN	2.22%
Universal Robina	1.57%

Index Under-performers	Down
JG Summit	4.69%
Lepanto Consolidated A	4.35%
Robinsons Land	4.29%
Philex Mining	1.74%
Globe Telecom	0.94%

Calendar

Jan 04	Cityland/ City & Land Dev. SSM
Jan 05	Dec `10 CPI, Inflation Rate
Jan 06	Nov `10 Producer Price Survey
Jan 07	PhilWeb Corp. SSM

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HEADLINES

Econ data lift Wall Street on 2011's first trading day

U.S. stocks rallied on the first trading day of 2011 (Jan 3) as an optimistic outlook for global growth was bolstered by data showing that (i) Dec U.S. manufacturing sector grew for a 17th straight month; (ii) Nov U.S. construction spending rose to its highest level since Jun; (iii) China's factory inflation cooled in Dec; and (iv) manufacturing in Europe accelerated. The Dow and S&P reached two-year highs while the Nasdaq 100 closed at its highest in nearly 10 years, driven largely by Apple Inc (+2.2%) following analyst estimates and price target upgrades. Alcoa Inc (+2.7%) likewise gained after Deutsche Bank upgraded the stock. Bank of America Corp (+6.4%) jumped after it agreed to pay \$2.8B to mortgage finance giants Fannie Mae and Freddie Mac to settle claims over soured mortgages. Historically, a strong first day bodes well for the market's performance for the year.

Petron buys stake in Manila North Harbour Port Inc. (PCOR; P19.74)

Petron Corporation entered into a Share Sale and Purchase Agreement with Harbour Centre Port Terminal, Inc. for the purchase of 35% of the outstanding and issued shares of capital stock of Manila North Harbour Port Inc. The Agreement is subject to completion and/or submission of standard closing conditions, including corporate approvals.

Metro Pacific Tollways acquires additional stake in MSIHI (TOL; P10.00)

On Dec 30, 2010, Metro Pacific Tollways Corporation (MPTC) acquired Mr. Albert F. del Rosario's interests in Metro Strategic Infrastructure Holdings, Inc. (MSIHI) consisting of (i) 80,000 MSIHI shares equivalent to 20% direct equity interest in MSIHI at a purchase price of P8.0M; and (ii) deposit for future stock subscription amounting to P19.6M at a purchase price of equivalent amount. Consequently, MPTC now holds 57% direct equity interest in MSIHI and 1.54% indirect equity interest in Citra Metro Manila Tollways Corporation, of which MSIHI is a shareholder. MPTC will also acquire Metro Pacific Corporation's 159,996 shares in MSIHI, representing an additional 40% direct equity interest in MSIHI, under the same terms and conditions as the purchase of Mr. del Rosario's MSIHI shares.

Eton bullish on 2011 prospects; eyes P1B net income (ETON; P3.80)

Eton Properties Philippines, Inc. expects another bullish year in 2011, driven by strong demand for housing units, commercial and office projects. Eton President and COO Danilo Ignacio said that they see very good opportunities for market expansion, based on a number of solid factors such as the continued growth in remittances from Filipinos working abroad, the low interest rate environment and healthy lending conditions in the banking sector. Eton projects hitting a net income of P700M for 2010 and P1B net income for 2011 and is on track to meeting its targeted numbers. Its net income went up to P530M in the first nine months of 2010, almost seven times the P67M net income for the same period in 2009, driven by strong residential sales, leasing income from BPO office and mall properties and new project launches. Eton expects higher realized revenues for 2011 with the delivery of over 3,600 residential units.

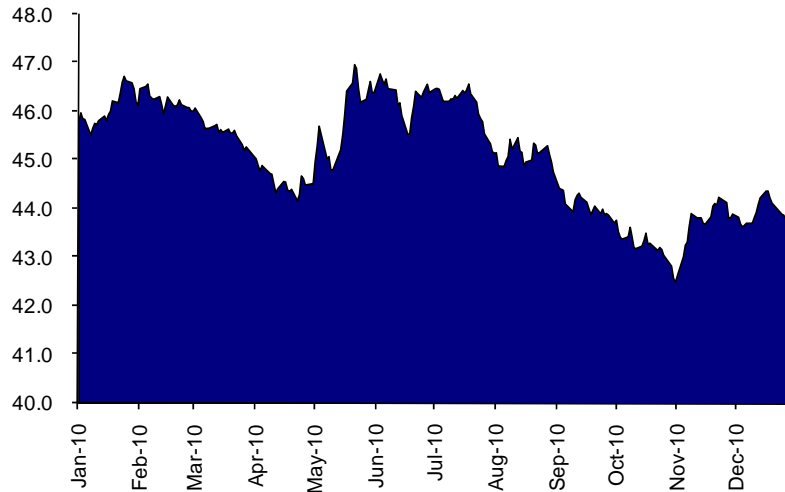
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SMC acquires 40% of Eastern Telecoms (SMC; P185.00)

- San Miguel Corp. (SMC) through Vega Telecom, Inc. (Vega), executed a Share Purchase Agreement with ISM Communications Corporation (ISM Corp.) on Dec 30, 2010, for the purchase by Vega of 100% of the outstanding and issued shares of stock of A. G. N. Philippines, Inc. (AGNP). AGNP is the registered and beneficial owner of approximately 40% of Eastern Telecommunications Philippines, Inc.

Php versus US\$: 1-Year Price Chart



Source: Philippine Dealing and Exchange Corp.