



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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## MORNING NOTES

### PSEi performance

PSEi Index 07 Feb 2011:	3,878.48	- 1.55
Value T/O, net	Php 2,365 million	
52-week High	4,413.42	
Low	2,787.66	
Foreign Buying:	Php 1,118 million	
Foreign Selling:	Php 1,448 million	

### Regional performance

Dow Jones	: 12,233.15	+ 71.52
FTSE 100	: 6,091.33	+ 40.30
Nikkei 225	: 10,635.98	+ 43.94

### Trading snapshot

Index Movers	Points
SM Investments	-8.00
Ayala Corp.	-3.88
Bank of the Philippine Islands	+2.79
Alliance Global	+2.66
ICTSI	+2.03

Index Out-performers	Up
Lepanto Consolidated B	3.49%
Alliance Global	2.04%
ICTSI	1.90%
Globe Telecom	1.83%
Megaworld Corp.	1.45%

Index Under-performers	Down
SM Investments	3.48%
ABS-CBN	2.22%
Ayala Corp.	2.20%
First Philippine Holdings	1.14%
First Gen Corp.	1.04%

### Calendar

Feb 09	Dec `10 Dep. Corp. Survey, KB Loans
Feb 10	Dec `10 Merchandise Export Perf.
Feb 10	Monetary Policy Stance
Feb 11	GLO/ ALI 4Q `10 Results Briefing

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## HEADLINES

### McDonald's lift Dow, but energy shares limit gains

■ The Dow advanced further on Tuesday (Feb 8), after Jan same-store sales of McDonald's (+2.6%) beat expectations, led by a rebound in European demand. Energy shares (-0.5%) limited gains in the S&P 500 and Nasdaq after China raised interest rates for the second time in six weeks. The move weighed on commodities including U.S. crude (-0.6%), on fears of decreasing demand. Merger activity continued for a second straight day with Kindred Healthcare Inc's (+28.3%) planned acquisition of RehabCare Group Inc (+45.5%) to create a post-acute healthcare services company. On the downside, Teva Pharmaceutical (-5.4%) slid after it reported results that fell short of forecasts while Avon Products (-3%) posted a steeper-than-expected drop in quarterly profit. In extended trading, Walt Disney Co (+3.2%) jumped after it reported 1Q earnings and revenue that beat forecasts.

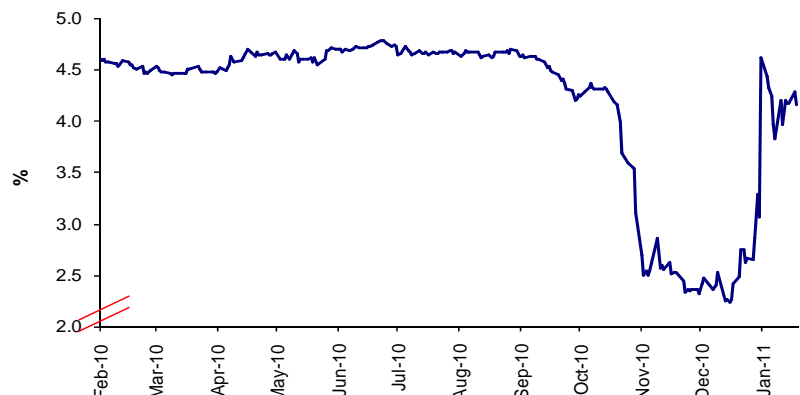
### MRC Allied plans IPO for mining unit (MRC; P0.80)

■ MRC Allied Inc. is considering an initial public offering (IPO) for its mining subsidiary, MRC Tampakan Mines Inc., which owns an 8,000 hectare parcel of land adjacent to the US\$5.9B Tampakan gold and copper project in Mindanao. MRC Allied chief executive officer Benjamin Bitanga said the final timing and size of the IPO will depend on the exploration results of MRC Tampakan as well as market conditions. MRC Allied also plans to issue P1.5B worth of common shares to private investors within the quarter to fund operations, permit acquisitions and exploration costs. These investors will then be given the option to convert their shares to MRC Tampakan at a 20% discount to the latter's IPO price.

### Manila Water bids for water project in India (MWC; P18.08)

■ Manila Water Company, Inc. (MWC) disclosed that it has submitted a bid for a six-year unaccounted for water reduction and operation and management project to the Bangalore Water Supply and Sewerage board. Manila Water is pursuing this bid as a sole participant and views this as a strategic move to establish a foothold in India.

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



Source: Philippine Dealing and Exchange Corp.

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