



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

14 Feb 2011

MORNING NOTES

PSEi performance

PSEi Index 11 Feb 2011:	3,749.15	+ 10.84
Value T/O, net	Php 3,080 million	
52-week High	4,413.42	
Low	2,787.66	
Foreign Buying:	Php 1,568 million	
Foreign Selling:	Php 2,263 million	

Regional performance

Dow Jones	: 12,273.26	+ 43.97
FTSE 100	: 6,062.90	+ 42.89
Nikkei 225	: Holiday	

Trading snapshot

Index Movers	Points
Aboitiz Equity	+24.43
BPI	-3.73
Ayala Land	+3.41
PLDT	-3.13
Metrobank	-2.97

Index Out-performers	Up
Aboitiz Equity	11.11%
Globe Telecom	2.27%
SM Prime	1.96%
Ayala Land	1.45%
Jollibee Foods Corp.	1.36%

Index Under-performers	Down
Filinvest Land	3.67%
Metro Pacific Investments	3.06%
ICTSI	2.78%
Lepanto Consolidated A	2.27%
Ayala Corp.	1.70%

Calendar

Feb 15	Dec `10 OF Remittances
Feb 18	Jan `11 Overall BOP Position
Feb 23	Robinsons Land SSM
Feb 24	Q1 `11 Bus. Expectations Survey

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HEADLINES

Mubarak resignation triggers late rally in Wall Street

U.S. stocks closed higher on Friday (Feb 11) while March crude futures (-1.5%) slid after Egyptian President Hosni Mubarak's resignation eased tension in the Middle East for now. Bank of America Corp (+1.9%) gained and the KBW Banks index added 1.8%. Mortgage insurers PMI Group (+2.8%) and Radian Group (+13.4%) gained after the White House pledged to continue backing existing obligations of government-controlled mortgage finance sources Fannie Mae and Freddie Mac. Kraft Foods Inc (-1.4%) limited gains in the Dow a day after it cut its 2011 profit growth forecast. Agricultural processor stocks, including Agribusiness Bunge (+3.4%) and Archer-Daniels Midland (+2.2%) gained as drought in Northern China has hit 7.7M hectares of winter wheat growing areas. Meanwhile, Nokia (-14%) and Microsoft (-0.9%) teamed up in an attempt to take on Google and Apple in the fast-growing smartphone market.

SMDC's full-year 2010 net income surges 62% to P3.0 billion (SMDC; P7.20)

SM Development Corporation (SMDC) reported a consolidated net income of P3.0B in 2010 (+62% YoY). Of the total, net profit from real estate operations amounted to P2.6B (+66% YoY). Consolidated revenues reached P10.0B (+74% YoY). EBITDA amounted to P3.7B, for an EBITDA margin of 40%. Meanwhile, realized revenues from real estate operations climbed 73% to P9.1B. For the whole of 2010, SMDC pre-sold 10,338 residential units (+129% YoY) worth approximately P21.8B. The company's total assets reached P43.6B (+111% YoY), while its total liabilities stood at P17.9B. SMDC's stockholders equity, on the other hand, amounted to P25.7B (+135% YoY). SMDC has a current portfolio of 14 residential projects, 13 of which are in Metro Manila and one in Tagaytay City in the Province of Cavite. With many of its residential projects nearly sold out, SMDC plans to unveil five new projects this year.

Ayala Land posts 35% growth in 2010 net income (ALI; P14.00)

Ayala Land, Inc. (ALI) posted a record P5.46B (+35% YoY) in net income for 2010. Consolidated revenues reached P37.81B (+24% YoY) as real estate and hotel revenues grew 27% YoY to P35.64B, and margins of residential, shopping center and corporate businesses continued to improve. Corporate cost control likewise improved with general and administrative expenses declining to 8% of revenues from 9% in 2009. Net income margin thus improved to 14% in 2010 from 13% the previous year. ALI spent a total of P20.1B (+44% YoY) for project and capital expenditures in 2010 broken down as follows: Residential development accounted for 47%; Hotels, 17%; Strategic landbank management, 16%; Shopping Centers, 14%; and Corporate Business, 6%. For 2011, ALI has earmarked P32.6B for the completion of ongoing developments, the launch of new residential and leasing projects, and acquisition of new landbank.

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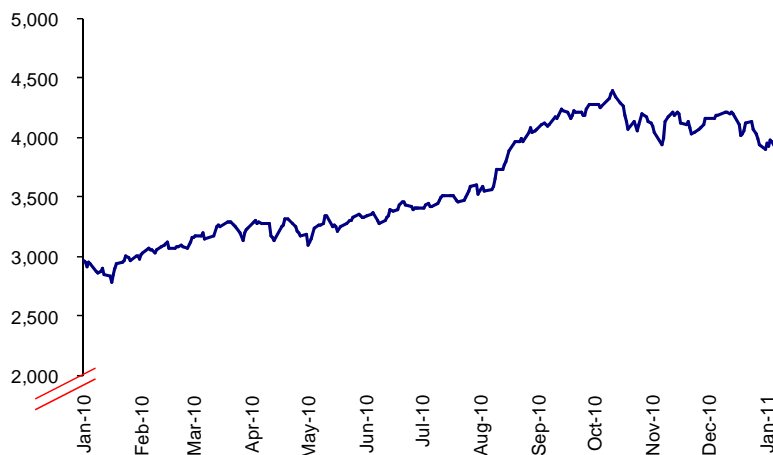
Megawide Construction completes IPO

- BDO Capital and Investment Corp. president Eduardo Franciso said that despite global concerns, demand for Megawide Construction Corp.'s P2.29B initial public offering (IPO) was over P5B. An unlisted company of the SM Group subscribed to roughly 60% of the offer shares. Megawide priced its IPO shares at P7.84 each, and sold 292M common shares, equivalent to 34% of its outstanding stock. The single-largest expense from the IPO proceeds is a planned P1B precast facility that will allow the company to increase capacity as it prepares to cater to the socialized housing segment. Megawide's IPO ran from Feb 7 to 11, with the company expected to hold its trading debut on the Philippine Stock Exchange on Feb 18.

Puregold to keep overallotment option at 15%

- Puregold Price Club Inc. will keep the overallotment option for its upcoming initial public offering (IPO) at 15%, after the Securities and Exchange Commission (SEC) denied a request by the retail chain operator's international underwriter, HSBC Corp., to slightly increase the amount to 16.67%. Puregold earlier outlined plans to sell up to 700M common shares at a maximum offer price of P16 per share in March this year. Puregold, established in 1998 and controlled by businessman Lucio Co, wants to expand its store network by 35 new outlets in 2011 from about 62 branches at the end of last year.

PSEi : 1-Year Price Chart



Source: Philippine Stock Exchange