



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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MORNING NOTES

PSEi performance

PSEi Index 02 Mar 2011:	3,773.71	- 10.52
Value T/O, net	Php 2,498 million	
52-week High	4,413.42	
Low	3,034.13	
Foreign Buying:	Php 1,710 million	
Foreign Selling:	Php 1,968 million	

Regional performance

Dow Jones	: 12,066.80	+ 8.78
FTSE 100	: 5,914.89	- 20.87
Nikkei 225	: 10,492.38	- 261.65

Trading snapshot

Index Movers	Points
Aboitiz Equity Ventures	-9.24
PLDT	+8.86
SM Prime Holdings	+3.56
Manila Water Company	+2.53
Metrobank	-2.50

Index Out-performers	Up
First Gen. Corp.	4.59%
First Philippine Holdings	4.15%
Manila Water Company	4.07%
SM Prime Holdings	2.94%
PLDT	1.59%

Index Under-performers	Down
ABS-CBN	3.57%
Aboitiz Equity Ventures	3.22%
Megaworld	2.80%
Robinsons Land	2.28%
Lepanto Mining A	2.20%

Calendar

Mar 03	MPI 2010 Results Briefing
Mar 04	Feb `11 Inflation Rate
Mar 04	AEV/ AP 2010 Results Briefing
Mar 07	Feb `11 Gross Int'l Reserves

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HEADLINES

Positive economic data offsets influence of higher oil prices on equities

- U.S. stocks managed to squeeze out gains on Wednesday (Mar 2) as positive data offset another rise in oil prices. The Federal Reserve's Beige Book suggested economic activity picked up in 2011 while a private survey showed strong private-sector hiring in February. S&P industrials (+0.4%), materials (+0.2%) and infotechnology (+0.7%) sectors gained. JPMorgan upgraded the semiconductor sector (+1.4%), including Texas Instruments (+3.3%), citing an end to inventory correction and improving demand. Apple (+0.8%) advanced after Chief Executive Steve Jobs personally presented the new iPad at an event in San Francisco. Yahoo Inc (+3.3%) rose on news that it is in advanced talks to leave its Japanese joint venture and free up as much as \$8B to compete with Google Inc and Facebook.

SM full year 2010 profits up 15% to P18.4 billion (SM; P457.00)

- SM Investments Corporation (SM) reported a 15% growth in net income for 2010 to P18.4B. Consolidated revenues increased by 12% to P179.3B from P160.1B in 2009. Among SM's core businesses, the retail group (34%) contributed the most to SM's 2010 profits; the banking group (30%) came in second, followed by shopping malls (23%) and real estate (13%).

MPIC interested in NAIA-3 operations (MPI; P3.45)

- Metro Pacific Investments Corp. (MPIC) chairman Manuel Pangilinan said that it would make sense for the company to operate and maintain the Ninoy Aquino International Airport Terminal 3 (NAIA 3) since it can be linked with the Diosdado Macapagal International Airport (DMIA) in Clark, Pampanga. MPIC has a proposal to build and operate Terminal 2 of DMIA and earlier tapped the services of Manila Electric Co. (Meralco) affiliate Indra to conduct studies on the feasibility of building a high-speed rail system that will connect the Clark Airport to Manila in addition to Terminal 2 of DMIA. Indra is expected to submit its initial findings at the end of this month. DMIA's international passenger traffic reached 607,704 in 2010 while domestic passenger volume hit 46,525.

GMA7, ABS-CBN claim lead in ratings (ABS/GMA7; P40.50/P6.65)

- Citing data from different market research firms, GMA Network, Inc. and ABS-CBN Corp. both claimed the lead in February national television ratings. February data from Nielsen TV Audience Measurement showed that GMA Network had a 34.2% household audience share nationwide, while rivals ABS-CBN Corp. had 32% and TV5, 14.9%. In Mega Manila, GMA7 had 39.4 share points, while ABS-CBN had 25.1 points and TV5 had 17.3 points. In total Urban Luzon, GMA7 had 37.9 household share points, higher than ABS-CBN's 27 points and TV5's 16.7 points. Meanwhile, February data from Kantar Media showed ABS-CBN had a 36% audience share, while GMA7 had 35% and TV5, 13%. In Luzon areas outside Mega Manila, ABS-CBN had an average 38% share over GMA7's 35%. In the Visayas, ABS-CBN had a 54% share over GMA7's 24%. In Mindanao, ABS-CBN said it had a 53% share over GMA7's 21%. ABS-CBN added that it enjoyed a 41% prime-time audience share over GMA Network's 31% and TV5's 16%.

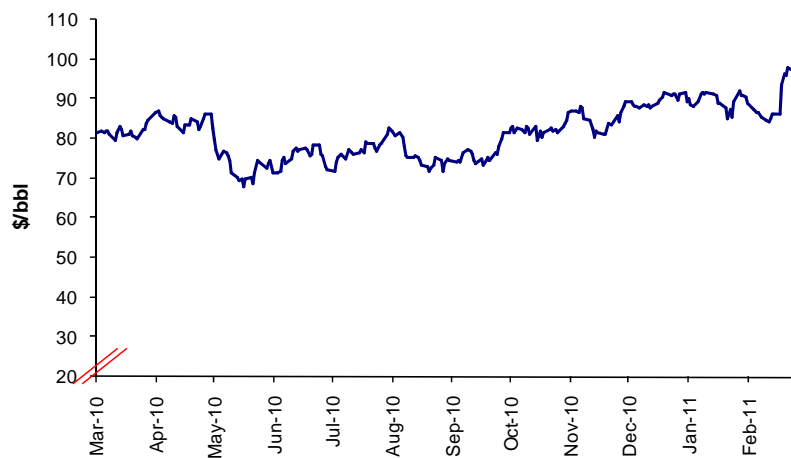
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PLDT prefers to delist former Piltel (PCEV; P6.50)

- Philippine Long Distance Telephone Co. (PLDT) chairman Manuel V. Pangilinan said that the company prefers to delist PLDT Communications and Energy Ventures Inc. (PCEV) from the local bourse considering that 99.5% of the company is owned by PLDT’s subsidiary Smart Communications. However, Pangilinan explained that the remainder is owned by 20,000 other shareholders, which means that delisted or not, the reportorial requirements remain the same. Thus, PCEV may remain as a listed company.
- PCEV’s reported net income for 2010 stood at P1.4B, a huge decline from its P17.9B earnings in 2009, which still included income from the cellular business sold and transferred to Smart Communications in Aug 2009. PCEV’s income is derived mainly from its direct equity share in the net income of Manila Electric Co. (Meralco) and its holdings in Beacon Electric Asset Holdings, Inc., a special purpose company jointly owned by PCEV and Metro Pacific Investments Corp. (MPIC) whose sole purpose is to hold shares in Meralco.

Nymex Crude 1-Yr Price Chart



Source: Bloomberg