



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

11 Mar 2011

MORNING NOTES

PSEi performance

PSEi Index 10 Mar 2011:	3,959.94	+ 33.08
Value T/O, net	Php 2,068 million	
52-week High	4,413.42	
Low	3,062.17	
Foreign Buying:	Php 2,599 million	
Foreign Selling:	Php 1,888 million	

Regional performance

Dow Jones	: 11,984.61	- 228.48
FTSE 100	: 5,845.29	- 92.01
Nikkei 225	: 10,434.38	- 155.12

Trading snapshot

Index Movers	Points
Ayala Land Inc.	+9.89
Metrobank	+6.72
PLDT	+6.25
Bank of the Philippine Islands	+5.12
SM Investments Corp.	+3.29

Index Out-performers	Up
Ayala Land Inc.	3.80%
Metrobank	3.52%
ABS-CBN	2.99%
Robinsons Land	2.92%
Jollibee Foods Corp.	2.80%

Index Under-performers	Down
Lepanto Mining B	3.19%
Lepanto Mining	2.13%
JG Summit Holdings Inc.	1.64%
First Gen Corp.	1.22%
Metro Pacific Investments	1.13%

Calendar

Mar 11	GMA7/ AC Results Briefings
Mar 11	PNX/ DFNN ASM
Mar 11	Jan `11 Dep. Corp. Survey/KB Loans
Mar 14	SMC/SMB/GSMI `10 Results Briefing

Anita L. Panaligan
Wealth Securities, Inc.
2103 East Tower, PSE Center, Exchange Road,
Ortigas Center, Pasig City 1600
Telephone: 02.634.5038
Facsimile: 02.634.5043

HEADLINES

Saudi, economy fears sink major equities indexes

- All three major indexes fell below their 50-day moving averages on Thursday (Mar 10), on fears about the economy and unrest in Saudi Arabia. The CBOE Volatility Index jumped 8.2% to 21.88. Energy stocks (-3.6%) including Exxon Mobil (-3.6%) were the biggest drag, even as Brent crude futures settled nearly \$2 above their session low. An index of semiconductors lost 2.5%. In economic news, data showed initial claims for unemployment benefits increased 26,000 to a seasonally adjusted 397,000 and Jan U.S. trade deficit widened more than expected to \$46.3B. China unexpectedly posted a \$7.3B trade deficit in Feb, but economists said the drop was likely temporary. Based on the costs of restructuring its banks, Moody's downgraded Spain's credit rating by a notch, and warned that further cuts were possible. Earlier this week, the agency downgraded Greece's debt.

2010 Foreign Direct Investment net inflows at US\$1.7 billion

- Foreign direct investments (FDIs) net inflows in Dec 2010 more than doubled to US\$441M from US\$172M in Dec 2009. Equity capital net inflows rose to US\$371M from only US\$2M in Dec 2009 due primarily to the sizeable foreign investments in the hotel, entertainment, and transport service industries. This more than offset the decline in net inflows of reinvested earnings (-50.0% to US\$12M) and other capital (-60.3% to US\$58M).
- Full-year FDI net inflows in 2010 was, however, 12.7% lower year-on-year at US\$1.7B. Equity capital net inflows declined by over 50% to US\$848M compared to 2009, when proceeds from a local power corporation's privatization and share acquisition of a local beverage manufacturing firm were recorded. Mining and quarrying, hotel services, real estate, transport and storage, banking, and manufacturing (pharmaceuticals, health products, semiconductors, and air conditioners/refrigerators and parts) benefited from these inflows. Reinvested earnings rose to US\$291M (+90% YoY), as foreign investors in local firms retained a larger amount of profits. The other capital account, consisting mainly of intercompany borrowing/lending between foreign direct investors and their subsidiaries/affiliates in the country, registered net inflows of US\$574M, more than seven times the level last year.

Jan 2011 merchandise exports up by 11.8%

- The value of Philippine merchandise exports for Jan 2011 was estimated at US\$4.0B (+11.8% YoY). However, receipts from merchandise exports went down by 4.8% from US\$4.2B posted in Dec 2010. Accounting for 53.5% of the total exports revenue in Jan 2011, Electronic Products emerged as the country's top export with total receipts of US\$2.142B (+5.3% YoY). Month-on-month however, Electronic Products decreased by 5.1% from US\$2.256B posted in Dec 2010. Components/Devices (Semiconductors) which comprised 39.7% of the total exports shared the biggest among the major groups of electronic products with export earnings worth US\$1.588B (+8.2% YoY).

Please Read!

This document was prepared by Wealth Securities, Inc. (WSI) for information purposes only. It is not to be considered as an offer to sell, or as a solicitation of an offer to buy. Although reasonable care has been taken to ensure that the information contained therein is accurate and complete, WSI makes no representation as to its accuracy or completeness. No liability is accepted for any loss arising from the reliance on this information. This document cannot be reproduced in whole or in part by the recipient or another person, nor should it be redistributed by the person or the company to whom it was first addressed. All recipients are urged to make their own assessment as to the accuracy of the information contained herein. All information/opinion is subject to change without prior notice.

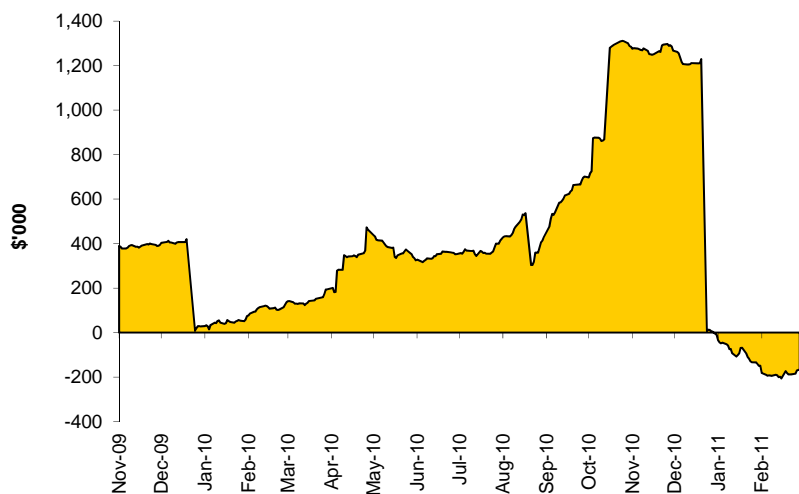
Filinvest Land to bid for FTI (FLI; P1.13)

- Filinvest Land, Inc. (FLI) has submitted a letter to the Department of Finance signifying its intent to participate in the bidding for the Food Terminal, Inc, (FTI) complex in Taguig, Metro Manila. FLI investor relations head Annabelle Arceo said the company is interested in building a mixed-use development in the property. Robinsons Land Corp., Empire East Land Holdings Inc., and Ayala Land Inc. have also expressed their interest in the said property.

Metrobank’s 2010 net income grew 39% to P8.4B (MBT; P63.15)

- Metropolitan Bank & Trust Company (Metrobank) reported consolidated net income of P8.4B (+39% YoY) for the full year 2010. This pushed return on average equity to 10.3%, a marked improvement from 8.6% the previous year. Total revenues reached P48.1B (+10% YoY) as non-interest income grew by 28% YoY to P21.7B while net interest income was flat at P26.4B. With operating expenses at single-digit growth (+8% YoY to P27.8B), income before provisions reached P20.3B (+14% YoY). Metrobank remained focused on enhancing its asset quality and strengthening its balance sheet. Nonperforming loans (NPLs) ratio further declined to 2.9% at yearend, from 3.6% in 2009, while NPL coverage rose to 92.3% from 75.5% in 2009. Capital adequacy ratio also further improved to 16.4% from 14.3% the previous year.

Foreign Buying-Selling : 12-month period



Source: Bloomberg