



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

23 Sep 2010

MORNING NOTES

PSEi performance

PSEi Index 22 Sep 2010:	4,054.18	-33.78
Value T/O, net	Php 4,441 million	
52-week High	4,125.50	
Low	2,754.62	
Foreign Buying:	Php 2,265 million	
Foreign Selling:	Php 1,942 million	

Regional performance

Dow Jones	: 10,739.31	- 21.72
FTSE 100	: 5,551.91	- 24.28
Nikkei 225	: 9,566.32	- 35.79

Trading snapshot

Index Movers	Points
SM Investments	-7.08
Ayala Land	-5.34
Metrobank	-5.18
BPI	-3.88
ICTSI	-3.04

Index Out-performers	Up
Lepanto Consolidated B	11.84%
Lepanto Consolidated A	10.53%
Philex Mining	3.10%
Jollibee Foods Corp.	1.82%
Metro Pacific Investments	1.38%

Index Under-performers	Down
ICTSI	2.95%
SM Investments	2.86%
Aboitiz Power	2.80%
Filinvest Land	2.80%
Metrobank	2.57%

Calendar

Sep 23	FAF/ IRC ASM
Sep 23	Highlights Monetary Policy Issues
Sep 24	AR/ TOL ASM
Sep 24	Cebu Air, Inc. Briefing

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HEADLINES

Technology sector weigh on Wall Street

■ US stocks slid on Wednesday (Sep 22) following weak outlooks from Adobe (-19%), eBay Inc (-1.6%) and PMC-Sierra Inc (-6%), as well as Microsoft's (-2.2%) less-than-expected dividend. Moreover, investors continued to assess the impact of the Federal Reserve's Tuesday statement. U.S. gold futures hit a record near \$1,300 per ounce and the price of the 30-year U.S. Treasury bond ended up almost a full point on hopes of a second round of quantitative easing. On the upside, General Mills Inc (+2.7%) and CarMax Inc (+8.5%) reported quarterly profits that beat expectations, while Alcoa Inc (+4.8%) limited the Dow's loss. In extended-hours trading, Red Hat Inc (+2.7%) and Bed Bath & Beyond Inc (+5%) rose following better-than-expected earnings.

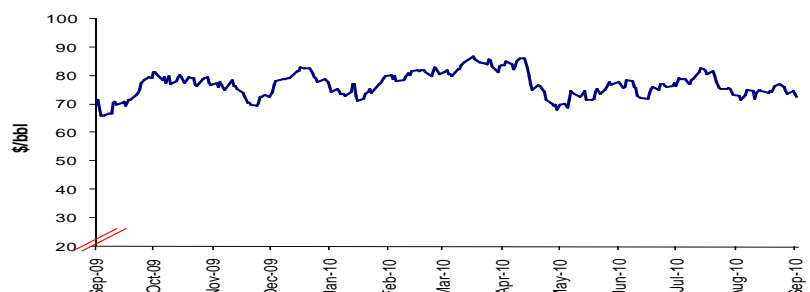
SMIC to issue US\$ bonds due 2017 (SM; P510.00)

■ SM Investments Corporation's (SMIC) Board of Directors approved the issuance of new U.S. dollar-denominated fixed rate bonds due 2017, primarily to extend the maturity of some of the company's debt maturing in 2013 and 2014 and to take advantage of favorable market conditions. SMIC will be inviting holders of its outstanding US\$350M 6.75% bonds due 2013 and US\$500M 6.00% bonds due 2014 to offer to exchange their bonds for New Bonds. SMIC may also tap the market for new funds by issuing New Bonds to new prospective investors, which may be used for general corporate purposes. Details and other features of the New Bonds will be finalized by SMIC together with Joint Dealer Managers and Joint Lead Managers of the transaction.

ERC approves recovery of Meralco's 2006-'07 generation costs (MER; P215.00)

■ The Energy Regulatory Commission (ERC) has allowed the Manila Electric Co. (Meralco) to get back P3.371B in additional costs for power obtained from the spot market in 2006 and 2007, a move that can raise power bills by P0.0314 per kilowatt-hour (kWh) starting October. Jose Ronald V. Valles, Meralco head of regulatory affairs, said that to mitigate the impact, the ERC allowed the recovery of these costs over a three year period. The increase can also be offset by a decrease in the generation charge, due to lower costs from independent power producers and the WESM. The generation charge for September was P0.68/kWh lower, and is expected to go further down in October.

Nymex Crude 1-Yr Price Chart



Source: Bloomberg

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