



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

28 Sep 2010

MORNING NOTES

PSEi performance

| | | |
|-------------------------|-------------------|---------|
| PSEi Index 27 Sep 2010: | 4,122.83 | + 43.96 |
| Value T/O, net | Php 4,869 million | |
| 52-week High | 4,129.26 | |
| Low | 2,771.02 | |
| Foreign Buying: | Php 2,714 million | |
| Foreign Selling: | Php 2,395 million | |

Regional performance

| | | |
|------------|-------------|----------|
| Dow Jones | : 10,812.04 | - 48.22 |
| FTSE 100 | : 5,573.42 | - 25.06 |
| Nikkei 225 | : 9,603.14 | + 131.47 |

Trading snapshot

| Index Movers | Points |
|--------------------|--------|
| Energy Dev't Corp. | +8.68 |
| PLDT | +7.61 |
| Ayala Land | +6.05 |
| BPI | +5.34 |
| Universal Robina | +4.73 |

| Index Out-performers | Up |
|---------------------------|-------|
| Universal Robina | 5.53% |
| Energy Dev't Corp. | 4.28% |
| Metro Pacific Investments | 2.70% |
| SM Prime | 2.57% |
| Globe Telecom | 2.18% |

| Index Under-performers | Down |
|------------------------|-------|
| Lepanto Consolidated B | 8.20% |
| Lepanto Consolidated A | 7.02% |
| Philex Mining | 4.62% |
| Megaworld Corp. | 3.36% |
| Alliance Global | 1.57% |

Calendar

| | |
|--------|------------------------------------|
| Sep 28 | Jul '10 External Trade Performance |
| Sep 28 | Jul '10 MISSI |
| Sep 29 | Keppel Phils. Marine SSM |
| Sep 30 | PAL Holdings/ Solid Group ASM |

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HEADLINES

Wall Street retraces, but corporate deals maintain optimism

U.S. stocks took a breather on Monday (Sep 27) but optimism remained after several business deal announcements: Unilever Plc (+1.1%) plans to buy U.S. hair care group Alberto Culver Co (+19.6%) for \$3.7B; Wal-Mart Stores (-1.1%) offered to buy Massmart, South Africa's third-largest retailer by value, for more than \$4B; and Southwest Airlines Co (+8.7%) made an offer to buy AirTran Holdings (+61.3%) for \$7.69 per share. But options investors are concerned about overbought conditions, with the CBOE Volatility Index (VIX) up 3.8% at 22.54. A figure below 21, coupled with the S&P staying above 1,130 is considered a positive indicator. The VIX usually has an inverse relationship with the S&P 500 benchmark, as it tracks options prices against risk in underlying stocks.

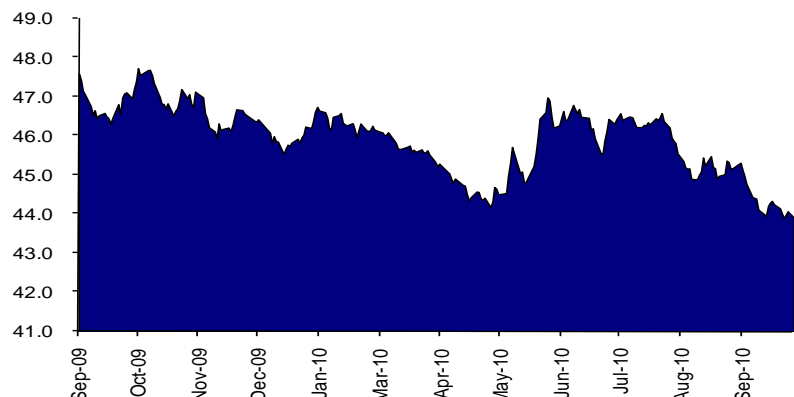
Philex Mining transfers energy assets to Philex Petroleum (PX; P14.88)

Philex Mining Corp. disclosed that it had transferred its 15.75% stake in Pitkin Petroleum Corp., 51.2% in FEC Resources, Inc. of Canada, and 100% in Brixton Energy and Mining Corp. to wholly owned subsidiary Philex Petroleum Corp. as part of its reorganization plan. The Department of Energy has also approved the transfer to Philex Petroleum of stakes in Service Contract No. 41 in South Sulu Sea, Service Contract No. 6 or the Cadlao block, and Service Contract No. 6A or the Octon block.

SM Development Corp. eyes China market (SMDC; P10.98)

SM Development Corp. (SMDC) plans to build apartments in China as the SM group aims to double the number of its shopping malls in the world's most populous nation. China has a US\$4.91T Gross Domestic Product, compared with the country's US\$160.48B economy. SMDC Vice Chairman and Chief Executive Officer Henry Sy, Jr said that residential projects in China are very viable and the first residential project may start as early as next year. But he declined to give the size of the potential investment and if the apartments will be located beside the group's malls in China.

Php versus US\$: 1-Year Price Chart



Source: Philippine Dealing and Exchange Corp.

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