



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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MORNING NOTES

PSEi performance

| | | |
|-------------------------|-------------------|--------|
| PSEi Index 10 Jun 2011: | 4,219.58 | - 4.76 |
| Value T/O, net | Php 2,175 million | |
| 52-week High | 4,413.42 | |
| Low | 3,073.71 | |
| Foreign Buying: | Php 2,293 million | |
| Foreign Selling: | Php 2,157 million | |

Regional performance

| | | |
|------------|-------------|----------|
| Dow Jones | : 11,951.91 | - 172.45 |
| FTSE 100 | : 5,765.80 | - 90.54 |
| Nikkei 225 | : 9,514.44 | + 47.29 |

Trading snapshot

| Index Movers | Points |
|----------------------|--------|
| SM Investments Corp. | -4.97 |
| Metrobank | -4.44 |
| Meralco | +2.37 |
| Alliance Global Inc. | +2.18 |
| JG Summit Inc. | +1.80 |

| Index Out-performers | Up |
|------------------------|-------|
| Alliance Global Inc. | 1.94% |
| Meralco | 1.84% |
| JG Summit Inc. | 1.32% |
| Universal Robina Corp. | 1.30% |
| Lepanto Mining B | 0.94% |

| Index Under-performers | Down |
|------------------------|-------|
| Metrobank | 2.26% |
| SM Investments Corp. | 1.82% |
| Philex Mining | 1.70% |
| Jollibee Foods Corp. | 1.12% |
| Aboitiz Power | 0.84% |

Calendar

| | |
|--------|----------------------------|
| Jun 13 | FED ASM |
| Jun 14 | TEL, ELI, PEC, LAND ASM |
| Jun 15 | Apr `11 Labor Force Survey |
| Jun 15 | VLL, EURO, ECP ASM |

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HEADLINES

US stocks plummet on signs of weakening global economy

US stocks close lower for the sixth straight week as signs of a weakening global economy weighed down on the stocks heavily. All three major indices suffered from heavy selloffs with the Dow losing 1.4% to close below 12,000 for the first time since March. The S&P and the Nasdaq also suffered heavy losses closing 1.4% and 1.5% lower respectively with the latter now down slightly for the year. Friday's losses extended the longest weekly losing streak of US stocks since 2002, and if it continues for another week, will mark the first time in 10 years the market suffered a 7-week losing streak. A plethora of bad news including reports of a drop in hiring in May, weak US industrial output, no hints of an economic stimulus from Bernanke's speech, Greece's debt crisis and a slowing growth in Chinese exports all spurred negative sentiments on investors during the week's trading. Analysts however are staying optimistic and expect the pullback to be short lived. Analysts also believe that the market is oversold and might pull an easy comeback as soon as signs of good news start hitting the market.

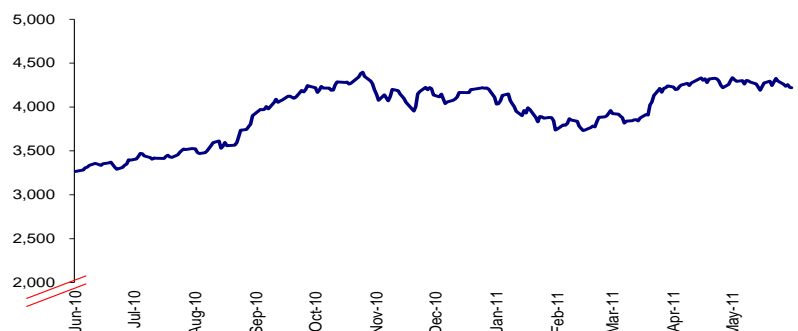
NSO – Merchandise Exports increase by 19.1% YoY in April `11

The National Statistics Office reported that export earning in April 2011 amounted to US\$4.3B, 19.1% higher YoY. This is however down by 1.2% from March 2011. Electronic products, which account for 49.9% of the country's total exports, experienced a drop of 2.1% due to the effects of the Japanese earthquake although the SEIPI president deemed the drop insignificant. Exports to Japan comprised 17.3% of the total exports in April and was the Philippines's top export destination for the period. The government hopes the strong trend will continue in the coming months, with SEIPI and Philexport also maintaining their 2011 targets.

Foreign Direct Investments yield net inflows for 1Q `11

The BSP reported that FDI in the country continue to post net inflows in 1Q `11 and March `11. FDI amounted to US\$167M for March, more than double that of March `10. This brings the total of net inflows for 1Q `11 to US\$ 471M. The 1Q `11 FDI figure however was a drop of 16.6% YoY due to eco-political problems in various parts of the world.

PSEi : 1-Year Price Chart



Source: Philippine Stock Exchange

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