



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

25 Aug 2011

MORNING NOTES

PSEi performance

PSEi Index 24 Aug 2011:	4,366.45	- 8.94
Value T/O, net	Php 4,129 million	
52-week High	4,563.65	
Low	3,371.10	
Foreign Buying:	Php 1,233 million	
Foreign Selling:	Php 1,504 million	

Regional performance

Dow Jones	: 11,320.70	+ 143.95
FTSE 100	: 5,205.85	+ 76.43
Nikkei 225	: 8,639.61	- 93.40

Trading snapshot

Index Movers	Points
PLDT	-20.44
Bank of the Phil. Islands	-4.67
Energy Development Corp.	+4.24
Banco De Oro	+2.54
SM Investments Corp.	+2.48

Index Out-performers	Up
Lepanto Mining B	3.26%
Energy Development Corp.	2.50%
Robinsons Land Corp.	2.32%
Security Bank	1.94%
Filinvest Land Inc.	1.69%

Index Under-performers	Down
PLDT	3.29%
Jollibee Foods Corp.	2.05%
Metro Pacific Investments Corp.	1.81%
Bank of the Philippine Islands	1.69%
Philex Mining Corp.	1.06%

Calendar

Aug 25	Q3 Business Expectations Survey
Aug 25	AGP, MBC ASM
Aug 25	MPI SSM
Aug 27	FEU ASM

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HEADLINES

US stocks gain for second straight day as investors flee gold

US stocks posted gains for the second straight day on Wednesday (Aug 24) as investors back away from safe assets such as gold and jump back to financial shares. All three major indices posted gains with the Nasdaq gaining 0.9% while the S&P and the Dow gained roughly 1.3% each. Wednesday's volatile trading was led by Bank of America which saw gains of more than 11% after being battered lately. BofA shares hit a 2 ½ year low recently after doubts about its ability to raise capital discouraged investors. It's stocks however are still down by more than 30% for this month. CVS Caremark and Time Warner were also among the day's top gainers with the former gaining 3.1% and the latter gaining 3.3%. Bernanke's scheduled speech on Friday in Jackson Hole, Wyoming boosted stocks this week on anticipation that the Fed Chief might use this as an opportunity to hint more help from the Fed. Meanwhile, Apple CEO, Steve Jobs, announced that he is resigning as the company's CEO. Jobs, 55, is a pancreatic cancer survivor and has been on medical leave since Jan 17. Apple said that Tim Cook had been elected as the new CEO while Steve Jobs was elected as chairman. Apple's stocks plunged 7% during afterhours trading yesterday following the announcement.

July deficit expected to be up on higher spending

The Department of Budget and Management reported that the government's budget deficit in July was higher after spending picked up during the month. DBM said that the budget deficit for July is expected to be more than P20B, indicating much improved spending. The country's fiscal deficit for the first semester amounted to P17B. Finance Secretary Cesar Purisima earlier said that the government will accelerate spending in the second half of the year to make up for lower than expected spending in the first semester. He also said that the government will retain a budget deficit ceiling of P300B for the year.

SMC Global eyes P35.5B IPO

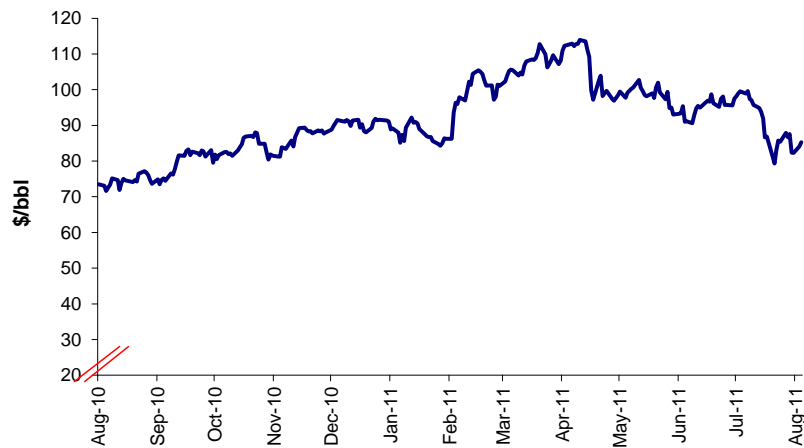
San Miguel Corporation's energy arm, SMC Global Power Holdings Corp, plans to raise as much as P35.5B via IPO. SMC Global Power proposed to offer a minimum of 300M to a maximum of 500M shares in a mix of both primary and secondary offering at prices between P44 and P71 per share. Standard Chartered will serve as the financial adviser for the offering while Goldman Sachs, Standard Chartered Securities, and UBS will serve as bookrunners. ATR KimEng Capital Partners, and SB Capital Investment Corp. will serve as domestic lead underwriters. SMC said that the proceeds from the IPO will be used primarily to finance the company's expansion efforts. SMC also said that they are in the advanced stages of planning two clean coal greenfield power projects having a combined capacity of 450MW and is considering to expand this portfolio to 3,000MW over the next five to seven years.

Please Read!

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PSE Index recomposition on Sept 12, 2011

- PSE announced yesterday that they shall revise the composition of the PSEi and the sector indices on Sept 12, 2011. Changes to the September recomposition will utilize the most recently approved criteria for selecting the index's component. Adjustments for freefloat levels, based on the most recently submitted public ownership reports, will also be implemented.
- The following will now comprise of the new index in Sept.: AEV, AP, AGI, AC, ALI, BDO, BPI, BEL, CEB, DMC, EDC, FGEN, GLO, ICT, JGS, JFC, MER, MWC, MEG, MPI, MBT, PX, TEL, RLC, SMC, SCC, SMDC, SM, SMPH, and URC.
- Previously included issues that will be removed are the following: FPH, ABS, FLI, SECB, and LC/B

Nymex Crude 1-Yr Price Chart

Source: Bloomberg