



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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MORNING NOTES

PSEi performance

PSEi Index 02 Sep 2011:	4,392.91 + 26.32
Value T/O, net	Php 3,480 million
52-week High	4,563.65
Low	3,371.10
Foreign Buying:	Php 1,622 million
Foreign Selling:	Php 1,588 million

Regional performance

Dow Jones	: 11,240.30	- 253.31
FTSE 100	: 5,292.03	- 126.62
Nikkei 225	: 8,950.74	- 110.06

Trading snapshot

Index Movers	Points
Aboitiz Equity Ventures	+7.45
Ayala Corp.	+3.61
ICTSI	+3.49
SM Investments Corp.	+3.47
Security Bank	+3.02

Index Out-performers	Up
Security Bank	3.20%
ICTSI	2.69%
Aboitiz Equity Ventures	2.66%
Ayala Corp.	2.03%
SM Prime Holdings	1.53%

Index Under-performers	Down
ABS-CBN	3.28%
Jollibee Foods Corp.	2.29%
JG Summit Holdings	2.08%
Philex Mining Corp.	1.46%
Lepanto Mining B	1.24%

Calendar

Sept 5	Aug`11 CPI, Inflation Rate
Sept 7	Aug`11 GIR, press release
Sept 9	CLOUD ASM
Sept 9	Jul`11 KB loans

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HEADLINES

US stocks sink as data shows hiring dried up in August

US stocks suffered from yet another selloff on Friday (Sep 2) as data showing zero hiring in August renewed fears of a recession. All three major indices fell more than 2 percent each with the Nasdaq falling the most at 2.58%. The S&P and the Dow were down 2.53% and 2.20% respectively. The government reported that no jobs were added in August, the worst it had reported in 11 months, renewing fears that a recession is imminent and sending gold to jump US\$48 an ounce. Yields on 10-Year treasury notes also fell momentarily below 2% as investors flock to less riskier assets. Economists were expecting around 93,000 jobs added for the month of August while reported hiring for June and July were also revised lower. In addition to the dismal jobs report, faltering talks between Greece and its potential lenders over the country's debt crisis before trading on Friday also added to the negative sentiment of investors on the market. Banks were again among the biggest losers on Friday with Bank of America falling 8.3% and JPMorgan Chase falling 4.3% after the US government announced that it is filing lawsuits against banks over mortgage practices that led to losses at Fannie Mae and Freddie Mac. Netflix meanwhile weighed heavily on the Dow, tumbling 8.6% following the announcement from Starz that it will cease distribution on the streaming Netflix's streaming service. Looking forward, US President Obama is expected for a public speech on Thursday to unveil a jobs program he hopes will help curb the nation's faltering unemployment.

Lopez Holdings reduces debt to US\$7.5M

Lopez Holdings Corp. reported that it was able to reduce its debt to US\$7.5M after most of its creditors participated in a tender offer which gave creditors the opportunity to buy back as much as US\$41M of debt at full face value. The company in August offered to buy back the remaining US\$41M of the US\$150M 7.875% euro bonds due in 2002, and Series A-2 long term commercial papers (LTCP) issued in 1996. US\$13.97M, or approximately 71% of the total of the Eurobonds were validly tendered while a total of P785.3M of the LTCPs representing 91% of the outstanding were bought back. After the tender offer, Lopez's unstructured obligations stands at US\$7.5M, down from a high of US\$560M in 2002.

Aboitiz Power subsidiary to test pre paid metering next year

Aboitiz Power's subsidiary, Visayan Electric Co. is planning to pilot-test 1,000 high technology pre-paid meters to its franchise area by 2012. The new meters will automatically shut off electricity as soon as consumption goes past the prepaid allocation of the consumer. VECO is currently surveying available such meters in the market and is also surveying which areas in its franchise it will test the new pre paid electricity billing scheme.

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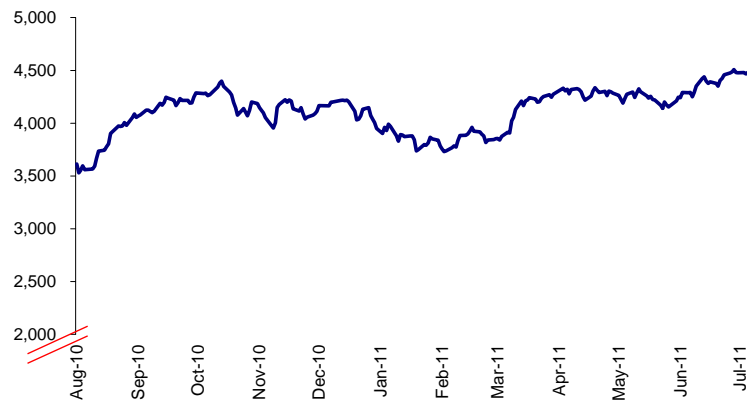
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Manila Water opts for early redemption of P4B fixed rate bonds

- Manila Water disclosed in the PSE on Friday that it had opted to make and early redemption of P4B worth of peso fixed rate bonds which the company had issued back in 2008 and are due 2013. The bonds will be redeemed by payment in cash at a redemption price set at 102% of the principal amount and accrued interest computed up to October 23, 2011 to bondholders on record as of October 19, 2011. Payment will be made on October 24 however as October 23 is a non-business day.

EastWest Bank eyes 2012 public listing

- Eastwest Bank told reporters that it plans to list in the local bourse next year as it strive to push through with plans to operate as a universal bank. EastWest bank said that it just a matter of timing that it will list publicly following stock volatility in the US and EU markets.

PSEi : 1-Year Price Chart

Source: Philippine Stock Exchange