



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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## MORNING NOTES

### PSEi performance

PSEi Index 07 Sep 2011:	4,315.21	+ 12.13
Value T/O, net	Php 3,562 million	
52-week High	4,563.65	
Low	3,371.10	
Foreign Buying:	Php 2,257 million	
Foreign Selling:	Php 2,014 million	

### Regional performance

Dow Jones	: 11,414.90	+ 275.56
FTSE 100	: 5,318.59	+ 161.75
Nikkei 225	: 8,763.41	+ 172.84

### Trading snapshot

Index Movers	Points
Lepanto Mining A	-10.36
PLDT	+9.71
Lepanto Mining B	-6.09
JG Summit Holdings	+4.10
Bank of the Philippine Islands	+3.27

Index Out-performers	Up
JG Summit Holdings	3.45%
First Gen Corp.	2.55%
Globe Telecom	2.27%
Aboitiz Power Corp.	1.84%
ABS-CBN	1.64%

Index Under-performers	Down
Lepanto Mining A	11.33%
Lepanto Mining B	9.32%
Robinsons Land Corp.	0.81%
SM Investments Corp.	0.73%
Energy Development Corp.	0.32%

### Calendar

Sept 7	Aug`11 GIR, press release
Sept 9	CLOUD ASM
Sept 9	Jul`11 KB loans
Sept 12	SHNG ASM

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## HEADLINES

### US stocks rally after German court upholds European bailout fund

■ US stocks bounced off three days of losses on Wednesday (Sep 7) after a German court upheld the countries role in bailing out other European countries. All three major indices gained with the Nasdaq gaining the most at 3.04% while the Dow and the S&P gained 2.47% and 2.86% respectively. A German court rejected lawsuits aimed at blocking the country from participating in bailing out Greece and other EU countries rekindling hopes that EU's debt crisis might ease. The rally was broad with financial among the top performers. Bank of America rose 7% while the KBW Bank Index gained nearly 6%. Shares of energy companies were also among the top gainers as the price of US oil gained US\$3 to a five-week high. Yahoo shares meanwhile gained 5.4% after its chairman, Roy Bostock, fired CEO Carol Bartz on Tuesday. Nvidia Corp also jumped 8.1% after announcing a strong forecast for 2013 that exceeded analysts' expectations. Despite the strong rally, investors still remain cautious as evident by the light trading with just 7B shares traded on the NYSE, Amex and Nasdaq. This was the lightest over the past month and is below last year's average of 7.56B.

### August GIR up to US\$75.6B

■ Just one day after the Banko Sentral ng Pilipinas raised its forecast on the country's gross international reserves, data from the BSP showed that GIR for the month of August reached a record high of US\$75.6B, and breaching the most recent forecast by the central bank. GIR for August was higher by US\$3.7B compared to end-July values of US\$71.9B. The BSP said that substantial foreign exchange inflows arising from the foreign currency deposits by the National Government (NG) of proceeds from a program loan from the World Bank, as well as the foreign exchange operations and income from foreign investments of the BSP contributed to the build-up in the preliminary GIR level at end-August 2011. Revaluation gains on the BSP's gold holdings following the continued rise in the price of gold also further increased the country's foreign reserves level.

### Filinvest Land sees continued demand for low cost homes

■ Filinvest Land president Joseph Yap said that the company is expecting continued demand for low cost homes in the country as strong remittances and low interest rates will entice investors from the middle-income sector. The company said that there is a backlog of as many as 3M housing units in the affordable and middle-income housing segments. Demand for high-end residential properties on the other hand might decline considering the foreseeable slowdown in the Philippine and global economy. Filinvest further added that the company's revenues for the second half of the year should be as good as the first half.

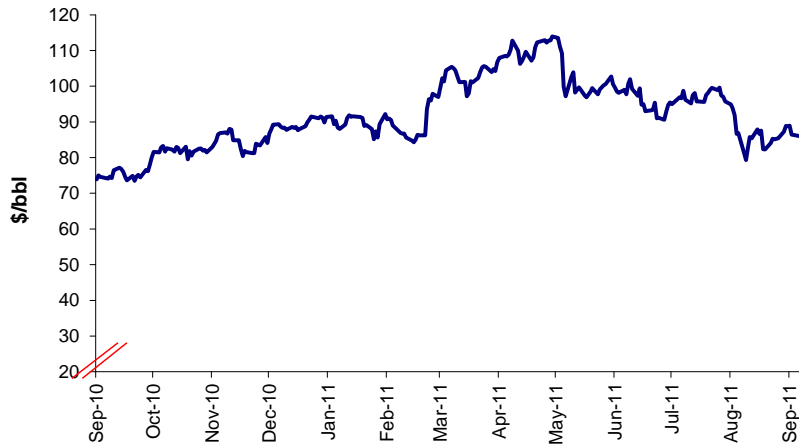
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**SEC approves incorporation of Southwest Luzon Power Generation Corp.**

- Southwest Luzon Power Generation Corp., a wholly owned subsidiary of Semirara Mining Corp. had been approved by the Securities and Exchange Commission for incorporation by its parent company. P3B of the P10B authorized capital stock has been subscribed with P750M already paid for. Southwest Luzon will be involved in the construction of two 150MW coal-fired thermal power plants adjacent the two 300MW coal-fired thermal power plant owned by SEM-Calaca Power Corp.

**Nymex Crude 1-Yr Price Chart**



Source: Bloomberg