



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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## MORNING NOTES

### PSEi performance

PSEi Index 12 Sep 2011:	4,296.05	- 50.02
Value T/O, net	Php 2,328 million	
52-week High	4,563.65	
Low	3,705.18	
Foreign Buying:	Php 1,463 million	
Foreign Selling:	Php 1,738 million	

### Regional performance

Dow Jones	: 11,061.10	+ 68.99
FTSE 100	: 5,129.62	- 85.03
Nikkei 225	: 8,535.67	- 201.99

### Trading snapshot

Index Movers	Points
PLDT	-7.63
Aboitiz Equity Ventures	-6.05
Jollibee Foods Corp.	-4.51
Banco De Oro	-4.18
SM Prime Holdings	-4.00

Index Out-performers	Up
Philex Mining	0.37%
Metrobank	0.35%
San Miguel Corp.	0.32%
Manila Water Company	0.10%
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Index Under-performers	Down
SM Dev't Corp.	4.28%
Belle Corp.	4.23%
Jollibee Foods Corp.	4.18%
SM Prime Holdings	2.50%
Banco De Oro	2.36%

### Calendar

Sep 12	SHNG ASM
Sep 14	Aug '11 CB Accounts Statistics
Sep 15	Jul '11 Remittance Press Release
Sep 20	AGI ASM

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## HEADLINES

### US stocks gain slightly on hopes that Italy will gain support from China

US stocks stayed mostly red in yesterday's (Sep 12) trading but recovered late as hopes that China will support Italy financially eased fears over EU's debt crisis. All three major indices managed slight gains with the Dow, S&P and the Nasdaq gaining 0.63%, 0.70%, and 1.10% respectively. The Financial Times reported yesterday that Italy asked China for "significant" purchases of Italian debt triggering a rally towards the end of the session. Analysts however advise investors to stay cautious as any indications that China is not indeed buying Italian bonds might trigger a quick selloff. Merger news also helped buoy the market after Broadcom announced that it is acquiring NetLogic Microsystems, Inc. for US\$3.7B sending shares of the latter to soar 50.8% to US\$48.12. Financials were also among the best performers yesterday with the S&P financial index, .GSPF, gaining 1.2%. On other companies, Tenet Healthcare lost 10% after announcing that it expects earnings to take a hit from patients using Medicaid. McGraw-Hill rose 4% after announcing that it is splitting into two public companies. Wynn Resorts gained 2% after a unit of the company said it signed a contract to build a casino in Macau. Meanwhile, the yield on 10-year treasury notes reached another record low yesterday as investors try to shield themselves from fears that EU's debt crisis might not be contained.

### Peso weakens to P42.82 amid Greek default worries

The Peso weakened for the third straight day against the US dollar yesterday as investors decrease their risk exposure amid escalating worries that Greece might default. The Php lost 32.5 centavos yesterday against the dollar to close at P42.815. Analysts believe that the weakening Peso is also partly a result of the resignation of Juergen Stark, a German top ECB official, and the move of the Swiss National Bank to peg the Swiss franc to the euro. The latter made the Swiss franc less attractive to investors forcing them to turn to the dollar instead.

### Philex Petroleum completes listing by way of introduction

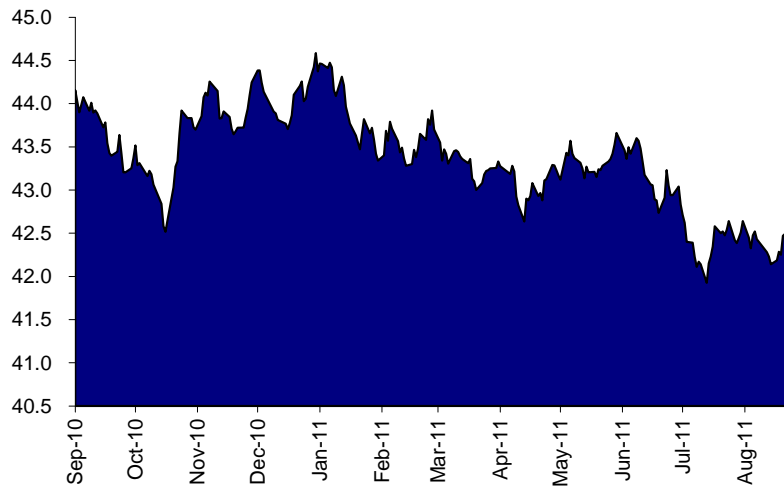
In a press release, Philex Petroleum announced that it had completed its listing yesterday at the PSE by way of introduction with an IPO price of P1.20 per share. Trading symbol for the stock is PXP. PXP closed yesterday at P8.60 per share. PXP said that it is the first company to be listed by way of introduction under the PSE's amended rules on listing by way of introduction dated March 2011. PXP further announced that it had listed all of its issued and outstanding common shares comprising of 1.7B common shares, with a par value of P1 per share. "This includes 598.6M shares distributed as property dividends to the stockholders of Philex Mining Corp., representing approximately 36 percent of PXP's issued and outstanding shares." Shares of PXP soared 616.67% in its first day of trading yesterday after the company unveiled its exploration plan for its concession area in Recto Bank which is believed to contain 3.4 trillion cubic feet of natural gas. PXP said that Service Contract 72, which covers the Recto Bank, will eventually be opened up to foreign investors who will provide technical expertise as well as financial backing to bring the concession area to commercial operations.

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**PLDT still willing to extend Digitel deal deadline**

- PLDT Chairman Manuel V. Pangilinan told reporters yesterday that PLDT is still willing to extend the deadline of the PLDT-Digitel merger deal as the approval of the government on the said matter is the only condition pending. He further said that “neither the Gokongwei family nor [themselves] terminated the agreement.” He also added that PLDT is open to compromises with regards to the deal if the government sought any.

**Php versus US\$ : 1-Year Price Chart**

Source: Philippine Dealing and Exchange Corp.