



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

22 Sep 2011

## MORNING NOTES

### PSEi performance

|                         |                   |         |
|-------------------------|-------------------|---------|
| PSEi Index 21 Sep 2011: | 4,204.29          | - 15.53 |
| Value T/O, net          | Php 2,272 million |         |
| 52-week High            | 4,563.65          |         |
| Low                     | 3,705.18          |         |
| Foreign Buying:         | Php 1,173 million |         |
| Foreign Selling:        | Php 1,677 million |         |

### Regional performance

|            |             |          |
|------------|-------------|----------|
| Dow Jones  | : 11,124.80 | - 283.82 |
| FTSE 100   | : 5,288.41  | - 75.30  |
| Nikkei 225 | : 8,741.16  | + 19.92  |

### Trading snapshot

| Index Movers            | Points |
|-------------------------|--------|
| SM Investments Corp.    | -6.05  |
| Banco De Oro            | -3.10  |
| Aboitiz Equity Ventures | -2.02  |
| Meralco                 | -1.83  |
| San Miguel Corp.        | -1.65  |

| Index Out-performers | Up    |
|----------------------|-------|
| DMCI Holdings        | 0.96% |
| Philex Mining        | 0.84% |
| San Miguel Corp.     | 0.82% |
| Metrobank            | 0.72% |
| ICTSI                | 0.69% |

| Index Under-performers | Down  |
|------------------------|-------|
| SM Development Corp.   | 3.08% |
| SM Investments Corp.   | 2.07% |
| Banco De Oro           | 1.79% |
| Megaworld              | 1.62% |
| Meralco                | 1.56% |

### Calendar

|        |                               |
|--------|-------------------------------|
| Sep 22 | FAF ASM                       |
| Sep 22 | Q2 '11 Balance of Payments PR |
| Sep 23 | ORE ASM                       |
| Sep 26 | PWR ASM                       |

### Wealth Securities, Inc.

2103 East Tower, PSE Center, Exchange Road,  
Ortigas Center, Pasig City 1600  
Telephone: 02.634.5038  
Facsimile: 02.634.5043

## HEADLINES

### US stocks fall despite Fed announcing new stimulus for the economy

■ US stocks fell sharply yesterday (Sep 22) despite the Fed announcing new stimulus plans for the US economy. All three major indices suffered heavy losses with the Dow, Nasdaq, and the S&P closing 2.5%, 2% and 2.9% lower respectively. The Federal Reserve announced yesterday that under the new stimulus plan, it will sell short-term debt and buy long term bonds to help the economy. The announcement of the new stimulus program was an expected one but stocks fell despite the announcement as the Fed said that there are "significant downside risks" to the economy and implied that a full economic recovery is still years away. The new US\$400B plan was dubbed "Operation Twist" by market players. Insurance companies were some of the hardest hit from yesterday's selloff as Operation Twist could potentially hit the insurers' ability to keep up with their obligations. The KBW Insurance index fell 5.2% yesterday led by Lincoln National which dropped 8.4%. Financials, industrial companies, retailers and other companies that sell non-essentials to consumers were also among the hardest hit yesterday. Despite the selloff, some companies still came up as winners as news flow kept their share prices afloat. Oracle jumped 4.2% after forecasting higher than expected earnings for the quarter while Hewlett Packard gained 6% after the news that the company is considering replacing CEO Leo Apotheker with former eBay CEO Meg Whitman. Meanwhile, oil prices fell US\$1 yesterday on the New York Mercantile Exchange to settle at US\$85.92.

### Peso weakens anew

■ The Philippine peso slid against the dollar again yesterday to close at P43.53 to a dollar as continued risk aversion continue to hurt the value of the peso. Greece is currently in talks with the IMF, ECB and European Union to secure more funds to keep its economy afloat. The weakening peso might also be a result of a spilloff from the recent downgrade of S&P on Italy.

### FMIC gets BSP approval to perform trust and other fiduciary businesses

■ First Metro Investments Corp. announced that it received the Certificate of Authority from the Banko Sentral ng Pilipinas to perform trust and other fiduciary business. FMIC will form a separate unit for its new trust business called Trust Investment Solutions division which would start operation on October 3 and would compose of three to four licensed trust officers. FMIC added that its trust business will not be a typical one and will adapt a new business model.

### Gold Fields makes second on FSE

■ See separate Wealth report.

## Please Read!

This document was prepared by Wealth Securities, Inc. (WSI) for information purposes only. It is not to be considered as an offer to sell, or as a solicitation of an offer to buy. Although reasonable care has been taken to ensure that the information contained therein is accurate and complete, WSI makes no representation as to its accuracy or completeness. No liability is accepted for any loss arising from the reliance on this information. This document cannot be reproduced in whole or in part by the recipient or another person, nor should it be redistributed by the person or the company to whom it was first addressed. All recipients are urged to make their own assessment as to the accuracy of the information contained herein. All information/opinion is subject to change without prior notice.

**Puregold sets listing price at P12.50**

- Puregold Price Club has set its listing price at P12.50 for its initial public offering, valuing the share sale at P7.5B excluding overallotments. Puregold's domestic IPO offer period will run from September 23 to September 29.

**Ayala Corporation continues share buyback**

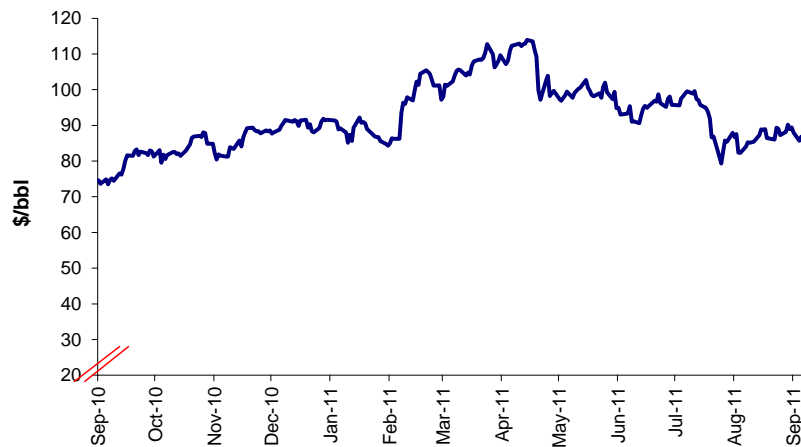
- AC disclosed that it continued implementing its share buyback program, as it bought 35,000 of its shares on September 20, 2011. 25,000 shares were bought at the price of P301.00, while the remaining 10,000 shares were bought at P300.40.

**First Philippine Holdings buys back shares**

- FPH also disclosed that it bought back 100,000 shares at the price of P56.00.

**ICTSI Warehousing purchases ICT shares on September 20, 2011**

- ICT disclosed that its subsidiary, ICTSI Warehousing, purchased 26,800 shares of ICT at P50.50 and 1,591,660 shares at P50.65.

**Nymex Crude 1-Yr Price Chart**

Source: Bloomberg