



# THE WEALTH VAULT

A Product of Wealth Securities, Inc.

26 Sep 2011

## MORNING NOTES

### PSEi performance

PSEi Index 23 Sep 2011:	3,885.96	-210.14
Value T/O, net	Php 5,058 million	
52-week High	4,563.65	
Low	3,705.18	
Foreign Buying:	Php 2,494 million	
Foreign Selling:	Php 2,762 million	

### Regional performance

Dow Jones	: 10,771.50	+ 37.65
FTSE 100	: 5,066.81	+ 25.20
Nikkei 225	: 8,560.26	- 180.92

### Trading snapshot

Index Movers	Points
PLDT	-22.40
Metrobank	-17.20
SM Investments Corp.	-15.41
Banco De Oro	-12.87
Philex Mining	-11.67

Index Out-performers	Up
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Index Under-performers	Down
Semirara Mining Corp.	12.32%
Universal Robina Corp.	11.90%
Belle Corp.	10.94%
Philex Mining Corp.	10.87%
Metrobank	8.62%

### Calendar

Sep 26	PWR ASM
Sep 28	MIC, FYN ASM
Sep 30	Aug `11 Template on Intern`l Res. And Foreign Currency Liquidity
Sep 30	PAL ASM

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## HEADLINES

### US stocks gain slightly as Wall Street shows signs of stabilization

US stocks gained slightly on Friday (Sep 23) as Wall Street started to stabilize after several days of brutal selloffs. All three major indices managed slight gains after a volatile day with the Dow, S&P and the Nasdaq gaining 0.35%, 0.61%, and 1.12% respectively. Indices swung between gains and losses several times before finally ending green. Despite the gains on Friday, the Dow and the S&P were still down 6.4% and 6.5% for the week respectively. The S&P however was able to hold above the Aug 8 low of 1,119, a level seen by many as a key support. Stocks started weak as fears about Greece inevitably defaulting increased after Moody's announced that it had downgraded eight Greek banks by two notches. Fears were however alleviated after finance ministers from 20 large countries pledged help to Europe. Despite signs that the markets are starting to stabilize, investors remain cautious as they try to weigh in the recent developments in the European debt crisis and the recently announced "Operation Twist" by the Fed. Semiconductors were among the best performers on Friday with the PHLX index gaining 2%. Texas Instruments jumped 3.8% after Caris increased its ratings on the company. Hewlett Packard on the other hand lost 2.1% after the company announced that Meg Whitman will be its next CEO. Looking forward, US President Obama is scheduled to participate in a town hall meeting in Mountain View, CA to talk about his jobs plan while Fed chief Bernanke is slated to talk about emerging markets on Wednesday although he is also expected to answer some tough questions about the economy on the scheduled speech. Three top Fed officials are also expected to deliver speeches on Monday, Tuesday and Thursday. On economic data, September GDP is expected to be released on Thursday while August personal income and consumer sentiment data are scheduled to be released on Friday. The US Senate will also resume its debate on spending bills on Monday as talks of a government shutdown are starting to weigh in on the market again.

### Gold falls a record US\$100

Gold prices fell almost 6% at one point during trading on Friday as perceived strength in the dollar, weeks of volatile trading, and talks of hedge fund liquidations hurt its value. The 127\$ intraday movement on Friday was the biggest on record. Gold futures ended at US\$1,639.800 after losing US\$101.900 or 5.85%. Gold was not the only precious metal hit with the free fall as Silver also closed 17.71% lower on Friday's trading, its biggest one day loss since 1987. Silver futures closed at 30.101 US\$/t oz. US crude futures meanwhile fell 66 cents to settle at US\$79.85 a barrel.

### Peso seen to slide further depending on developments abroad

The Philippine peso is expected to continue weakening against the USD next week depending on developments abroad as the US dollar sees renewed safe haven status. Market players believe that the Peso will trade between P43.50 to P44.00 to a dollar next week.

## Please Read!

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**SMC eyes 70% increase in profit for January to August**

- San Miguel Corp. confirmed reports that preliminary estimated net income of the company as of August 2011 rose more than 70% over a year ago “on acquisition of oil refining and power-generation assets.” SMC also estimated that revenues rose by 2.5 times while EBITDA almost doubled.

**AEV purchases more UBP shares**

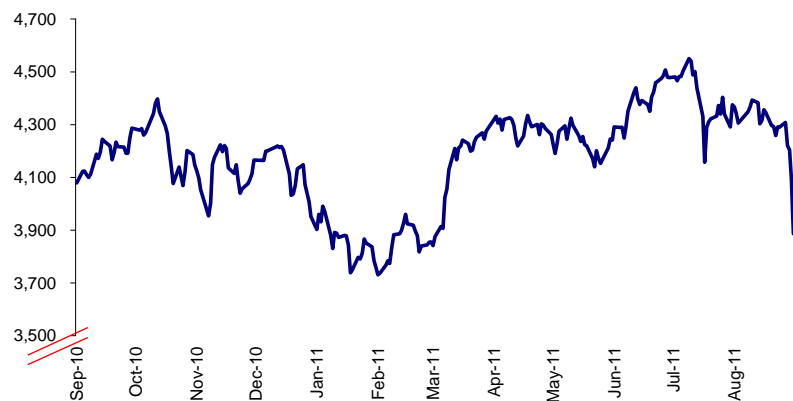
- AEV disclosed on the PSE on Friday that it had acquired a total of one million UBP shares at P60 per share during trading. This brings AEV’s stake on its banking arm to 41%.

**ICTSI continues buying ICT shares**

- ICTSI disclosed that ICTSI Warehousing, a subsidiary of ICTSI, purchased a total of 4,499,020 shares on Friday at an average price of P48.98.

**Ayala Corp. shares buy back update**

- Ayala Corp. bought a total of 340,000 of its own shares on Friday. 140,000 shares at P280 each, 50,000 shares at P281 each, and 150,000 shares at P282 each.

**PSEi : 1-Year Price Chart**

Source: Philippine Stock Exchange