



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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MORNING NOTES

PSEi performance

PSEi Index 30 Sep 2011:	3,999.65	+122.01
Value T/O, net	Php 3,166 million	
52-week High	4,563.65	
Low	3,705.18	
Foreign Buying:	Php 2,562 million	
Foreign Selling:	Php 2,076 million	

Regional performance

Dow Jones	: 10,913.40	- 240.60
FTSE 100	: 5,128.48	- 68.36
Nikkei 225	: 8,700.29	- 0.94

Trading snapshot

Index Movers	Points
Bank of the Phil. Islands	+11.15
SM Investments Corp.	+10.46
PLDT	+9.68
Aboitiz Equity Ventures	+7.40
Philex Mining	+7.32

Index Out-performers	Up
Philex Mining	7.82%
Meralco	6.36%
JG Summit Inc.	4.90%
Ayala Land Inc.	4.59%
Globe Telecom	4.47%

Index Under-performers	Down
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Calendar

Oct 04	BCOR ASM
Oct 05	Sep `11 CPI
Oct 06	APX SSM
Oct 07	MJC, AGP ASM

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HEADLINES

US stocks fell on new signs of weakness in Europe and the US economy

- US stocks fell on Friday (Sep 30) as new signs weakness in Europe and the US economy, together with weak economic data from China sent US stocks to end the quarter on a weak note. All three major indices posted significant losses with the Nasdaq declining the most at 2.63%. The Dow and the S&P declined 2.16% and 2.50% respectively. The S&P is down more than 14% for the quarter, the biggest quarterly drop since the quarter ended Dec 31, 2008. The Dow on the other hand is down 12.1% over the same timeframe. Weak manufacturing data from China released last Friday reignited fears of a hard landing for the world's second largest economy. Signs of strength from China had been offsetting negative sentiments from the European sovereign debt problems and the sputtering US economy lately. Investors fear that signs of weakness in China might worsen the outlook on the global economy enough to spur a global recession.

Peso slides further on New Zealand downgrade

- The Philippine peso continued sliding against the US dollar on Friday as investors became more risk averse after New Zealand's sovereign rating was cut. The Php closed 9 centavos lower to P43.72 against the US dollar last Friday. Most Asian currencies weakened against the US currency despite Germany winning a vote to allow the beefing up of emergency euro zone bailout funds.

BSP – Foreign debt increased to US\$61.4B as of end-June `11

- In a press release, the Bangko Sentral ng Pilipinas said that the Philippines' foreign debt rose US\$476M from end-March to US\$61.4B as of end June `11. The BSP said that the increase was driven mostly by the weakening of the US dollar against other major currencies such as the Japanese Yen thereby increasing the debt figure in US dollar terms. Despite the increase, the BSP said that foreign debt levels remain at "comfortable levels."

Listed firms post 7% drop in income for 1H`11

- In a statement, the PSE said that listed firms on the Philippine Stock Exchange experienced a 7% drop in income for the first six months of the year compared to a year ago. Combined net incomes of PSE listed firms for the first half of the year was recorded at P219.66B compared to P263.23 for the same period a year ago. The drop came even as combined revenues increased by 15.3% to P1.85 trillion for the said period. The PSE said that several factors contributed to the drop including higher input prices and lower consumer demand. The industrial sector posted the most decline at 31.1% while the holding firm sector and the service sector posted 10.3% and 9.2% declines respectively. The absence of political ads likewise pulled down earnings of broadcasting firms. The financial sector and the property sector meanwhile offset the decline in the other sectors with the latter posting gains of 30.6%.

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Jollibee to acquire majority stake on Burger King

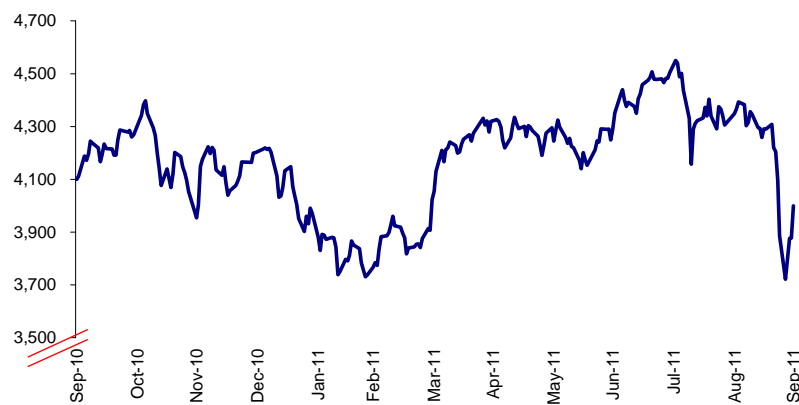
- See separate Wealth report.

SMC to finalize Limay plant sale

- SMC president Ramon S. Ang said that the company is finalizing its sale of the 620MW combined cycle Limay power plant to a group of investors. SMC declined to name the investor group although the company said that the company decided to sell the Limay plant because building a new power plant is more viable.

Belle's secondary rights offering oversubscribed

- In a telephone interview conducted by the BusinessWorld, Belle said that the company's P4.5B secondary rights offering was oversubscribed according to initial information from their underwriter.

PSEi : 1-Year Price Chart

Source: Philippine Stock Exchange