



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

06 Oct 2011

MORNING NOTES

PSEi performance

PSEi Index 05 Oct 2011:	3,823.13	- 6.79
Value T/O, net	Php 2,710 million	
52-week High	4,563.65	
Low	3,705.18	
Foreign Buying:	Php 2,922 million	
Foreign Selling:	Php 3,556 million	

Regional performance

Dow Jones	: 10,940.00	+ 131.24
FTSE 100	: 5,102.17	+ 157.73
Nikkei 225	: 8,382.98	- 73.14

Trading snapshot

Index Movers	Points
PLDT	-7.13
Aboitiz Equity Ventures	-5.38
JG Summit Inc.	+5.32
Bank of the Phil. Islands	+5.09
Energy Dev't Corp.	-4.90

Index Out-performers	Up
JG Summit Inc.	5.13%
DMCI Holdings	2.78%
Metro Pacific Investments	2.68%
Bank of the Phil. Islands	1.97%
Alliance Global Inc.	1.53%

Index Under-performers	Down
Energy Dev't Corp.	3.04%
Aboitiz Equity Ventures	2.17%
Semirara Mining Corp.	2.15%
Megaworld Corp.	1.91%
Jollibee Foods Corp.	1.56%

Calendar

Oct 06	APX SSM
Oct 06	Monetary Policy Highlights
Oct 07	MJC, AGP ASM
Oct 07	Sep '11 GIR press release

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 rise on optimism in Europe and the US economy

US stocks gained for the second straight day yesterday (Oct 05) as hopes that European officials are moving to support EU banks triggered optimism in Europe. Bets that commodity prices will rise likewise added to the buying sentiment yesterday. All three major indices posted sizeable gains with the Nasdaq gaining 2.32%; the S&P, 1.79%; and the Dow, 1.21%. Signs that the US economy grew in September likewise added to the positive sentiments and spurring bets in commodity prices. Economic data showed that the US service sector grew steadily last month while private hiring also picked up. In company news, Disney gained 5.5% after Citi upgraded the stock. Monsanto Co. rose 5.2% after reporting results that beat expectations. Tech shares were likewise among the biggest gainers with Yahoo gaining 10.1% after reports that Microsoft may be preparing to bid for the company. Research in Motion jumped 12.4% on speculation that the company might be acquired. Meanwhile, US crude futures gained more than 5% yesterday after falling for two straight days. On a side note, Apple announced yesterday that cofounder and former CEO Steve Jobs had died.

Peso higher, snapping streak of decline

The Philippine peso gained by 22 centavos yesterday amid profit taking by investors. The peso closed at P43.86 yesterday after falling to an eight month low of P44.21 to a USD on Tuesday. Most Asian currencies recovered against the US currency yesterday after several days of continuous decline. Traders expect the Php to trade within P43.70 to P44.20 today.

September inflation accelerates slightly

The Banko Sentral ng Pilipinas disclosed that based on the 2000-based Consumer Price Index (CPI) Series, headline inflation rose to 4.6% YoY in September from 4.3% in August. Using the 2006-based CPI series on the other hand, headline inflation was at 4.8% in September from 4.7% in August. The BSP further said that the year to date average inflation of 4.3% and 4.8% using the 2000 based CPI Series and 2006 based CPI Series respectively are well within the central bank's target range of 3-5% for 2011 and monthly forecast of 3.8% to 4.8%. Core inflation in September likewise accelerated to 3.5% based in the 2000 based CPI Series. The BSP attributes the accelerated inflation from higher food prices particularly fruits and vegetable triggered by weather related production issues.

Philex hikes production in Padcal mine by 37%

Philex said that metal output for the January to September jumped 37% amid higher mineral prices. Production rose to P12.9B from P8.91B for the said period YoY. In a disclosure to the PSE, Philex said that the Padcal mine delivered 773.490 DMT of ore in September resulting in 5,510 DMT of concentrates containing 59.8g per DMT of gold, 25.18% of copper, and 54.46g of silver. Based on provisional prices of US\$3.23 per pound copper, US\$30.45 per ounce silver, and US\$1,624.50 per ounce of gold, the company is set to gain P746M, P433M, and P13M from gold, copper and silver respectively for the month.

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.

Nickel Asia resumes Taganito Mine operations

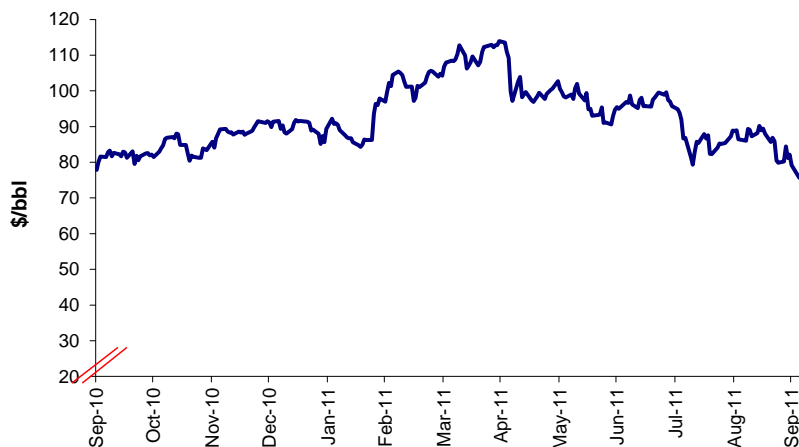
- Nickel Asia disclosed yesterday that mining operations in its Taganito project in Surigao del Norte resumed yesterday, two days after an armed group occupied the mine. The company estimated that damage amounts to approximately P500M in replacement value although the company has more than sufficient funds to cover the damages. Nickel Asia further clarified that they do not expect a significant reduction in their shipment tonnage for the year. Damage to the adjacent nickel processing plant, which is currently under construction, was also expected to be minimal.

SMDC expects to hit yearly sales target

- In an interview by the BusinessWorld, SMDC said that it expects to post double digit growth in housing sales by year end. SMDC said that the company is on track to sell 11,000 to 12,000 condominium units by December, an approximate 10% to 20% growth from figures last year.

ICTSI Warehousing purchases more ICT shares

- ICTSI announced that ICTSI Warehousing bought a total of 4,000,000 shares at P45.90 on October 4, 2011 and a total of 2,000,000 shares at P45.80 on October 5, 2011.

Nymex Crude 1-Yr Price Chart

Source: Bloomberg