



THE WEALTH VAULT

A Product of Wealth Securities, Inc.

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MORNING NOTES

PSEi performance

PSEi Index 17 Oct 2011:	4,214.45	+61.06
Value T/O, net	Php 3,035 million	
52-week High	4,563.65	
Low	3,705.18	
Foreign Buying:	Php 1,063 million	
Foreign Selling:	Php 1,097 million	

Regional performance

Dow Jones	: 11,397.00	- 247.49
FTSE 100	: 5,436.36	- 29.66
Nikkei 225	: 8,879.60	+ 131.64

Trading snapshot

Index Movers	Points
SM Investments Corp.	+10.46
Bank of the Phil. Islands	+6.55
Ayala Corp.	+6.03
Alliace Global Inc.	+5.25
Banco De Oro	+4.34

Index Out-performers	Up
Megaworld Corp.	5.85%
Alliance Global Inc.	4.27%
Metro Pacific Investments	4.00%
SM Investments Corp.	3.58%
Ayala Corp.	3.42%

Index Under-performers	Down
PLDT	0.18%
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Calendar

Oct 19	GREEN ASM
Oct 19	Sep `11 BOP Position, GIR and NIR
Oct 25	SUN ASM
Oct 29	AR, WIN, EVER PSE

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HEADLINES

US stocks fall sharply on renewed negative sentiments on Europe

US stocks fell sharply yesterday (Oct 17) after comments from Germany's finance minister renewed negative sentiments on Europe's current state. All three indices suffered losses of around 2% each with the Dow losing 2.12%; S&P, 1.94%; and the Nasdaq, 1.98%. Volume was however light with only 6.87B shares traded in the NYSE. The VIX volatility on the other hand gained 18.2% to settle at 33.39, its biggest advance since August. German Finance Minister Wolfgang Schauble said yesterday, speaking of the Oct 23 EU summit on the debt crisis, that they "won't have a definitive solution this weekend". This caused renewed fears that Europe's bailout will not come fast enough to abate defaults in the region. The financial sector was among the most heavily hit yesterday as weak bank earnings added to the selling pressure. The KBW bank index lost 3.9% yesterday while Citigroup fell 1.7%. Shares of Wells Fargo plunged 8.4% after reporting results that are below expectations. Shares of IBM meanwhile fell 2% during trading prior to its reporting results which were scheduled after the bell. After the bell, its shares fell 3.6% more despite reporting results that met expectations.

GSIS collecting bids on its GSIS Family Bank stake

The Government Social Insurance System announced that it is starting to collect bids for its 99.5% shares in GSIS Family Bank. GSIS said that qualified bidders should submit their bid documents and signed final transaction documents by December 15. Letter of intents by interested parties may be submitted to the Investments Bids and Awards Committee starting yesterday until November 4.

SM to venture into infrastructure, power businesses

SM confirmed reports yesterday that it is looking to expand its portfolio investments to include power, tourism, backroom offices, and infrastructure businesses. SM said that they could enter these businesses through investments in stocks or through loans. SM further confirmed that the company expects sustained profit growth for the rest of the year with third quarter growth estimated to be between 13% and 14%.

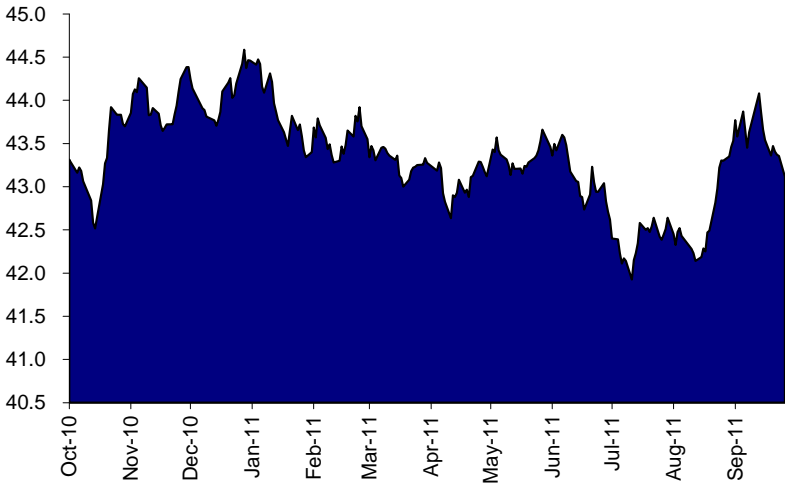
PLDT might sell CURE's spectrum to gain approval on Digital acquisition

PLDT said that they are in talks with the National Telecommunications Commission (NTC) for a possibility to divest frequency currently held by Connectivity Unlimited Resources Enterprises, Inc., a unit of Smart Communications, Inc., to gain the approval of the NTC for the proposed acquisition of Digitel by the company. Despite this, PLDT maintains that NTC has no legal basis in requiring the company to free up frequencies to approve the deal. NTC is expected to release a ruling on the said merger by Oct 27.

Please Read!

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Php versus US\$: 1-Year Price Chart



Source: Philippine Dealing and Exchange Corp.