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According to a UBS study Switzerland is the best place to work in the world for what you earn. True, but try and have fun in Geneva after 7:00 in the evening... Anyway, **the winner is Zurich**, 2nd most expensive city in the world but 1st in terms of wages, the winning combination, followed by Sydney.

Best Purchasing Power Cities, *Where to Work?*

Most Expensive:

1. **Oslo**
2. **Zurich**
3. **Geneva**
4. **Tokyo**
5. **Copenhagen**
6. **New York**
7. **Stockholm**
8. **Toronto**
9. **Montreal**
10. **London**

Best Wages:

1. **Zurich**
2. **Copenhagen**
3. **Geneva**
4. **Oslo**
5. **New York**
6. **Sydney**
7. **Los Angeles**
8. **Stockholm**
9. **Munich**
10. **Luxemburg**

Best Purchasing Power:

1. **Zurich**
2. **Sydney**
3. **Miami**
4. **Los Angeles**
5. **Luxemburg**
6. **Dublin**
7. **Geneva**
8. **New York**
9. **Chicago**
10. **Nicosia**

followed by .

16. **London**
21. **Lyon**
22. **Tokyo**
28. **Paris**
32. **Dubai**
37. **Hong Kong**
39. **Moscow**
49. **Singapore**
62. **Shanghai**
64. **Beijing**



September was France vs. the EU. No one seems to be coming out as a winner. The Euro is no longer dead but showing a rather strong health. In Dubai (and Abu Dhabi), real estate prices are still depressed and there is no indication of a reversal in a foreseeable future. Ireland is going through difficult times while world stock markets went through their respective roofs!

EU, *The Big Attraction*

**Why so many immigrants want to go to France?
Why most of them do not want to go to Luxembourg?**

Unanimous condemnation from all over. The treatment of Romanian migrants in France by the French government has attracted all media and press attention. The problem is simple, the GDP (per capita) is \$33,679 in France and below \$1,000 in most African countries. Where would you choose to live? In comparison, Luxembourg tops Europe with \$83,802, more than twice the French number. So why do migrants choose to go to France rather than Luxembourg?

Quality of life, sun, social system... you name it. For information, Romania stands at \$14,198 which is low for Europe but above the world average (\$10,706). What about the BRIC? **Brazil** ranks 65th at \$10,427, **Russia** is 38th at \$18,945, **India** ranks 112th at \$3,275 while **China** is 83rd at \$6,838. So life is still more attractive (at least financially speaking) in EU countries than most of the world. Is it worth the trip? Most people think so. [Source World Bank](#)

Irish Banks, *Looking for \$19.4 Billion*

This latest round of capital injection, will bring the total bill for rescuing Irish financial institutions close to \$50 Billion. Irish Allied Bank alone, one of the country's leading institutions is in need of an additional \$46 Billion and will become fully nationalized. Ireland's deficit is now 32% of the country's

GDP. According to a renowned Irish economist, "Ireland is close to bankruptcy". The Irish government is now borrowing at 6.7%, very close to Greece's 7%. Only six countries within the Euro zone remain rated AAA: **Austria, Finland, France, Germany, Luxembourg and the Netherlands**. Who is next?

Crisis? *What Crisis?*

Gold hits \$1,300

For the first time in history, gold hit the 1,300 bar and seems inclined to hold it for a while. Still no reason why. It still doesn't yield anything...

Euro hits \$1.37

A few months back the European currency was a dead body. Investment firms had targets around \$1.15. Wrong again.

walnutfinance *Investments*

Fund	Last	Month	YTD	2009	2008
Man Directional Series 2 USD Income	\$ 1.0131	+1.60%	n.a.	n.a.	n.a.
Man AP Enhanced Series 2 USD	\$ 1.1314	-1.10%	+14.00%	-7.80%	-12.90%
Man-IP 220 EUR	€ 1.3456	-2.30%	+12.10%	-10.50%	+13.40%
Man AP Enhanced Series 3 EUR Capital	€ 0.9956	-2.40%	+10.40%	-1.20%	-15.60%
Man Directional USD Income	\$ 0.9336	+1.70%	-0.20%	n.a.	n.a.
Man IP 220 Series 5 USD	\$ 0.9889	-1.30%	+19.10%	-17.30%	+0.40%
Man AP Stratum Series 2 USD	\$ 0.9224	-1.10%	+16.30%	-11.90%	n.a.
Man IP 220 Series 6 USD	\$ 1.0144	-1.20%	+11.20%	-8.70%	n.a.
Man IP 200 Series 7 USD	\$ 1.0957	-1.80%	+9.60%	n.a.	n.a.
FIM Brazil	€ 30.02	+2.60%	+7.70%	+135.60%	-57.80%
FIM India	€ 48.18	+5.94%	+16.20%	+71.00%	-61.20%
FIM Russia	€ 88.76	+2.67%	+15.30%	+152.30%	-69.10%
FIM Emerging Europe	€ 15.74	+6.50%	+2.20%	+44.20%	-56.50%
FIM China	€ 12.66	+4.63%	+6.10%	+40.60%	-51.20%
FIM Sahara	€ 10.74	+4.58%	+9.10%	+31.70%	-49.80%
FIM Ukraine	€ 2.70	-5.26%	+30.10%	+15.20%	-91.60%
FIM Brands	€ 12.55	+4.15%	+7.20%	+40.93%	-44.63%
Swiss-Asia Marco Polo Hedge Fund	\$76.60	+3.31%	+1.27%	+12.82%	n.a.

The World according to *walnutfinance*

Europe



- Russia** A new train operated by Russian company RZD will shuttle weekly between Moscow and Nice in France where there has historically been a strong Russian colony. Pay between €306 and €1,050 to spend 52 hours in the train..
- Russia** Moscow's mayor, Yuri Luzhkov, has been sacked by president Medvedev for "loss of confidence", many TV documentaries have described the former mayor as "highly corrupted".
- Spain** On the last day of September, Moody's became the latest rating agency to downgrade Spain's debt grade from AAA to Aa1.

The Middle East



- UAE** The UAE are definitely looking at rail. After the Dubai metro which opened last year, there is now a tramway program in Dubai scheduled for 2012 and a train network starting in 2014 that will connect all GCC states.

Asia



- India** Preparation of the Commonwealth Games due to start early October is going through difficult times as most constructions will barely be ready. There are also stories of snakes in athletes rooms and plenty of stories...

Americas



- USA** A so-called Pentecostal preacher in Florida threatens to burn copies of the Koran to mark September 11's ninth anniversary. Government says "freedom of speech" makes it impossible to stop him. Something wrong there?
- Brazil** Brazilian oil giant Petrobras is to launch the largest ever capital increase, a \$70 Billions capital injection needed for deep sea exploration. Brazil is due to become one of the world's prime oil producers.

walnutfinance Panel

	\$/€	Dow	NASDAQ	Nikkei225	FTSE100	CAC40
Last	1.3629	10,788.05	2,368.62	9,369.25	5,548.62	3,715.18
1-Month	▼ -6.45%	▲ +5.05%	▲ +8.81%	▲ +2.41%	▲ +3.40%	▲ +2.31%
Year-to-Date	▲ +5.34%	▲ +1.68%	▲ +2.59%	▼ -12.29%	▲ +0.47%	▼ -7.42%
12-Month	▼ -6.57%	▲ +12.38%	▲ +15.65%	▼ -6.11%	▲ +11.22%	▼ -4.04%
5-Year	▼ -16.26%	▼ -1.57%	▲ +13.73%	▼ -29.80%	▲ +0.90%	▼ -17.11%

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Sarkozy
Oui!



Reding
No!



Merkel
Nein!



Barroso
Não!

walnutfinance \$100K Portfolio vs. Markets

Index	September 2010	Year-to-date	Since January '09*
WF 100K Portfolio	Best +15.69%	Best +15.52%	Best +129.86%
S&P500	+5.64%	+0.41%	+26.34%
CAC40	+2.31%	-7.42%	+15.45%
FTSE100	+3.40%	+0.47%	+25.13%

*Inception of WF 100K Portfolio

walnutfinance \$100,000 Portfolio

Company	Symbol	Shares	Paid	Last	Value	P/L
NetApps	NTAP	600	\$49.75	\$49.79	\$29,874.00	\$24.00
Hewlett Pack.	HPQ	1,000	\$42.00	\$42.07	\$42,070.00	\$70.00
Nat. Semi Con.	NSM	2,500	\$12.75	\$12.77	\$31,925.00	\$50.00
FedEx	FDX	300	\$86.00	\$85.50	\$25,650.00	(\$150.00)
Peps Boys, M..	PBY	2,750	\$10.20	\$10.58	\$29,095.00	\$1,045.00
Gold Fields	GFI	2,200	\$15.00	\$15.27	\$33,594.00	\$594.00
Intel	INTC	1,900	\$20.00	\$19.20	\$36,480.00	(\$1,520.00)

Cash + Net Dividends Earned	\$1,171.57
Portfolio Net Value as of September 30, 2010	\$229,859.57
	\$129,859.57

(**\$100,000 invested on January 1, 2009 evenly split over five securities**)

Volatile markets in September so we traded actively the portfolio locking small profits to maintain a positive spread over the benchmark.

September Trades	
Sold	Bot
BRCD \$6.00 - YHOO \$14.30 SLB \$60.00 - JOE \$25.75 DFS \$16.25 - AIG \$38.00	NSM \$12.75 - JOE \$24.75 DFS \$15.00 - GFI \$15.00 NVDA \$ 11.40

Quote of the month
 "Politics is more dangerous than war, for in war you are only killed once."
 Winston Churchill, UK Politician

Annualized Return Since Inception:
+59.19%

2009 >>> **+98.97%**

2010 >>> **+15.52%**

On January 1, 2009, **walnut** finance invested \$100,000 split evenly into five different US-listed securities. The table on the right gives the result of that investment as of September 30, 2010. Dividends are net and not re-invested. Total profit is +129.86%.

Current Value:
\$229,859.57

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