

WF NewsLetter



SUMMARY

- Movers
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- Movers
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- Indexes
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French ad company **Publicis** in talks to buy **Microsoft's** ad agency **Razorfish** for \$ 500 MM.

Hefty line up of **IPOs** threaten to soak up excess cash sending **Chinese** stock market down

Disney acquires **Marvel** for \$ 4 Billion.

Qatari Diar to enter in **Vinci's** capital.

Most Productive: *The French!*

A UBS study shows that France is the country where people work the less. Taken city by city throughout the world, the average number of hours worked by year is 1,902. But in Lyon it's only 1,582 hours, while Paris stands at 1,594 hours. **So are the French lazy?** Not so simple. Because a **Business Insider** study shows that taking into account the GDP/capita by actual hours worked, the French are achieving among the highest returns. The comparison between France and the USA is quite clear. The French achieve \$36,500

GDP/capita and work 1,453 hours per year or produce \$25.10 of GDP/capita/hour. The Americans produce \$44,150 GDP/capita and work 1,792 hours per year or produce \$24.60 of GDP/capita/hour. **The French**

produce in excess \$0.50 of GDP/capita/hour more than the Americans. It may seem small, but add that up across millions of workers and trillions of hours... and you get the French as the most productive workers in the world. The lesson: **winning is not about working hard, but working smart... and less. As the French know well.** Considering the time lost by US institutions with useless paperwork (they call it "Compliance", this is not so surprising. **Fifteen minutes to open an account with Crédit Agricole vs. one week with any Anglo-saxon firm!**



Provence: L'Isle-sur-la-Sorgue

Technicalities: *Trader*

A trader is basically someone who buy and sell financial instruments contrary to a broker who forwards his clients' orders to a trader. There are various types of traders but the ones most often referred to during the recent crisis, whether for outstanding bonuses or for their role in building

crisis, are the **proprietary traders**. They buy and sell securities on behalf of the bank and not for clients. The amounts involved are huge (over \$ 1 trillion a day). The role of these traders is widely discussed as they are not creating any added value for the economy (they only trade for the banks' profits and

their own bonuses). About the bonuses, now. This is a win-only situation. If the trader is right in his speculation, since the amounts involved are huge, so is the bonus. However, if he is wrong (loses money), he doesn't get a bonus, but no penalty either. **So why not take the risk?**

French Tax Cheaters: *"Thank You Swiss Banks!"*

According to the French government, Switzerland gave it 3,000 names of "French Tax Cheaters" with assets worth Euro 3 Billion. That's an average of Euro 1 Million per cheater. **Quite a disappointing**

amount. Fortunately, Jean Ziegler, a Swiss politician announced that wealth from French origin in Switzerland is worth **Euro 400 Billion!** Now we are talking money. So why give only 3,000 names for Euro 3 Billion?

Our best guess is that the Swiss banks use the French government to "clean" their books and oust the smaller accounts, keeping only the larger, and more profitable ones. Swiss Banking at its best!

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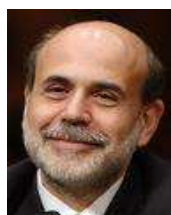


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QUOTE OF THE MONTH

“Ask five different economists and you’ll get five different answers – six if one went to Harvard”
EDGAR R. FIEDLER
US ECONOMIST

Index	Last	Year-to-date	1-Year	5-Year
Dow Jones	9,496.28	+5.11%	-17.66%	-7.66%
NASDAQ	2,009.06	+23.40%	-8.64%	-5.91%
CAC 40	3,653.54	+8.74%	-17.85%	-15.04%
FTSE 100	4,908.90	+8.91%	-10.74%	+7.87%
Nikkei 225	10,492.53	+24.70%	-19.74%	-5.33%
\$/€	1.4339	-3.50%	+2.26%	-12.10%



Ben Bernanke

Reappointed Chairman of the Board of Governors of the Federal Reserve Bank



Angela Merkel

Winning her election without even campaigning



Usain Bolt

100m 9’58”
200m 19’19”
Both World Records



Yukio Hatoyama

Won the elections after 50 years of single party domination

This month's *Winners*

Our selection

Company	Symbol	August '09 Perf	Year-to-date Perf	Price
Citigroup	C	+57.23%	-29.38%	\$ 5.00
AIG	AIG	+233.31%	+30.26%	\$ 45.33
Dell	DELL	+16.40%	+43.26%	\$ 15.83
Tiffany	TIF	+19.36%	+42.44%	\$ 36.38
Société Générale	GLE.PA	+24.77%	+53.75%	€ 56.21
Crédit Agricole	ACA.PA	+29.01%	+49.02%	€ 12.92

Annualized Return Since Inception:
+ 83.16%

Walnut Finance \$100,000 US Portfolio

On January 1, 2009, Walnut Finance invested for its own five times \$ 20,000 in five different US-listed securities. The table on the right gives the result of that investment as of August 31, 2009. Dividends are net and not re-invested. Profit is +55.44%.

Current Value:
\$ 155,443.69

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Walnut Finance \$100,000 Portfolio

Company	Symbol	Shares	Bought	Last	Value	P/L
AIG	AIG	574	\$ 34.80	\$ 45.33	\$ 26,019.42	\$ 6,044.22
Arcelor Mittal	MT	679	\$ 29.43	\$ 35.63	\$ 24,192.77	\$ 4,209.80
Bank of America	BAC	1,395	\$ 14.33	\$ 17.59	\$ 24,538.05	\$ 4,547.70
Nvidia	NVDA	2,254	\$ 8.87	\$ 14.52	\$ 32,728.08	\$ 12,735.10
Powerwave Tech.	PWAV	21,739	\$ 0.46	\$ 1.23	\$ 26,738.97	\$ 17,739.03
Dell	DELL	1,300	\$ 13.60	\$ 15.84	\$ 20,692.00	2,912.00
Cash + Net Dividends Earned					\$ 634.40	
Portfolio Net Value as of August 31, 2009					\$ 155,443.69	\$ 47,187.85

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

We sold 50% of the Powerwave Technology (PWAV) position and invested the proceeds in Dell Inc. (DELL). Our AIG position has

recovered some of its value and helped the month performance. The portfolio is fully invested. No dividend paid in August.