

Friday June 1, 2012

Stock Markets Rap (as of May 31)

	Close	Chg	(%)
MSCI World	1,178	-4	-0.3
Dow	12,393	-26	-0.2
Nasdaq	2,827	-10	-0.4
S&P 500	1,310	-3	-0.2
Euro Stoxx	2,119	+3	+0.1
FTSE 100	5,321	+24	+0.4
DAX	6,264	-16	-0.3
CAC	3,017	+1	+0.0
ASX 200	4,076	-18	-0.4
Nikkei	8,543	-90	-1.0
Shanghai	2,372	-12	-0.5
Hang Seng	18,630	-61	-0.3
H Shares	9,686	-5	-0.0

	Close	Chg	(%)
FTSE ASEAN	527	-3	-0.5
Singapore	2,773	-11	-0.4
Thailand	1,142	+3	+0.3
Malaysia	1,581	+6	+0.3
Indonesia	3,833	-85	-2.2
Philippines	5,091	+73	+1.5
Vietnam	429	-6	-1.4
Lao PDR	997	-7	-0.7
Cambodia	774	-5	-0.7

Currencies Rap (as of May 31)

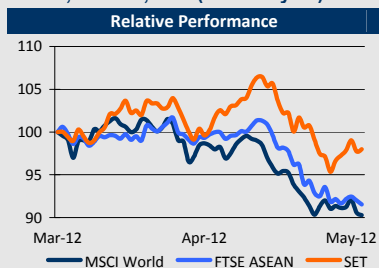
	Last	Chg	(%)
DX	83.04	+0.03	+0.03
USD/EUR	1.2363	-0.00	-0.35
JPY/USD	78.39	-0.60	-0.76
THB/USD	31.82	-0.02	-0.06
VND/USD	20,870	-5.00	-0.02
LAK/USD	8,034.00	+2.50	+0.03
KHR/USD	4,063.44	-20.51	-0.50
MMK/USD	840.88	+1.70	+0.20
VND/THB	654.43	-0.98	-0.15
LAK/THB	252.55	+0.26	+0.10
KHR/THB	127.50	-0.50	-0.39
MMK/THB	26.43	+0.06	+0.25

Commodities Rap (as of May 31)

	Close	Chg	(%)
Gold	1,564.20	-1.5	-0.1
Silver	27.76	-0.23	-0.81
Copper	336.55	-2.45	-0.72
WTI	86.53	-1.29	-1.47
Brent	101.87	-1.6	-1.55
BDI	923	-27	-2.84

Source: Bloomberg

World, ASEAN, SET (as of May 31)



Source: Bloomberg

MACRO NEWS

- China's Official PMI Retreats to 50.4, Short of Forecast
- Japan To Take 'Decisive' Measures On Currency
- US Job Creation Light, Claims Up, Economy Grows Just 1.9%
- IMF Denies It In Talks With Spain On Funding Help
- Euro Zone Inflation Falls To 15-Month Low In May
- Oil Falls Below \$87, Down 17% For May

CORPORATE NEWS

- Citigroup [C:US] - Morgan Stanley to Raise Stake in Smith Barney Venture
- JPMorgan [JPM:US] - JPMorgan To Spin Out 'Special Investments'
- SingTel [Z74:SP] - SingTel Gets Record Fine After Mobile Phone Glitch

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MACRO NEWS

China's Official PMI Retreats to 50.4, Short of Forecast

China's official purchasing managers' index (PMI) fell to 50.4 in May, the weakest reading this year and down from April's 13-month high in the latest sign that output in the world's second biggest economy is cooling. The news sent Australian stocks and the Aussie dollar lower, as the commodity-rich country counts China as its biggest trading partner. Economists polled by Reuters this week had expected the official PMI to retreat to 52.2 for May, from 53.3 in April. [\[CNBC\]](#)

Japan To Take 'Decisive' Measures On Currency

Japanese Finance Minister Jun Azumi strongly suggested Friday that he may order a currency market intervention if the yen's moves are excessive and driven by speculation. Azumi's comments were far tougher than those the day before when he didn't threaten action in the currency market to push the yen lower, saying that the currency's moves were speculative and out of line with Japan's economic fundamentals. Investors are seeking refuge in the perceived stability of the yen amid turmoil in Europe over the region's debt crisis. [\[Dow Jones Newswires\]](#)

US Job Creation Light, Claims Up, Economy Grows Just 1.9%

Private employers created 133,000 jobs in May, payrolls processor ADP said. That was below economists' expectations for 148,000 jobs. The report comes ahead of Friday's closely watched employment report for May, which is expected to show that nonfarm payrolls increased 150,000, up from a paltry 115,000 in April. Initial claims for state unemployment benefits rose 10,000 to a seasonally adjusted 383,000, a Labor Department report showed. Claims have now risen in seven of the last eight weeks. Initial claims for state unemployment benefits rose 10,000 to a seasonally adjusted 383,000, a Labor Department report showed. Claims have now risen in seven of the last eight weeks. Separately, GDP increased at a 1.9% annual rate in the first quarter, down from the 2.2% the Commerce Department estimated last month. The economy grew at a 3.0% rate in the fourth quarter. [\[CNBC\]](#)

IMF Denies It In Talks With Spain On Funding Help

The head of the International Monetary Fund said on Thursday the global lender had not received a request for financial support from Spain and described her meeting with Spain's Deputy Prime Minister Soraya Saenz de Santamaria as "very productive". After the meeting with Saenz, IMF Managing Director Christine Lagarde denied a media report that the IMF was considering contingency plans for a Spanish bailout. "There is no such plan. We have not received any request to that effect and we are not doing any work in relation to any financial support," Lagarde said. [\[Reuters\]](#)

Euro Zone Inflation Falls To 15-Month Low In May

Euro zone inflation eased further than expected to its lowest level in more than a year in May, giving the European Central Bank a little more room to lower interest rates amid fears of deep recession across the continent. Many economists expect at least one 0.25% cut in coming months. 11 respondents out of 73 in the latest survey thought a rate cut would come at a June 7 meeting. Consumer price inflation in the 17 nations sharing the euro fell to 2.4%y-o-y in May from 2.6% in April, the EU's statistics office Eurostat said on Thursday. Economists had forecast inflation of 2.5%. It was the lowest level since February 2011, but still above the ECB's medium-term target of close to, but below, 2%. [\[Reuters\]](#)

Oil Falls Below \$87, Down 17% For May

Crude-oil futures fell Thursday and ended the month sharply lower, pressured by lingering worries about global demand against a backdrop of European debt troubles and mostly disappointing economic data. The July contract for light, sweet crude oil fell \$1.29, or 1.5%, to \$86.53 a barrel on the New York Mercantile Exchange, its lowest settlement since Oct. 20. Futures prices finished May with losses of 17%, their worst drop since December 2008, near the height of the U.S. financial crisis. "We are seeing broad-based disappointment among a myriad of economic indicators in the U.S., euro zone, and India — from higher jobless claims and stunted GDP growth in the U.S., and India's economy looking more like a turtle than a jet engine than in the past," said Seth Rabinowitz, who covers commodities as a partner at Silicon Associates. [\[MarketWatch\]](#)

CORPORATE NEWS

Citigroup [C:US] - Morgan Stanley to Raise Stake in Smith Barney Venture

Morgan Stanley told Citigroup Inc. it plans to acquire an additional 14% stake in their Morgan Stanley Smith Barney brokerage joint venture, a long-awaited step that will bring the securities firm closer to full ownership of the business. Morgan Stanley, which owns 51% of the venture, said that on Friday it intends to notify Citigroup that it is exercising its right to purchase the stake. [\[WSJ\]](#)

JPMorgan [JPM:US] - JPMorgan To Spin Out 'Special Investments'

JPMorgan Chase is spinning out the "special investments group" from its troubled chief investment office as executives clean up the division that caused \$2bn trading losses, say people familiar with the matter. The unit, whose investments include LightSquared, the wireless internet provider, will be moved to the bank's corporate division and prevented from seeking fresh investment opportunities, bankers were told. [\[Financial Times\]](#)

SingTel [Z74:SP] - SingTel Gets Record Fine After Mobile Phone Glitch

Singapore's telecom regulator on Wednesday imposed a S\$400,000 (\$313,300) fine on Singapore Telecommunications' mobile phone unit, the largest-ever financial penalty handed out to a telecom firm in the city-state. On Sept 6 and 7 last year, some SingTel Mobile Singapore Pte Ltd (STM) subscribers in the central region encountered difficulties making and receiving calls as well as receiving data over the firm's 3G network. [\[Reuters\]](#)