

Thursday May 10, 2012

Stock Markets Rap (as of May 9)

	Close	Chg	(%)
MSCI World	1,241	-10	-0.8
Dow	12,835	-97	-0.8
Nasdaq	2,935	-12	-0.4
S&P 500	1,355	-9	-0.7
Euro Stoxx	2,226	-10	-0.5
FTSE 100	5,530	-25	-0.4
DAX	6,475	+31	+0.5
CAC	3,119	-6	-0.2
ASX 200	4,275	-39	-0.9
Nikkei	9,045	-137	-1.5
Shanghai	2,409	-40	-1.6
Hang Seng	20,331	-154	-0.8
H Shares	10,357	-169	-1.6

	Close	Chg	(%)
FTSE ASEAN	565	-8	-1.5
Singapore	2,901	-31	-1.1
Thailand	1,207	-24	-1.9
Malaysia	1,585	-6	-0.4
Indonesia	4,129	-52	-1.2
Philippines	5,215	-27	-0.5
Vietnam	488	-0	-0.1
Lao PDR	1,032	0	0.0
Cambodia	774	-	-

Currencies Rap (as of May 9)

	Last	Chg	(%)
DX	80.08	+0.34	+0.43
USD/EUR	1.2975	-0.00	-0.36
JPY/USD	79.64	-0.08	-0.10
THB/USD	31.10	+0.11	+0.35
VND/USD	20,860	0.00	0.00
LAK/USD	8,001.00	+2.50	+0.03
KHR/USD	4,025.00	+0.00	+0.00
MMK/USD	824.85	+0.69	+0.08
VND/THB	670.74	-2.38	-0.35
LAK/THB	257.27	-0.83	-0.32
KHR/THB	130.00	0.00	0.00
MMK/THB	26.52	-0.07	-0.27

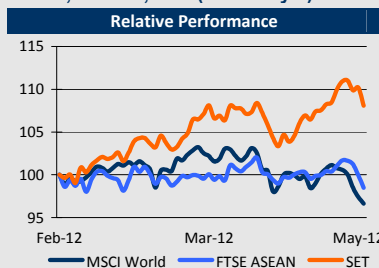
Commodities Rap (as of May 9)

	Close	Chg	(%)
Gold	1,594.20	-10.30	-0.64
Silver	29.24	-0.22	-0.74
Copper	365.95	-1.80	-0.49
WTI	96.81	-0.20	-0.21
Brent	113.20	+0.47	+0.42
BDI	1,156	-9	-0.77

Source: Bloomberg

* Cambodia Stock Index as of May 8

World, ASEAN, SET (as of May 9)



Source: Bloomberg

MACRO NEWS

- Greece to Get Most of Aid Tranche; \$1.3B Withheld
- Spain Said to Partly Nationalize BFA-Bankia, Tighten Provisions
- China: CIC Stops Buying Europe Government Debt on Crisis Concern
- Gold Ends Below \$1,600, Lowest Since December

CORPORATE NEWS

- SingTel [Z74:SP]** - SingTel 4Q Net Profit Surges 30%; Lesser Drag From Associates
- PetroChina [857:HK]** - Sinopec, PetroChina Facing Processing Losses on Price Cut
- China Construction Bank [939:HK]** - China's CCB Eyes WestLB's South American Assets
- McDonald's [MCD:US]** - Burger King Creeps Up On McDonald's, Wendy's With New Menu

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MACRO NEWS

Greece to Get Most of Aid Tranche; \$1.3B Withheld

The board of directors of the euro-zone rescue fund said in a statement on Wednesday that it will hold back on disbursing 1 billion euros (\$1.29 billion) of aid to Greece which was supposed to be part of a 5.2 billion-euro tranche. As part of its international bailout, Greece will receive 4.2 billion euros on Thursday, the European Financial Stability Facility (EFSF) said. The remaining funds of 1 billion euros "are not needed before June and will be disbursed depending on the financing needs of Greece," the EFSF added. As with previous disbursements to Greece, the EFSF will transfer the 4.2 billion euros into a segregated account which will be used for debt-service payments. Worries about Greece's ability to honor its commitments have escalated in recent days after Sunday's parliamentary elections produced inconclusive results, with party leaders still unable to form a government. [\[MarketWatch\]](#)

Spain Said to Partly Nationalize BFA-Bankia, Tighten Provisions

Spain plans to partly nationalize BFA-Bankia group as Prime Minister Mariano Rajoy tries to restore investor confidence with his second overhaul of lenders in three months, a government official said. The government will become the largest shareholder in the bank that has the biggest Spanish asset base. It's also working on a plan to force banks to set aside more provisions on real estate loans that are still healthy. The rules, to be approved on May 11, will increase provisions on the loans to about 30% from 7%, creating an additional buffer of about 30 billion euros (\$39 billion). [\[Bloomberg\]](#)

China: CIC Stops Buying Europe Government Debt on Crisis Concern

China Investment Corp. has stopped buying European government debt because of an economic crisis on the continent, though it continues to look for new investments there, said CIC President Gao Xiqing. "What is happening in Europe right now is of course of concern," Gao said yesterday in an interview in Addis Ababa, Ethiopia, during the World Economic Forum on Africa. "We still have our people looking at opportunities in Europe, even though we don't want to buy any government bonds." The fund is boosting investments outside of China as it seeks to increase returns on the nation's foreign currency reserves and secure commodity supplies. The Chinese government injected about \$50 billion this year in the sovereign wealth fund, Gao said. The government has not made a decision on whether to regularly inject capital into the company, he said. [\[Bloomberg\]](#)

Gold Ends Below \$1,600, Lowest Since December

Gold for June delivery fell \$10.30, or 0.6%, to \$1,594.20 an ounce on the Comex division of the New York Mercantile Exchange. It traded as low as \$1,578.50 an ounce, according to FactSet Research. The settlement was the lowest for a most-active contract since Dec. 30. The euro slipped below \$1.30 as the U.S. dollar was seen as the safe haven of the day. The ICE dollar index DXY, which measures the greenback against a basket of six other currencies, rose to 80.012 from 79.719 in late trading Tuesday. The dollar marched higher for an eighth straight session, its longest winning run since 2008, as investors ran for cover from turmoil in Europe and worries about the pace of the global recovery. [\[MarketWatch\]](#)

CORPORATE NEWS

SingTel [Z74:SP] - SingTel 4Q Net Profit Surges 30%; Lesser Drag From Associates

Singapore Telecommunications Ltd., Thursday reported a 30% surge in its fiscal fourth-quarter net profit as contributions from some of its regional mobile associates rose and it logged currency-translation gains from the strength of the Australian dollar. Net profit for 4Q ended March 31 was S\$1.29 billion (US\$1.03 billion) compared with S\$991.7 million a year earlier, SingTel said. Five analysts polled had tipped net profit to be S\$1.04 billion. Operating revenue rose 3% to S\$4.78 billion. "We continue to review opportunities to increase our stakes in the associates and may make strategic investments to gain important capabilities, drive growth in adjacent industries and extend the group's customer relationships," Singtel expects group revenue to rise in low-single digits in the new fiscal year and said it will invest S\$950 million in Singapore to build up its new generation networks. [\[WSJ\]](#)

PetroChina [857:HK] - Sinopec, PetroChina Facing Processing Losses on Price Cut

China Petroleum & Chemical Corp. and PetroChina Co., the nation's biggest oil refiners, face more losses from processing crude after the first cut in fuel prices since October. The maximum at which gasoline can be sold to motorists will be reduced by 330 yuan (\$52) a metric ton and by 310 yuan for diesel starting today, the National Development and Reform Commission said. That is a reduction of as much as 3.5%. The cut may increase financial pressure on China Petroleum, also known as Sinopec, and PetroChina. Sinopec had a 16-fold rise in its refining loss to 9.2 billion yuan in the first quarter compared with a year earlier, the company said April 26. PetroChina said its operating loss from processing widened to 10.4 billion yuan in the three months from 6.1 billion yuan a year earlier. [\[Bloomberg\]](#)

China Construction Bank [939:HK] - China's CCB Eyes WestLB's South American Assets

China Construction Bank Corp is in talks to buy the South American assets of ailing German lender WestLB AG, the latest effort by big Chinese banks to gain a foothold in the Latin American market. CCB wants the assets to build up its presence in commercial banking in the continent in a deal that could cost between \$200 million and \$300 million. A deal could be wrapped up by June. WestLB, a state-controlled lender formally known as Westdeutsche Landesbank, ran into trouble after taking too many risks and required billions of euros in state aid. [\[WSJ\]](#)

McDonald's [MCD:US] - Burger King Creeps Up On McDonald's, Wendy's With New Menu

In the first quarter, Burger King, not even bolstered by the new menu items or advertising yet, saw its same-store sales rise 4.6%, while Wendy's were up by less than 1%. Goldman Sachs analyst Michael Kelter says "This may help explain McDonald's recent soft April results," [\[WSJ\]](#)