

Friday May 11, 2012

Stock Markets Rap (as of May 10)

	Close	Chg	(%)
MSCI World	1,245	+4	+0.3
Dow	12,855	+20	+0.2
Nasdaq	2,934	-1	-0.0
S&P 500	1,358	+3	+0.3
Euro Stoxx	2,247	+22	+1.0
FTSE 100	5,544	+14	+0.3
DAX	6,518	+43	+0.7
CAC	3,130	+12	+0.4
ASX 200	4,296	+20	+0.5
Nikkei	9,010	-35	-0.4
Shanghai	2,410	+2	+0.1
Hang Seng	20,227	-103	-0.5
H Shares	10,290	-67	-0.6

	Close	Chg	(%)
FTSE ASEAN	565	+0	+0.0
Singapore	2,904	+3	+0.1
Thailand	1,191	-17	-1.4
Malaysia	1,588	+3	+0.2
Indonesia	4,134	+5	+0.1
Philippines	5,192	-23	-0.4
Vietnam	486	-2	-0.3
Lao PDR	1,035	+3	+0.3
Cambodia	812	+38	+4.9

Currencies Rap (as of May 10)

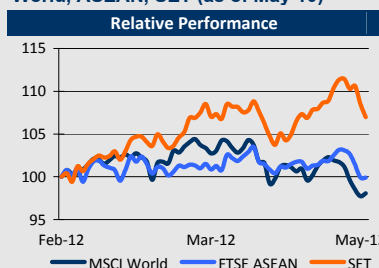
	Last	Chg	(%)
DXY	80.11	+0.03	+0.04
USD/EUR	1.2942	-0.00	-0.25
JPY/USD	79.70	+0.06	+0.08
THB/USD	31.14	+0.04	+0.13
VND/USD	20,840	-20.00	-0.10
LAK/USD	8,006.00	+5.00	+0.06
KHR/USD	4,025.00	-0.00	-0.00
MMK/USD	826.18	+1.33	+0.16
VND/THB	669.56	-1.18	-0.18
LAK/THB	257.10	-0.17	-0.07
KHR/THB	129.00	-1.00	-0.77
MMK/THB	26.53	+0.01	+0.03

Commodities Rap (as of May 10)

	Close	Chg	(%)
Gold	1,595.50	+1.30	+0.08
Silver	29.18	-0.06	-0.22
Copper	369.05	+3.10	+0.85
WTI	97.08	+0.27	+0.28
Brent	112.73	-0.47	-0.42
BDI	1,146	-10	-0.87

Source: Bloomberg

World, ASEAN, SET (as of May 10)



Source: Bloomberg

MACRO NEWS

- US Jobless Claims Fell; Trade Gap Widens Unexpectedly
- Bernanke: Banking Is Stronger, but Lending Still Tight
- Bank of England Holds Interest rates and Quantitative Easing
- China's Exports, Imports Rise at Slower Pace Than Forecast

CORPORATE NEWS

- JPMorgan [JPM:US] - JPMorgan Hit by 'Egregious' Trading Loss of \$2 Billion
- Procter & Gamble [PG:US] - Procter & Gamble to Move Beauty Unit to Singapore
- SingTel [Z74:SP] - SingTel Plans Purchases in China, India as Profit Climbs
- Sands China [1928:HK] - Sands China to Join Hong Kong's Hang Seng Index From June 4

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MACRO NEWS

US Jobless Claims Fell; Trade Gap Widens Unexpectedly

Initial claims for state unemployment benefits slipped 1,000 to a seasonally adjusted 367,000, the Labor Department said. The prior week's figure was revised up to 368,000 from the previously reported 365,000. Economists had forecast claims inching up to 369,000 last week. A separate report showed the U.S. trade deficit widened more than expected in March as imports surged to a record high, in another sign the government may have to scale back its estimate of first-quarter economic growth. The trade gap grew 14.1% to \$51.8 billion, the biggest jump in nearly a year, even though exports also hit a record high, a Commerce Department report showed on Thursday. Economists had expected the trade gap to widen to about \$50 billion. [\[CNBC\]](#)

Bernanke: Banking Is Stronger, but Lending Still Tight

The banking system has strengthened since the financial crisis, making some loans more available, but mortgage lending will likely be slow to recover, Federal Reserve Chairman Ben Bernanke said in remarks prepared for a speech Thursday morning. Conditions in the financial system have "improved significantly in the past few years" as banks have rebuilt their capital and improved the quality of the assets they hold, Bernanke said Thursday in remarks prepared to be delivered via satellite to a Chicago banking conference hosted by the Federal Reserve Bank of Chicago. He didn't discuss monetary policy in the speech. [\[WSJ\]](#)

Bank of England Holds Interest rates and Quantitative Easing

THE BANK of England has voted against pumping emergency cash into the economy Thursday despite Britain's return to recession. Members of the Bank's Monetary Policy Committee (MPC) decided to keep interest rates at their record 0.5% low for a 38th month and maintain quantitative easing at £325bn. QE was last increased by £50bn in February but the committee chose to keep the printing presses quiet this month against the backdrop of high inflation. Pressure for more measures to stimulate the economy has increased since the UK returned to recession in the first quarter and the eurozone crisis intensified. Inflation has remained stubbornly high at 3.5% in March. [\[The Week UK\]](#)

China's Exports, Imports Rise at Slower Pace Than Forecast

China's exports and imports rose less than estimated in April, adding pressure on the government to ease policies to spur expansion. Overseas shipments rose 4.9% from a year earlier, the customs bureau said on its website Thursday. That compares with the 8.5% median estimate. Import growth of 0.3% trailed forecasts for a 10.9% gain. The trade surplus was \$18.4 billion, almost double estimates of \$9.9 billion. Gains in the yuan against the dollar have ground to a halt this year as the Chinese government argues that the currency is near "equilibrium" and austerity measures in Europe weigh on export demand. Leaders have pledged to cut the economy's reliance on overseas sales and reduce controls on capital flows. [\[Bloomberg\]](#)

CORPORATE NEWS

JPMorgan [JPM:US] - JPMorgan Hit by 'Egregious' Trading Loss of \$2 Billion

JPMorgan announced Thursday that it lost \$2 billion in a trading portfolio designed to hedge against risks the company takes with its own money. As a result, that segment of its business is expected to record a second-quarter loss of at least \$800 million. The bank's announcement, which came after the close of trading, sent its shares down sharply in after-hours trading. Dimon said the losses came from the bank's "synthetic credit portfolio." Trades in that portfolio were "poorly executed" and the losses were "egregious, self-inflicted mistakes," he said. The Wall Street Journal reported last month that JPMorgan had invested heavily in an index of credit-default swaps, insurance-like products that protect against default by bond issuers. Partly because of the \$2 billion trading loss, JPMorgan said it expects a loss of \$800 million this quarter for a segment of its business known as corporate and private equity. The loss is expected to hurt JPMorgan's overall earnings for the second quarter, which ends June 30. [\[CNBC\]](#)

Procter & Gamble [PG:US] - Procter & Gamble to Move Beauty Unit to Singapore

Procter & Gamble Co will move its skin care, cosmetics and personal-care headquarters from Ohio to Singapore to be closer to the growing Asian market. It was announced less than three months after P&G unveiled a restructuring plan aimed at saving \$10 billion and helping the world's largest household products maker expand faster in emerging markets. [\[Reuters\]](#)

SingTel [Z74:SP] - SingTel Plans Purchases in China, India as Profit Climbs

Singapore Telecommunications Ltd. may buy non-phone businesses in China, India or the U.S. as it shifts focus from slower-growing core markets in Singapore and Australia. SingTel, as the company is known, may raise its stakes in associates in Asia and Africa and make other "strategic investments," the carrier said in a statement Thursday, while reporting a 30% jump in 4Q profit. Net income climbed to S\$1.29 billion (\$1 billion) in the three months ended March 31, beating the S\$966 million average analysts' estimates, helped by a one-time tax credit. [\[Bloomberg\]](#)

Sands China [1928:HK] - Sands China to Join Hong Kong's Hang Seng Index From June 4

Sands China Ltd. will be added to the Hang Seng Index effective June 4. The total number of constituents of Hong Kong's stock benchmark will increase to 49 with the addition, Hang Seng Indexes Co., the index provider, said. New China Life Insurance Co. (1336) will be added to the Hang Seng China Enterprises Index of Chinese companies, while China Railway Construction Corp. will be removed, Hang Seng said. The changes may impact share prices, as index-tracked funds, including the Hang Seng Index Exchange-Traded Fund (2833) with a total asset value of HK\$30.5 billion (\$4 billion), adjust their holdings. The Hang Seng Index (HSI) is down 2.7% since its last quarterly review on Feb. 10, when no changes were announced. [\[Bloomberg\]](#)