

Thursday July 12, 2012

Stock Markets Rap (as of July 11)

	Close	Chg	(%)
MSCI World	1,219	0	0.0
Dow	12,605	-49	-0.4
Nasdaq	2,888	-14	-0.5
S&P 500	1,341	-0	-0.0
Euro Stoxx	2,246	+4	+0.2
FTSE 100	5,664	+0	+0.0
DAX	6,454	+16	+0.2
CAC	3,157	-18	-0.6
ASX 200	4,097	-1	-0.0
Nikkei	8,851	-7	-0.1
Shanghai	2,175	+11	+0.5
Hang Seng	19,420	+24	+0.1
H Shares	9,373	-13	-0.1

	Close	Chg	(%)
FTSE ASEAN	561	+3	+0.4
Singapore	2,989	+25	+0.8
Thailand	1,209	+4	+0.4
Malaysia	1,629	+5	+0.3
Indonesia	4,019	+9	+0.2
Philippines	5,235	-5	-0.1
Vietnam	407	+2	+0.5
Lao PDR	997	+1	+0.1
Cambodia	677	0	0.0

Currencies Rap (as of July 11)

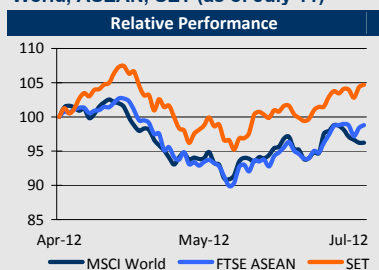
	Last	Chg	(%)
DXY	83.57	+0.17	+0.20
USD/EUR	1.2288	-0.00	-0.16
JPY/USD	79.25	-0.20	-0.25
THB/USD	31.69	+0.05	+0.16
VND/USD	20,905	+25.00	+0.12
LAK/USD	8,024.00	+3.00	+0.04
KHR/USD	4,111.15	+24.20	+0.59
MMK/USD	888.24	+6.02	+0.68
VND/THB	658.88	-1.15	-0.17
LAK/THB	253.20	-0.35	-0.14
KHR/THB	128.50	0.00	0.00
MMK/THB	28.03	+0.14	+0.51

Commodities Rap (as of July 11)

	Close	Chg	(%)
Gold	1,575.70	-4.10	-0.26
Silver	27.02	+0.14	+0.52
Copper	344.75	+4.95	+1.46
WTI	85.81	+1.90	+2.26
Brent	100.23	+2.26	+2.31
BDI	1,146	-14	-1.21

Source: Bloomberg

World, ASEAN, SET (as of July 11)



Source: Bloomberg

MACRO NEWS

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- Spain Announces New Austerity Measures, Eyes Weaker Growth
- Bank of Korea Makes Surprise Rate Cut, First in Over 3 Years

CORPORATE NEWS

- Apple [AAPL:US] - Global PC Shipments Have Sluggish Second Quarter
- Google [GOOG:US] - Google to Pay \$22.5 Million Fine for Safari Privacy Evasion
- Sands China [1928:HK] - Sands China in Talks to Delay Parcel Three Macau Resort Deadline
- China Construction Bank [939:HK] - CCB Has 3 Billion Yuan Exposure to Bankrupt Firm

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MACRO NEWS

FOMC Minutes: Fed Officials Divided Over Threshold For More Action

Some Federal Reserve officials thought in June that the central bank would likely need to take more action to help the jobs market, while others thought that would only be justified if the economic recovery loses momentum or inflation drops, according to minutes of the Fed's last meeting released Wednesday. Fed officials at their June 19-20 meeting seemed split over whether and when the central bank should launch another major stimulus program. "A few members" thought "further policy stimulus likely would be necessary to promote satisfactory growth in employment and to ensure that the inflation rate" stays on target, according to minutes, released after the customary three-week lag. However, "several others" thought that new action from the Fed "could be warranted" if the economic recovery were to lose momentum, risks to the forecast "became sufficiently pronounced," or if inflation seemed likely to run "persistently below" the Fed's 2% target. That's a shift from the central bank's April policy meeting, where "several" Fed officials thought more action could be needed only if the economic recovery seemed to be deteriorating. [\[Dow Jones Newswires\]](#)

Spain Announces New Austerity Measures, Eyes Weaker Growth

Spanish Prime Minister Mariano Rajoy Wednesday announced fresh austerity measures that should help Madrid cut its budget deficit by 65 billion euros (\$79.62 billion) through to 2015 and warned the euro-zone's fourth-largest economy may not grow at all next year. In an impassioned address to parliament, Mr. Rajoy called on all Spaniards to back the measures, which include VAT hikes and cuts to jobless benefits and state employee wages, saying Spain's situation is "extraordinarily serious". As he spoke, hundreds of miners and their supporters protested against plans to end subsidies for their sector in the center of Madrid, and some protesters threw rocks and firecrackers at police--the latest sign of growing unrest in a country mired in a five-year long crisis. The new measures include an increase in the standard rate of VAT to 21% from 18%, and the lower rate to 10% from 8%, a cut in jobless benefits for new claimants, and a salary cut of 7% for state employees. Spain anticipates a 1.7% economic contraction this year. [\[Bloomberg\]](#)

Bank of Korea Makes Surprise Rate Cut, First in Over 3 Years

The Bank of Korea surprisingly cut interest rates for the first time in over three years on Thursday, as signs of stress piled in Asia's fourth-largest economy and joining a fresh global wave of policy easing. The central bank's monetary policy committee cut its base rate by 25 basis points to 3.00 percent, a media official said, marking its first cut since February 2009 that now brought the rate at the lowest in a year. This ended the central bank's tightening cycle that started in July 2010 and had lifted the rate by a total of 125 basis points, far less than half the reductions of 325 basis points delivered during the 2008-2009 global financial crisis. [\[CNBC\]](#)

CORPORATE NEWS

Apple [AAPL:US] - Global PC Shipments Have Sluggish Second Quarter

Global personal-computer shipments stalled in the second quarter, a seventh straight period of anemic growth, amid economic weakness in Europe and waning demand for PCs in favor of tablets, according to Gartner Inc. (IT) Shipments slipped 0.1% to 87.5 million units, market-research firm Gartner said. Hewlett-Packard Co. (HPQ) clung to its spot as the top PC seller, followed by Lenovo Group Ltd. (992), while Acer Inc. nudged aside Dell Inc. (DELL) for the No. 3 ranking, Gartner said. Fellow industry researcher IDC also said shipments fell 0.1%, compared with the 2.1% growth it predicted in May. An uneven economic recovery in the U.S., slower spending in Europe and the encroachment of Apple Inc. (AAPL)'s iPad and other tablets has caused PC demand to stagnate, according to Gartner. [\[Bloomberg\]](#)

Google [GOOG:US] - Google to Pay \$22.5 Million Fine for Safari Privacy Evasion

Google has a preliminary deal in place with the U.S. Federal Trade Commission to pay a \$22.5 million fine for evading some privacy settings on Apple's Safari Web browser, a source said. The fine would be the largest penalty ever levied on a single company by the FTC, but it's still a financial wrist-slap for Google, which earned \$2.9 billion last quarter. Under the terms of the deal, which remains subject to approval from FTC commissioners, Google would admit no wrongdoing. Google has previously acknowledged skirting the privacy settings on Apple's Safari Web browser, a move that let advertisers track users in unintended ways. Google immediately disabled the technology when privacy researchers exposed it in February. [\[CNNMoney\]](#)

Sands China [1928:HK] - Sands China in Talks to Delay Parcel Three Macau Resort Deadline

Sands China is in talks to get an extension of the April 2013 time limit the government set to develop a plot called Parcel Three after granting property to build the resort, the company said. The newest hotel on Parcel Three would be Sands' biggest project after opening the \$5 billion Cotai Central resort in April in the world's largest gambling hub. Macau officials in 2010 rejected Sands' application to develop two other plots and the company last month said it withdrew its appeal of the decision. Sands's Parcel Three resort would boost the company's presence on Cotai, a strip of reclaimed land where casino operators are adding resorts to draw more of the Chinese tourists who boosted Macau's revenue 42% last year. [\[Bloomberg\]](#)

China Construction Bank [939:HK] - CCB Has 3 Billion Yuan Exposure to Bankrupt Firm

China Construction Bank Corp., the country's second-largest bank by assets, has a more than 3 billion yuan (\$471 million) exposure to a private company that has filed for bankruptcy in eastern China, Caixin magazine reported, citing unnamed sources at the bank. In its latest edition published Monday, Caixin said that China Construction Bank's Zhejiang provincial branch had lent the funds to Zhejiang Zhongjiang Holding Co., a Hangzhou-based company engaged in property, trade, manufacturing and investment. The company filed for bankruptcy in January. Bank of China has CNY1 billion of loans to the company, while ICBC has loans of more than CNY150 million while Citibank has tens of millions of yuan loans to Zhongjiang, according to the report. [\[Dow Jones Newswires\]](#)