

Tuesday May 15, 2012

Stock Markets Rap (as of May 14)

	Close	Chg	(%)
MSCI World	1,224	-18	-1.5
Dow	12,695	-125	-1.0
Nasdaq	2,903	-31	-1.1
S&P 500	1,338	-15	-1.1
Euro Stoxx	2,202	-53	-2.3
FTSE 100	5,466	-110	-2.0
DAX	6,452	-128	-1.9
CAC	3,058	-72	-2.3
ASX 200	4,297	+12	+0.3
Nikkei	8,974	+21	+0.2
Shanghai	2,381	-14	-0.6
Hang Seng	19,735	-230	-1.1
H Shares	9,987	-156	-1.5

	Close	Chg	(%)
FTSE ASEAN	554	-9	-1.6
Singapore	2,864	-19	-0.7
Thailand	1,166	-26	-2.1
Malaysia	1,575	-9	-0.6
Indonesia	4,053	-61	-1.5
Philippines	5,084	-75	-1.4
Vietnam	470	-10	-2.2
Lao PDR	1,025	-10	-0.9
Cambodia	774	-	-

Currencies Rap (as of May 14)

	Last	Chg	(%)
DXY	80.61	+0.34	+0.43
USD/EUR	1.2870	-0.00	-0.36
JPY/USD	79.87	-0.07	-0.09
THB/USD	31.35	+0.15	+0.48
VND/USD	20,860	+15.00	+0.07
LAK/USD	8,009.00	+5.00	+0.06
KHR/USD	4,025.00	0.00	0.00
MMK/USD	828.15	+0.40	+0.05
VND/THB	665.07	-2.61	-0.39
LAK/THB	255.47	-1.15	-0.45
KHR/THB	129.00	0.00	0.00
MMK/THB	26.42	-0.12	-0.46

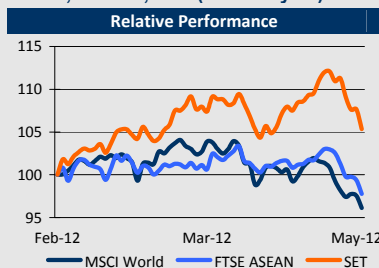
Commodities Rap (as of May 14)

	Close	Chg	(%)
Gold	1,561.00	-23.00	-1.45
Silver	28.35	-0.54	-1.86
Copper	355.40	-9.40	-2.58
WTI	94.78	-1.35	-1.40
Brent	111.57	-0.69	-0.61
BDI	1,132	-6	-0.53

Source: Bloomberg

*Cambodia Stock Index as of May 11

World, ASEAN, SET (as of May 14)



Source: Bloomberg

MACRO NEWS

- Euro Ministers Plead with Greece to Stay the Course
- Greek Government Talks Fail; President Calls for Meeting Tuesday
- Moody's Slashes Ratings for 26 Italian Banks
- India Inflation Picks Up, Adds to Central Bank Headache
- Gold Drops to 4-1/2-Month Low as Euro Sinks

CORPORATE NEWS

- JPMorgan [JPM:US] - JPMorgan's New Investment Head Zames Shakes Up Office
- Apple [AAPL:US] - Apple Said to Prepare Thinner Mac Laptops Sporting Intel Chips
- Apple [AAPL:US] - Court Lets Apple Pursue U.S. Ban on Samsung Galaxy Tablet
- BHP Billiton [BHP:US] - BHP to Assess Value of Shale Assets, Cut Gas Drilling

Thanawat Patchimkul
Global Strategist
Email: thanawatp@ktzmico.com
Tel: + 66 2 695 5451
Assisted by
Denruthai Krishnamra

Tuesday May 15, 2012

MACRO NEWS

Euro Ministers Plead with Greece to Stay the Course

Leading European Union finance officials promised to stand by Greece as a member of the eurozone provided it sticks to its bailout terms and stays the course of its painful austerity program to prevent even worse economic hardship. Greeks fed up with the painful austerity measures had voted for parties that had promised an end to the harsh austerity measures that had been agreed as part of the country's bailout. Many euro finance ministers attending a meeting Monday in Brussels warned, however, that Athens must stick to the terms of the rescue package if it wants to remain in the 17-nation euro currency. [\[Associated Press\]](#)

Greek Government Talks Fail; President Calls for Meeting Tuesday

Efforts to form a unity government in Greece failed Monday, moving the country closer to a eurozone exit as the president called for another meeting Tuesday to seek a solution. Talks between Greek President Karolos Papoulias and the leaders of three main parties ended Monday night without a resolution, the president's office said. Papoulias then called a meeting for Tuesday to discuss the possibility of a government run by technocrats with support from political parties, according to the leader of the socialist PASOK party, which attended Monday's talks. The debt-wracked country has until Thursday to either form a government or call new elections. Absent a government, Greece could run out of money to pay its debts and might crash out of the euro, the currency used by it and 16 other European Union countries. [\[CNN\]](#)

Moody's Slashes Ratings for 26 Italian Banks

Moody's slashed its credit ratings by up to four notches for 26 Italian banks Monday citing their vulnerability to Italy's recession and more trouble in the eurozone. "The ratings for Italian banks are now amongst the lowest within advanced European countries, reflecting these banks' susceptibility to the adverse operating environments in Italy and Europe," Moody's said. "Banks are vulnerable to the renewed recession in Italy, given their already elevated levels of problem loans and weakened profitability. These risks are exacerbated by investor concerns over the sustainability of the Italian government's debt burden, which has contributed to the difficult wholesale funding conditions faced by Italian banks." The banks included UniCredit, cut to A3 from A2, and Intesa Sanpaolo, also to A3 from A2. The two account for nearly one-third of the Italian market by assets. Ten banks saw their ratings newly cut from investment grade to junk-grade. All of the banks were also put on negative credit watch. [\[AFP\]](#)

India Inflation Picks Up, Adds to Central Bank Headache

India's inflation accelerated in April to 7.23% as price pressures for food, fuel and manufactured items all picked up, adding to the central bank's struggle to control inflation when economic growth has slumped to a near three-year low. The rise in the wholesale price index (WPI) topped the increase in March's data of 6.89%, the commerce ministry said Monday. The median estimate was for an April reading of 6.70%. A steep drop in the rupee - down more than 8% against the U.S. dollar since March, making it one of the Asia's worst performing currencies - has made imported items such as fuel, edible oil, gold and machinery costlier. [\[CNBC\]](#)

Gold Drops to 4-1/2-Month Low as Euro Sinks

Gold prices fell to a 4-1/2-month low on Monday, as the dollar strengthened and investors liquidated risky assets after political deadlock in Greece fed worries that the country could default, worsening the euro zone debt crisis. Benchmark June gold futures lost \$23, or 1.38 percent, to settle at \$1,561 per ounce, after trading as low as \$1,555, a level last seen on December 29. [\[CNBC\]](#)

CORPORATE NEWS

JPMorgan [JPM:US] - JPMorgan's New Investment Head Zames Shakes Up Office

JPMorgan Chase & Co.'s Matt Zames, newly appointed to lead the bank's chief investment office after the unit suffered a \$2 billion loss, shook up leadership and announced a "renewed focus" on hedging risks. "We will have a sharp, renewed focus on our hedging strategies, risk management and execution," Zames, 41, wrote in the memo. "JPMorgan Chase will come out of this experience as a stronger firm." [\[Bloomberg\]](#)

Apple [AAPL:US] - Apple Said to Prepare Thinner Mac Laptops Sporting Intel Chips

Apple Inc. is preparing a new lineup of thinner MacBook laptops running on more powerful chips made by Intel Corp. (INTC), people with knowledge of the plans said. The MacBook Pro machines, to be unveiled at Apple's annual developers conference starting June 11, also will feature high-definition screens like those on the iPhone and iPad, as well as flash memory to cut startup times and extend battery life, said the people. [\[Bloomberg\]](#)

Apple [AAPL:US] - Court Lets Apple Pursue U.S. Ban on Samsung Galaxy Tablet

Apple Inc., can pursue efforts to halt sales of Samsung Electronics Co.'s Galaxy Tab 10.1 tablet computer in the U.S. while a patent-infringement case is pending, a U.S. appeals court ruled. [\[Bloomberg\]](#)

BHP Billiton [BHP:US] - BHP to Assess Value of Shale Assets, Cut Gas Drilling

BHP Billiton Ltd. plans to decide at the end of next month whether to write down the value of the U.S. shale gas assets it acquired for \$20 billion, while cutting back on drilling natural gas wells until prices recover. [\[Bloomberg\]](#)