

Friday March 2, 2012

Stock Markets Rap (as of Mar 1)

	Close	Chg	(%)
Dow	12,980	+28	+0.2
Nasdaq	2,989	+22	+0.7
S&P 500	1,374	+8	+0.6
VIX	17.26	-1.17	-6.3
MSCI World	1,304	+6	+0.4

	Close	Chg	(%)
FTSE 100	5,931	+60	+1.0
DAX	6,942	+86	+1.2
CAC	3,500	+47	+1.4
Euro Stoxx	2,547	+37	+1.5

	Close	Chg	(%)
ASX 200	4,256	-43	-1.0
Nikkei	9,707	-16	-0.2
Shanghai	2,426	-2	-0.1
HSI	21,388	-292	-1.3
H Shares	11,602	-224	-1.9

	Close	Chg	(%)
STI	2,979	-15	-0.5
Malaysia	1,573	+4	+0.2
PSEi	4,939	+41	+0.8
SET	1,165	+4	+0.4
LSX	925	+9	+1.0
Vietnam	428	+4	+1.0
Indonesia	3,962	-23	-0.6
FTSE ASEAN	576	-3	-0.6

Currencies Rap (as of Mar 1)

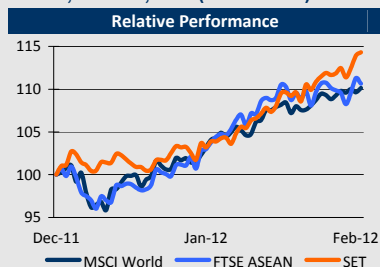
	Last	Chg	(%)
DX	78.79	+0.05	+0.06
THB/USD	30.52	+0.26	+0.86
LAK/THB	261.68	-2.03	-0.77
LAK/USD	7,986.50	+6.50	+0.08
USD/EUR	1.3326	-0.01	-0.87
JPY/USD	81.02	+0.47	+0.58

Commodities Rap (as of Mar 1)

	Close	Chg	(%)
Gold	1,722.20	+10.90	+0.64
Silver	35.66	+1.02	+2.94
Copper	393.15	+5.20	+1.34
WTI	108.84	+1.77	+1.65
Brent	126.20	+3.54	+2.89
BDI	763	+13	+1.73

Source: Bloomberg

World, ASEAN, SET (as of Mar 1)



Source: Bloomberg

MACRO NEWS

- Oil Advances Above \$110 on Report of Saudi Pipeline Explosion
- U.S. Unemployment Applications Dip to a 4-Year Low; Manufacturing Slows
- Italian Bond Yields Plunge As LTRO Cash Put To Work
- China, India Manufacturing Gains Show Momentum in Asia

CORPORATE NEWS

- Sands China [1928:HK] - Macau Feb. Gambling Revenue Jumps More Than 22%
- Sand China [1928:HK] - SJM in Advanced Talks to Develop New Casino as Macau Market Share Slips
- China Construction Bank [939:HK] - China's CCB Keen on Buying European Bank
- Pfizer [PFE:US] - Pfizer Pulls Plug on FDA Application for Pristiq

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

Friday March 2, 2012

MACRO NEWS

Oil Advances Above \$110 on Report of Saudi Pipeline Explosion

Oil climbed over \$110 a barrel for the first time since May after an Iranian state-run news channel reported an explosion on a pipeline in Saudi Arabia. Futures reached \$110.55 at 3:17 p.m. in New York after Iran's Press TV reported on its English-language website that "an explosion has hit oil pipelines in the flashpoint Saudi Arabian city of Awwamiya in the kingdom's oil-rich Eastern province." Saudi officials said there was no explosion, according to the Wall Street Journal. Gold jumped and U.S. equities dropped on the unattributed report. [\[Bloomberg\]](#)

U.S. Unemployment Applications Dip to a 4-Year Low; Manufacturing Slows

The number of people seeking unemployment benefits fell slightly last week to the lowest point in four years, a further sign that the U.S. job market is improving. A seasonally adjusted 351,000 people sought unemployment aid, down from 353,000 the previous week, the Labor Department said Thursday. That matches the four-year low reached three weeks ago. Another report found that manufacturing activity grew more slowly in February as factories received fewer new orders and paid higher prices for raw materials. The Institute for Supply management says its manufacturing index fell last month to 52.4 from 54.1 in January. It was the lowest reading since November. Any reading above 50 indicates expansion. [\[Associated Press\]](#)

Italian Bond Yields Plunge As LTRO Cash Put To Work

Italian 2-year yields plummeted to their lowest levels since October 2010 and 10-year yields sank below the 5% mark for the first time since August as investors poured large amounts of cash borrowed at the ECB's liquidity operation into government debt. Italian bonds have now erased all their losses from late last year when contagion from the debt crisis in Greece threatened to ensnare the euro zone's third-largest economy. Italian bonds had capitulated in November and yields had soared to record highs, raising concerns that the country may have been unable to sustain its debts. Since then Italian bonds have recovered, as plentiful liquidity in the banking system has bolstered demand for higher-yielding assets. The impact of the ECB's generous cash boost has been so strong that investors have shrugged off rating downgrades as well as risks from the Greek debt exchange. [\[WSJ\]](#)

China, India Manufacturing Gains Show Momentum in Asia

China's manufacturing expanded at a faster pace in February and a gauge for India showed sustained growth, indicating that Asian economies are maintaining momentum even as Europe's debt crisis caps exports. In China, the purchasing managers' index rose for a third month to 51.0 from 50.5 in January, the statistics bureau and logistics federation said. In India, a PMI released by HSBC Holdings Plc and Markit Economics was close to an eight-month high of 49.6 in February from 48.8 the prior month, the third straight improvement and the highest since October. [\[Bloomberg\]](#)

CORPORATE NEWS

Sands China [1928:HK] - Macau Feb. Gambling Revenue Jumps More Than 22%

The Chinese territory of Macau continued to post impressive year-over-year gains, reporting Thursday that gambling revenue jumped 22.3% last month to \$3.04 billion. "February's growth is even more impressive than the headline result due to the tough comparison created by the calendar shift in the timing of Chinese New Year," wrote Joe Greff of J.P. Morgan in a note to investors. [\[MarketWatch\]](#)

Sand China [1928:HK] - SJM in Advanced Talks to Develop New Casino as Macau Market Share Slips

SJM Holdings Ltd., Asia's biggest casino company, said it's in advanced talks with the Macau government to build a new casino as it faces market share declines in the world's largest gambling hub. SJM, facing rising competition in Macau, yesterday said its share of the Macau gambling market fell to 29% in 2011 from 31.3% a year earlier. Net income for 2011 climbed 49% as tourists from mainland China stoked gambling revenue, the company said in a statement to Hong Kong's stock exchange. Las Vegas Sands Corp and Galaxy Entertainment Group benefit from the increasing popularity of the city's Cotai strip, where they have integrated resorts. Galaxy opened a new casino in Macau last year and Sands will have one opening this year which gives them greater growth potential than SJM. [\[Bloomberg\]](#)

China Construction Bank [939:HK] - China's CCB Keen on Buying European Bank

China Construction Bank Corp. is looking to acquire a private bank in Europe as part of its global expansion, the China Business News reported Thursday, citing an executive at the second-largest Chinese bank by assets. The report cited Zhu Xiaohuang, a vice president at China Construction Bank, as saying that it's a good time to buy assets in Europe because some banks there are planning to sell their private banking units amid the eurozone debt crisis. The state-run Chinese bank has been in talks with a couple of European banks on the issue. [\[MarketWatch\]](#)

Pfizer [PFE:US] - Pfizer Pulls Plug on FDA Application for Pristiq

Pfizer Inc. has withdrawn an application seeking U.S. regulatory approval to market its antidepressant Pristiq as a treatment for certain menopause-related symptoms in women. The U.S. Food and Drug Administration in September declined to approve Pfizer's bid to expand the drug's uses to include relief of moderate-to-severe vasomotor symptoms associated with menopause, such as hot flashes and night sweats. The New York drug maker withdrew its FDA application earlier in February. The drug remains on the market for its approved uses. The drug generated sales of \$577 million for 2011, up 24% from 2010. Wyeth executives once predicted Pristiq could generate more than \$2 billion in annual sales, but it has fallen short partly due to a crowded antidepressant market and the lack of an approved indication for menopausal symptoms. [\[MarketWatch\]](#)