

Wednesday March 21, 2012

Stock Markets Rap (as of Mar 20)

	Close	Chg	(%)
Dow	13,170	-69	-0.5
Nasdaq	3,074	-4	-0.1
S&P 500	1,406	-4	-0.3
VIX	15.58	+0.54	+3.6
MSCI World	1,317	-9	-0.7

	Close	Chg	(%)
FTSE 100	5,891	-70	-1.2
DAX	7,055	-99	-1.4
CAC	3,531	-47	-1.3
Euro Stoxx	2,508	-33	-1.3

	Close	Chg	(%)
ASX 200	4,275	-16	-0.4
Nikkei	10,142	+12	+0.1
Shanghai	2,377	-33	-1.4
HSI	20,888	-227	-1.1
H Shares	10,871	-165	-1.5

	Close	Chg	(%)
STI	3,003	+13	+0.4
Malaysia	1,578	+4	+0.3
PSEi	5,102	-25	-0.5
SET	1,197	+7	+0.6
LSX	954	0	0.0
Vietnam	440	+2	+0.5
Indonesia	4,022	-3	-0.1
FTSE ASEAN	572	-2	-0.3

Currencies Rap (as of Mar 20)

	Last	Chg	(%)
DX	79.62	+0.17	+0.22
THB/USD	30.79	+0.09	+0.29
LAK/THB	259.65	-0.80	-0.31
LAK/USD	7,989.00	-3.00	-0.04
USD/EUR	1.3225	-0.00	-0.10
JPY/USD	83.70	+0.35	+0.42

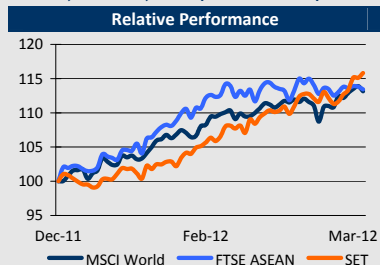
Commodities Rap (as of Mar 20)

	Close	Chg	(%)
Gold	1,647.00	-20.30	-1.22
Silver	31.83	-1.12	-3.40
Copper	383.05	-7.85	-2.01
WTI	105.61	-2.48	-2.29
Brent	124.12	-1.59	-1.26
BDI	884	+5	+0.57

Source: Bloomberg

*Nikkei 225 Index as of Mar 19

World, ASEAN, SET (as of Mar 20)



Source: Bloomberg

MACRO NEWS

- US Housing Starts Dip; Permits Near 3 1/2-Year High
- UK Inflation Dip Provides Relief Ahead of Budget

CORPORATE NEWS

- BHP Billiton [BHP:US]** - BHP: China Iron Ore Demand 'Flattening Out'
- China Mobile [941:HK]** - China Mobile Says Total Subscribers Rose to 661.4 Mln in Feb
- Apple [AAPL:US]** - New iPad Hotter But Not Serious Problem: Consumer Reports
- McDonald's [MCD:US]** - Wendy's Takes No. 2 Spot From Burger King
- Royal Dutch Shell [RDS/A:US]** - Shell Signs First Chinese Shale Gas Production Deal With CNPC

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

Wednesday March 21, 2012

MACRO NEWS

US Housing Starts Dip; Permits Near 3 1/2-Year High

Permits for U.S. homebuilding neared a 3 1/2 year high in February, even as groundbreaking activity slipped, suggesting a nascent recovery in the housing market was still on track. New building permits surged 5.1% to a seasonally adjusted annual rate of 717,000 units last month, the Commerce Department said on Tuesday. It was the highest rate since October 2008 and far exceeded economists' expectations for an advance to a 690,000-unit pace from January's 682,000-unit rate. Housing starts slipped 1.1% to a rate of 698,000 units. January's starts were revised up to a 706,000-unit pace from a previously reported 699,000 unit rate. Economists polled by Reuters had forecast housing starts little changed at a 700,000-unit rate. Compared to February last year, residential construction was up 34.7%, the biggest year-on-year rise since April 2010. [\[CNBC\]](#)

UK Inflation Dip Provides Relief Ahead of Budget

British inflation edged down in February to the lowest level in over a year, keeping hopes alive that the severe squeeze on Britons' finances will ease at a time when the government has little room to boost the fragile economy. Finance minister George Osborne presents his annual budget on Wednesday, and is aiming to provide some relief for low- and middle-earners while keeping up his austerity drive to erase Britain's huge budget deficit. Falling inflation is seen as crucial to help consumers to increase real spending and to keep the recovery on track, as the economy appears to have avoided a new recession. However, the drop in the inflation rate to a 15-month low of 3.4% from 3.6% in January was slightly smaller than economists had forecast, highlighting the risk that price pressures won't fade as quickly as the central bank and the government hope. Economists had forecast inflation of 3.3% extending a drop from September's three-year peak of 5.2%. [\[Reuters\]](#)

CORPORATE NEWS

BHP Billiton [BHP:US] - BHP: China Iron Ore Demand 'Flattening Out'

Demand for iron ore from top consumer China will flatten out as the world's second-largest economy cools, an executive at mining giant BHP Billiton Ltd. cautioned Tuesday, raising concerns about Australia's trade outlook. Australian exports have in recent years been dominated by shipments of the steelmaking ingredient, which also has been a key earner for mining companies including BHP, Rio Tinto PLC and others operating in the arid Pilbara region of the country's northwest. Growth in China's demand for iron ore will drop "to single digits, if it is not already there," Ian Ashby, president BHP's iron ore division, told reporters in Perth. The Australian dollar reacted immediately to the comments, falling by more than half a U.S. cent, while the shares of BHP, Rio and others slipped in Australian trading before recovering some of their losses. [\[WSJ\]](#)

China Mobile [941:HK] - China Mobile Says Total Subscribers Rose to 661.4 Mln in Feb

China Mobile, China's largest mobile carrier, said on Tuesday that its total mobile subscribers increased to 661.4 million in February, including 56.59 million 3G subscribers. China Mobile said on its website that 3G subscribers rose by 2.65 million in February, while total users increased by 5.96 million. [\[Reuters\]](#)

Apple [AAPL:US] - New iPad Hotter But Not Serious Problem: Consumer Reports

Apple's new iPad is about 12 degrees hotter than the iPad 2 while running a game, but does not appear to be a serious problem and shouldn't warrant a recall, Consumer Reports told CNBC Tuesday. "That's hot enough to be uncomfortable at least," Paul Reynolds, Consumer Reports electronics editor, said in a live interview. Consumer Reports investigated the issue after online complaints from consumers. The new iPad went on sale just this past Friday. Reynolds said the new iPad reached temperatures in testing of up to 116 degrees. [\[CNBC\]](#)

McDonald's [MCD:US] - Wendy's Takes No. 2 Spot From Burger King

Wendy's edged out Burger King in U.S. sales volume for the first time last year since Wendy's was founded in 1969, according to a report by the food industry research firm Technomic Inc. that's set to be released next month. Wendy's had sales of \$8.5 billion in 2011, compared with \$8.4 billion for Burger King. McDonald's remained far larger than both with \$34.2 billion in sales. Worldwide, Burger King still has far more restaurants than Wendy's and remains the second biggest hamburger chain behind McDonald's. Both Burger King and Wendy's have struggled in recent years to keep up with the growth of McDonald's, which has managed to keep prices low through the recession, while also introducing a new menu items and remodeling restaurants. Sales are up 26% in the past five years at McDonald's, up 9% at Wendy's and flat at Burger King. [\[Associated Press\]](#)

Royal Dutch Shell [RDS/A:US] - Shell Signs First Chinese Shale Gas Production Deal With CNPC

Royal Dutch Shell signed China's first shale-gas production sharing contract as the world's second-largest economy seeks to unlock resources similar to those that sparked the U.S. natural gas boom. Shell and China National Petroleum Corp (CNPC), the state-controlled parent of PetroChina, agreed to explore, develop and produce shale gas in the Fushun-Yongchuan block in the Sichuan basin, an area covering about 3,500 square kilometers (1,350 square miles), London-based Shell said in a statement on its website. Hydraulic fracturing, the technology behind shale gas that breaks open underground rocks, allowed the U.S. to become the world's biggest gas producer. China may have 50% more shale gas reserves than the U.S., according to the U.S. Energy Information Administration. "We are delighted about this new milestone in our strategic cooperation with CNPC," Shell Chief Executive Officer Peter Voser said in a statement. "China has huge shale gas potential and we are committed to making a contribution in bringing that potential into reality." [\[Bloomberg\]](#)