

August 22, 2012

Stock Markets Rap

	Close	Chg	(%)
MSCI World	1,289.75	-0.5	-0.0%
Dow	13,271.64	-0.0	-0.0%
Nasdaq	3,076.21	-0.4	-0.0%
S&P 500	1,418.13	-0.0	0.1%
Euro Stoxx	3,042.06	3.2	0.1%
FTSE 100	9,146.59	-37.6	-0.4%
DAX	8,680.26	7.3	0.1%
CAC	4,295.38	-1.6	-0.0%
ASX 200	4,544.53	32.7	0.7%
Nikkei	115.51	0.3	0.3%
Shanghai	331.27	-1.3	-0.4%
Hang Seng	2,591.66	-1.7	-0.1%
H Shares	1,262.66	-4.8	-0.4%
	Close	Chg	(%)
FTSE ASEAN	575.78	0.0	0.0%
Singapore	2,442.85	-8.4	-0.3%
Thailand	1,188.62	1.0	0.1%
Malaysia	1,649.79	-0.3	-0.0%
Indonesia	4,160.51	18.5	0.4%
Philippines	5,206.81	-12.7	-0.2%
Vietnam	437.28	3.8	0.9%
Lao PDR	1,052.02	17.3	1.7%
Cambodia	698.92	-5.4	-0.8%

Currencies Rap

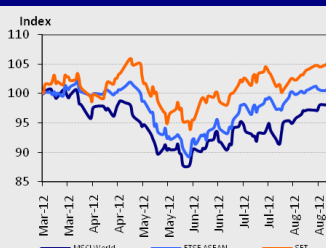
	Last	Chg	(%)
DX	82.46	-0.1	-0.2%
USD/EUR	1.23	-0.0	-0.1%
JPY/USD	79.53	-0.0	-0.0%
THB/USD	31.51	0.0	0.0%
VND/USD	20,845.00	7.0	0.0%
LAK/USD	8,034.25	17.3	0.2%
KHR/USD	4,045.00	-6.9	-0.2%
MMK/USD	875.88	7.3	0.8%
VND/THB	661.54	0.2	0.0%
LAK/THB	254.98	0.6	0.2%
KHR/THB	661.54	0.2	0.0%
MMK/THB	27.80	0.2	0.9%

Commodities Rap

	Close	Chg	(%)
Gold	1,615.92	-0.48	-0.0%
Silver	28.13	0.04	0.2%
Copper	3.38	-0.05	-1.4%
WTI	96.26	-0.06	-0.1%
Brent	113.70	-0.01	-0.0%
BDI	711.00	-3.00	-0.4%

World, ASEAN, SET

Relative Performance



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MACRO NEWS

- EU: Greece needs more time for cuts, says PM Samaras
- Japan: Japan Swings to Trade Deficit as Europe Drags Down Exports

CORPORATE NEWS

- BHP Billiton [BHP: US] - BHP Billiton Mega Projects at Risk as Profit Set to Drop
- Google [GOOG: US] - Google Finally Leads in China -- in App Ad Sales
- Dell [Dell: US] - Dell warns of tough third quarter

MACRO NEWS

Greece needs more time for cuts, says PM Samaras

Greece's Prime Minister, Antonis Samaras, has called for more time to implement tough spending cuts and reforms, ahead of crucial talks on its EU/IMF bailout. Mr Samaras told German daily Bild that Greece needed "breathing space". He will meet eurozone head Jean-Claude Juncker on Wednesday, and French and German counterparts later this week. At issue is whether Greece has done enough to receive its next 31.5bn-euro (£24.7bn) bailout payment next month. Failure to unlock the funds could lead to Greece defaulting on its vast public debt and possibly leaving the euro. Mr Samaras is under pressure to show Greece can fulfil its commitment of 11.5bn euros in public spending cuts within two years in order to qualify for the money. At the talks with Mr Juncker, he is expected to float the idea of Greece being given a two-year extension to the deadline. [BBC]

Japan Swings to Trade Deficit as Europe Drags Down Exports

Japan reported a wider-than-expected trade deficit in July as Europe's sovereign debt crisis and a slowdown in China dragged down exports and higher oil prices boosted imports. The shortfall was 517.4 billion yen (\$6.5 billion), after a revised 60.3 billion yen surplus in June, the Finance Ministry said in Tokyo today. The median forecast in a Bloomberg News survey of 28 analysts was for a 270 billion yen deficit. Exports fell 8.1 percent from a year earlier, compared with an estimated 2.9 percent decline. Imports rose 2.1 percent. Strength in the yen and weakness in global demand threaten to curb exports over the rest of this year, undermining the economy's recovery after a contraction in 2011. Japan's ninth deficit in 12 months underscores the country's reliance on energy imports after atomic plants were shut down following last year's earthquake and nuclear disaster. "It's unavoidable that Japan's economic growth will lose steam this quarter," said Kohei Okazaki, an economist at Nomura Securities Co. in Tokyo. "Global demand is looking stagnant as China's economy is slowing while the advanced nations' economies remain weak." The yen traded at 79.21 per dollar as of 9:02 a.m. in Tokyo, up more than 5 percent since mid-March. A stronger currency erodes export sales and profits. Today's level compares with a post-World War II high of 75.35 in October. Shipments to the European Union fell 25 percent in July from a year earlier, the biggest decline since October 2009, while those to China slipped 12 percent, the ministry said. [Bloomberg]

CORPORATE NEWS

BHP Billiton Mega Projects at Risk as Profit Set to Drop

Top global miner BHP Billiton may put three mega projects on hold on Wednesday when it is expected to report its first annual profit fall in three years in the face of rising costs and falling commodity prices. BHP [BHP 69.49 ▲ 0.33 (+0.48%)] wraps up a torrid earnings season for the world's biggest miners, all battered by weaker prices for iron ore, copper, coal, nickel and aluminum as economic growth in big-buyer China slows to its weakest pace in a decade. The Anglo-Australian giant has also been hurt by lower natural gas prices and industrial action at its coking coal mines. Analysts forecast BHP's second-half attributable profit before exceptional items fell 37 percent from a year earlier to \$6.96 billion. Reuters calculated the forecast from analysts' expectations that BHP's full-year profit to the end of June fell to \$16.9 billion from a year-earlier \$21.7 billion. In BHP's biggest business of iron ore, softening demand growth from China has been particularly painful. The world's biggest iron ore miner, Brazil's Vale [VALE 17.85 ▼ -0.13 (-0.72%)], last month reported its worst quarterly earnings in two years. With sharp falls in commodity markets this year, analysts and investors have looked for signs of future capital spending cuts. Although there has been spending restraint at the fringes, none of the heavyweight miners has yet cut back on core growth projects. [CNBC]

Google Finally Leads in China -- in App Ad Sales

After years of seeing its China strategy hobbled at almost every turn, Google Inc. (GOOG) has finally carved out a market niche where it's the leader: ads aimed at mobile phone applications. App developers and corporations such as Bayerische Motoren Werke AG (BMW) and Shanghai General Motors Co. (GM) are turning to Google's AdMob unit to reach Chinese smartphone users on the go. Google's strength in mobile ads stands in contrast to its search-engine business in China. The global leader has failed to catch homegrown favorite Baidu Inc. (BIDU) in computer-based search, and two years ago Google moved its search servers out of the mainland in a censorship dispute with the government. "Since 2010, Google has been trying many things to keep its presence in China," said Steven Chang, chief executive officer of ZenithOptimedia's China division, which buys advertising from Google and Baidu. "AdMob now has quite a significant share of the market." Revenue in China's mobile-app ad market will probably more than double to about 1.8 billion yuan (\$283 million) this year, exceeding the 1.2 billion yuan from mobile-search queries, according to iResearch. In mobile-search advertising, queries from users generate related ads, while app-based marketing automatically sends ads to mobile users playing games, viewing videos, or using applications on smartphones and tablet computers. [Bloomberg]

Dell warns of tough third quarter

Personal computer maker Dell has said because of the "uncertain economic environment" it expects third-quarter revenue to be down from 2% to 5% on second-quarter levels. It came as the world's third-largest PC maker revealed second-quarter revenue of \$14.5bn (£9.18bn). That was narrowly below the level that analysts had estimated. The news caused its shares to fall by 3.7% in after-the-bell trading, to \$11.88, after closing at \$12.34. Dell also warned of a "challenging" second half for computer sales, but said it was on track to transform its operation. In recent years Dell has focused more on higher-margin corporate needs and less on the home consumer. "We're transforming our business, not for a quarter or a fiscal year, but to deliver differentiated customer value for the long term," said Michael Dell, chairman and chief executive. [BBC]