

Thursday July 26, 2012

Stock Markets Rap (as of Jul 25)

	Close	Chg	(%)
MSCI World	1,203	-9.2	-0.8%
Dow	12,676	0.0	0.5%
Nasdaq	2,854	-8.8	-0.3%
S&P 500	1,338	-0.4	0.6%
Euro Stoxx	2,613	15.7	0.6%
FTSE 100	8,512	-13.0	-0.2%
DAX	7,769	66.2	0.9%
CAC	3,737	31.0	0.8%
ASX 200	4,198	17.7	0.4%
Nikkei	107	-1.6	-1.5%
Shanghai	334	-1.8	-0.5%
Hang Seng	2,433	-3.5	-0.1%
H Shares	1,188	0.1	0.0%

	Close	Chg	(%)
FTSE ASEAN	558	0.15	0.03%
Singapore	2,379	3.47	0.15%
Thailand	1,189	0.98	0.08%
Malaysia	1,635	2.52	0.15%
Indonesia	4,001	8.73	0.22%
Philippines	5,162	2.06	0.04%
Vietnam	413	-2.72	-0.6%
Lao PDR	1,012	7.85	0.78%
Cambodia	677	0.00	0.00%

Currencies Rap (as of Jul 25)

	Last	Chg	(%)
DX	83.6	-0.4	-0.4
USD/EUR	1.2	0.0	0.4
JPY/USD	78.3	0.1	0.1
THB/USD	31.7	-0.0	-0.3
VND/USD	20,878.0	-2.0	-0.0
LAK/USD	8,025.0	3.0	0.0
KHR/USD	4,124.5	3.9	0.1
MMK/USD	873.0	-0.1	-0.0
VND/THB	659.1	2.3	0.4
LAK/THB	253.3	0.9	0.4%
KHR/THB	659.1	2.3	0.4%
MMK/THB	27.6	0.1	0.3

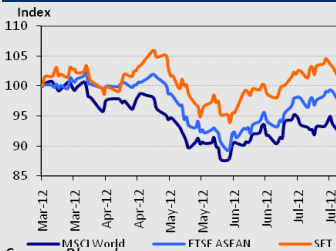
Commodities Rap (as of Jul 25)

	Close	Chg	(%)
Gold	1,592.85	19.30	1.23%
Silver	27.12	0.20	0.72%
Copper	3.39	0.04	1.21%
WTI	89.00	0.50	0.56%
Brent	103.67	0.25	0.24%
BDI	1,003.00	-19.00	-1.8%

Source: Bloomberg

World, ASEAN, SET (as of Jul 25)

Relative Performance



Source: Bloomberg

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MACRO NEWS

- US: Sales of New U.S. Homes Decrease From Two-Year High
- US: Central Banks Search Toolbox for Ideas as Growth Slows

CORPORATE NEWS

- Exxon [XOM:US] - Exxon May Lead Drop In Global Oil Profits On Lower Prices
- Shell [RDSA:US] - Shell Signs Deals With Cnooc, China National For Access
- Google [GOOG:US] - Google Antitrust Investigation Nearing Settlement

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MACRO NEWS

Sales of New U.S. Homes Decrease From Two-Year High

Sales of new U.S. homes unexpectedly dropped in June from a two-year high, a sign the market is being held back by a lack of inventory after builders curtailed projects. Purchases fell 8.4 percent to a 350,000 annual rate, the weakest since January, the Commerce Department reported today in Washington. The median estimate in a Bloomberg News survey of 74 economists was 372,000. The decline was led by a record plunge in the Northeast, where the number of properties available last month was the fewest for any June. "A dearth of construction has led to a very significant inventory shortage," said Carl Riccadonna, a senior U.S. economist at Deutsche Bank Securities Inc. in New York, who forecast sales would drop to a 345,000 rate, the lowest of those surveyed. "If you want to buy a newly built home, good luck finding one." Record-low mortgage rates and stabilizing home prices have spurred buyer traffic, even as unemployment and strict lending standards remain obstacles for the industry that precipitated the last recession. Among companies betting that construction will pick up is Caterpillar Inc. (CAT), which today raised its full-year earnings forecast on improving sales of excavators, scrapers and dozers as builders replace aging equipment. The Standard & Poor's 500 Index ended little changed, erasing gains in the final hour of trading, as disappointing results at Apple Inc. and the unexpected decline in new-home sales overshadowed a rally in banks and industrial shares. The 500 Index was at 1,337.89 at the 4 p.m. close in New York, down less than 0.1 percent from yesterday. The S&P Super composite Homebuilding Index dropped 3.2 percent. [\[Bloomberg\]](#)

Central Banks Search Toolbox for Ideas as Growth Slows

Central banks are digging deeper into their tool kits in search of innovative ways to unlog bank lending and keep a weakening world economy afloat. With the fifth anniversary of the financial crisis approaching in August, policy makers from the Federal Reserve, the European Central Bank and the Bank of England all meet within 24 hours next week. Central banks, facing a global recovery that's sputtering even after they delivered trillions of dollars of liquidity and near-zero interest rates, have to consider fresh strategies to combat the slowdown. Among the options up for consideration by the monetary authorities in addition to potentially doubling-down on previous policies: taking some of the credit risk of new lending onto their own balance sheets and forcing commercial banks to pay for parking cash in central banks' coffers. [\[Bloomberg\]](#)

CORPORATE NEWS

Exxon May Lead Drop In Global Oil Profits On Lower Prices

The world's largest oil companies are poised to report a drop in second-quarter earnings after crude prices declined for the first time in three years. Exxon Mobil Corp. (XOM), the world's biggest oil company by market value, will probably say tomorrow net income dropped 13 percent from a year earlier to \$9.3 billion dollars, based on the average of five analysts' estimates compiled by Bloomberg. Royal Dutch Shell Plc (RDSA), Europe's top oil producer, is expected to see profit decline 4 percent after adjusting for certain gains and losses. Brent crude futures, a benchmark oil price used by much of the world, fell 7 percent from a year earlier to average \$108.76 a barrel in the second quarter, the first year-on-year decline since 2009 as economic growth slowed in China and concerns mounted that the European debt crisis will erode demand. Oversupplies from burgeoning shale-field output in the U.S. pushed natural-gas prices down 46 percent to average \$2.354 per million British thermal units. Slumping prices more than offset gains in production, including the return of Libyan fields, and widening refining margins in the U.S. and Europe. [\[Bloomberg\]](#)

Shell Signs Deals With Cnooc, China National For Access

Royal Dutch Shell Plc (RDSA), Europe's biggest oil company, expanded cooperation with two of China's state-backed producers, giving it more access to reserves in the world's second-largest economy. The London-based company signed two offshore production-sharing contracts with Cnooc Ltd. (883) for the Yinggehai basin and amended a production sharing agreement with China National Petroleum Corp. to allow the development of tight gas reserves, Shell said in a statement yesterday. It also agreed to explore blocks off Gabon with Cnooc. In the offshore Yinggehai blocks, Shell will conduct seismic surveys and hold a 100 percent working interest in the exploration phase that will be reduced to 49 percent if there is a development, it said. In Gabon, Cnooc acquired a 25 percent interest in two exploration blocks and will reimburse Shell for some past costs. Shell signed China's first shale gas production sharing contract in March as China tries to unlock resources similar to those that sparked the U.S. natural gas boom. China may have 50 percent more shale gas reserves than the U.S., according to the U.S. Energy Information Administration. [\[Bloomberg\]](#)

Google Antitrust Investigation Nearing Settlement

European regulators say they are encouraged by recent negotiations with Google aimed at settling an antitrust investigation into the company's business practices. Tuesday's statement from the European Commission comes three weeks after Google submitted a list of changes that it's willing to make to address complaints that it unfairly favours its own services in its influential internet search results. Google's proposed revisions haven't been made public, but the EC indicated the concessions were good enough to offer hope for a settlement. The EC gave no time frame for reaching a resolution, saying more detailed discussions with Google will be scheduled. Google has repeatedly expressed its desire to avoid a court battle. European regulators opened their investigation in late 2010. US regulators are in the midst of a similar inquiry. [\[AP\]](#)