

July 27, 2012

Stock Markets Rap

	Close	Chg	(%)
MSCI World	1,201.74	-1.1	-0.1%
Dow	12,887.93	0.0	1.7%
Nasdaq	2,893.25	39.0	1.4%
S&P 500	1,360.02	22.1	5.4%
Euro Stoxx	2,754.18	141.0	5.4%
FTSE 100	8,737.04	224.5	2.6%
DAX	8,083.22	314.7	4.1%
CAC	3,938.02	201.1	5.4%
ASX 200	4,263.84	65.9	1.6%
Nikkei	107.86	0.9	0.8%
Shanghai	332.96	-1.4	-0.4%
Hang Seng	2,435.11	2.0	0.1%
H Shares	1,187.20	-1.0	-0.1%
	Close	Chg	(%)
FTSE ASEAN	556.59	-1.0	-0.2%
Singapore	2,401.93	24.4	1.0%
Thailand	1,188.62	1.0	0.1%
Malaysia	1,623.91	-11.2	-0.7%
Indonesia	4,004.78	3.9	0.1%
Philippines	5,152.56	-9.2	-0.2%
Vietnam	414.80	1.9	0.5%
Lao PDR	1,003.33	-9.0	-0.9%
Cambodia	709.68	0.0	0.0%

Currencies Rap

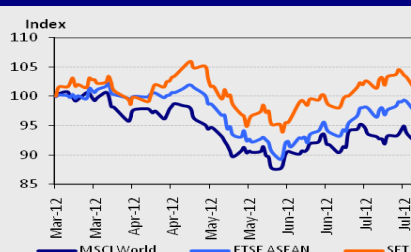
	Last	Chg	(%)
DX	82.81	-0.7	-0.9%
USD/EUR	1.22	0.0	0.6%
JPY/USD	78.22	-0.0	-0.0%
THB/USD	31.61	-0.0	-0.3%
VND/USD	20,880.00	2.0	0.0%
LAK/USD	8,020.50	-4.5	-0.1%
KHR/USD	4,110.25	-14.2	-0.3%
MMK/USD	870.65	-2.4	-0.3%
VND/THB	660.42	1.3	0.2%
LAK/THB	253.65	0.4	0.1%
KHR/THB	660.42	1.3	0.2%
MMK/THB	27.53	-0.0	-0.1%

Commodities Rap

	Close	Chg	(%)
Gold	1,617.18	24.33	1.5%
Silver	27.68	0.56	2.1%
Copper	3.39	0.02	0.6%
WTI	89.39	0.42	0.5%
Brent	105.26	0.88	0.8%
BDI	958.00	-24.00	-2.4%

World, ASEAN, SET

Relative Performance



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MACRO NEWS

- EU: Draghi Says ECB Will Do What's Needed to Preserve Euro
- US: U.S. Mortgage Rates Fall With 30-Year at a Record-Low 3.49%

CORPORATE NEWS

- Exxon [XOM:US] - Exxon Profit Rises as Asset Sales Offset Prices
- APPLE [APPL: US] - China Watchdog Flags Apple's After-Sale Clause
- Sands China [1928: HK] - Sands China Falls on Second-Quarter Profit Drop

MACRO NEWS**EU: Draghi Says ECB Will Do What's Needed to Preserve Euro**

European Central Bank President Mario Draghi said policy makers will do whatever is needed to preserve the euro, suggesting they may intervene in bond markets as surging yields in Spain and Italy threaten the existence of the 17-nation currency bloc. "To the extent that the size of these sovereign premia hampers the functioning of the monetary policy transmission channel, they come within our mandate," Draghi said in a speech at the Global Investment Conference in London today. "Within our mandate, the ECB is ready to do whatever it takes to preserve the euro," he said, adding: "believe me, it will be enough." Financial markets surged on speculation the ECB will act to lower Spanish borrowing costs after yields on the nation's bonds rose to levels that prompted bailouts for Greece, Portugal and Ireland. The ECB reluctantly started buying Spanish and Italian debt in August last year as part of its bond purchase program. The buying had little lasting effect and the ECB suspended the program in March. "His comments certainly suggest that ECB purchases of Spanish and Italian bonds are back on the table for discussion," said Chris Scicluna, head of economic research at Daiwa Capital Markets Europe. "But -- just like last summer -- we would expect any new ECB bond purchases to be temporary and limited until other policies are put in place." [\[Bloomberg\]](#)

US: U.S. Mortgage Rates Fall With 30-Year at a Record-Low 3.49%

U.S. mortgage rates dropped, with 30-year loans reaching a record low for a sixth straight week, amid signs the housing recovery is slowing. The average rate for a 30-year fixed mortgage fell to 3.49 percent in the week ended today, the lowest in Freddie Mac records dating to 1971, from 3.53 percent. The average 15-year rate declined to 2.8 percent, also a new low, from 2.83 percent, the McLean, Virginia-based mortgage-finance company said today in a statement. Sluggish employment growth and tight lending standards are limiting a recovery in the housing market even as mortgage rates continue to fall, according to Celia Chen, an economist at Moody's Analytics Inc. in West Chester, Pennsylvania. Contracts to buy previously owned homes dropped 1.4 percent last month from a revised 5.4 percent gain in May that was less than initially reported, data from the National Association of Realtors showed today. "It's essential that the job market continues to add jobs," Chen said. "If things don't improve at least a little, yes, we do risk squashing this housing recovery." Private-sector employers added 84,000 jobs in June, the weakest in 10 months, and the unemployment rate stuck at 8.2 percent, U.S. Labor Department figures showed. Purchases of new U.S. homes dropped in June from a two-year high, the Commerce Department reported yesterday. [\[Bloomberg\]](#)

CORPORATE NEWS**EXXON [XOM: US] - Exxon Profit Rises as Asset Sales Offset Prices**

Exxon Mobil Corp., the world's biggest oil company by market value, earned less than expected as oil demand stalled in the world's largest economies and U.S. natural-gas prices dropped. Second-quarter net income was \$15.9 billion, or \$3.41 per share, compared with \$10.7 billion, or \$2.18, a year earlier, Irving, Texas-based Exxon said in a statement today. Excluding one-time gains that accounted for almost half of the quarter's profit, per-share income was \$1.80, or 15 cents lower than the average of 15 analysts' estimates compiled by Bloomberg. Exxon fell short of estimates for the second straight quarter amid a widening production decline that Chairman and Chief Executive Officer Rex Tillerson is attempting to reverse with \$37 billion in capital spending this year. The company pumped the equivalent of 4.15 million barrels of crude a day during the April-to-June period, the lowest in two years. "It was another sub-par quarter for Exxon," said Brian Youngberg, an analyst at Edward Jones in St. Louis, who has a hold rating on Exxon's shares. "They are struggling to grow production and commodity prices are working against them." Sales rose 1.5 percent to \$127.4 billion. Exxon rose 0.6 percent to \$85.77 at 10:27 a.m. in New York. [\[Bloomberg\]](#)

APPLE [APPL: US] - China Watchdog Flags Apple's After-Sale Clause

The consumer watchdog in southern China's Guangdong province said Apple Inc.'s after-sale clauses are unfair and violate Chinese laws and mobile-phone repair rules, Xinhua News Agency reported, citing an investigation. Customers have to agree that Apple repairers can use used or reconditioned parts to replace damaged iPhone or iPad parts, Xinhua said today, citing the results of the probe by Guangdong's consumer council. Consumers also have to let Apple keep the replaced parts, which are probably then reused to repair other devices, Xinhua said, citing the results. The council requested that Apple notify consumers in written form that all parts used should be new, and should provide new products or refunds if it fails to repair devices twice while they're under warranty, Xinhua said. [\[Bloomberg\]](#)

Sands China [1928: HK] - Sands China Falls on Second-Quarter Profit Drop

Sands China Ltd., the Hong Kong-listed unit of billionaire Sheldon Adelson's Las Vegas Company, fell to the lowest level in seven months after it reported a 40 percent drop in second-quarter profit. The stock fell 5 percent to close at HK\$21.15 in Hong Kong trading. The benchmark Hang Seng Index gained 0.08 percent. Net income dropped to \$160.5 million from \$267.4 million a year earlier on an impairment charge, lower winnings and opening costs, according to a Las Vegas Sands Corp.'s filing prepared in U.S. GAAP standard. Growth is slowing in Macau, the world's largest gaming hub, as high-stake gamblers cut back spending amid a weaker Chinese economy. Wynn Macau Ltd. this month reported a drop in revenue for the second quarter. Sands China booked an exceptional loss of \$100.8 million for the capital it spent on two plots of land in Macau. Officials in the territory, the only place where casinos are legal in China, in 2010 rejected the casino operator's application to develop the plots and the company last month withdrew its appeal of that decision. Revenue increased to \$1.48 billion from \$1.21 billion a year earlier, according to the filing. Sands China opened the first phase of its Cotai Central resort in April. [\[Bloomberg\]](#)