

September 27, 2012

Stock Markets Rap

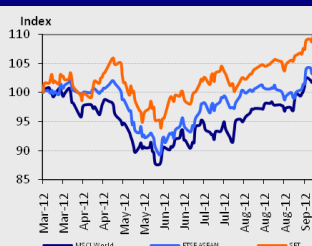
	Close	Chg	(%)
MSCI World	1,309.40	-17.8	-1.3%
Dow	13,413.51	-0.0	-0.3%
Nasdaq	3,093.70	-24.0	-0.8%
S&P 500	1,433.32	-8.3	-0.5%
Euro Stoxx	2,564.02	14.0	0.5%
FTSE 100	5,768.09	-91.6	-1.6%
DAX	7,276.51	-148.6	-2.0%
CAC	3,414.84	-99.0	-2.8%
ASX 200	4,396.00	-19.0	-0.4%
Nikkei	8,906.70	-184.8	-2.0%
Shanghai	2,004.17	-25.1	-1.2%
Hang Seng	20,527.73	-171.0	-0.8%
H Shares	9,628.40	-117.0	-1.2%
	Close	Chg	(%)
FTSE ASEAN	580.39	-5.8	-1.0%
Singapore	3,046.68	-20.5	-0.7%
Thailand	1,274.50	-12.9	-1.0%
Malaysia	1,619.30	0.7	0.0%
Indonesia	4,180.16	-46.7	-1.1%
Philippines	5,292.63	-32.5	-0.6%
Vietnam	395.12	3.4	0.9%
Lao PDR	1,047.94	-9.1	-0.9%
Cambodia	677.42	0.0	0.0%

	Last	Chg	(%)
DX	79.89	0.3	0.4%
USD/EUR	1.29	-0.0	-0.4%
JPY/USD	77.71	-0.1	-0.1%
THB/USD	30.99	0.0	0.2%
VND/USD	20,870.00	0.0	0.0%
LAK/USD	8,006.95	17.4	0.2%
KHR/USD	4,063.85	20.9	0.5%
MMK/USD	862.40	1.1	0.1%
VND/THB	673.47	-1.2	-0.2%
LAK/THB	258.29	0.1	0.0%
KHR/THB	673.47	-1.2	-0.2%
MMK/THB	27.82	-0.0	-0.1%

	Close	Chg	(%)
Gold	1,764.06	-0.38	-0.0%
Silver	33.90	-0.12	-0.4%
Copper	371.00	-4.85	-1.3%
WTI	89.98	-1.39	-1.5%
Brent	110.04	-0.41	-0.4%
BDI	752.00	-11.00	-1.4%

World, ASEAN, SET

Relative Performance



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MACRO NEWS

- US : Sales of New U.S. Homes Hover Near a Two-Year High
- US : Fed's Evans Calls for More Easing, Warns of 'Lost Decade'
- EU : Madrid Protesters March Again as Spain Braces for Cuts

CORPORATE NEWS

- GM [GM: US] : GM-Peugeot Discussion Said to Slow While Economy Worsens
- Toyota [7203:JP] : Toyota Joins Nissan in Saying Deeper China Output Cuts Loom
- BP [BP: US] : BP's Texas Refinery Sale Shows Volatile Industry's Decay

Sales of New U.S. Homes Hover Near a Two-Year High

Purchases of new U.S. homes hovered in August near a two-year high, adding to signs that the housing market is on the way to recovery. Sales fell 0.3 percent to a 373,000 annual pace following a revised 374,000 rate in July that was higher than previously estimated and the strongest since April 2010, figures from the Commerce Department showed today in Washington. The median estimate of 71 economists surveyed by Bloomberg called for a rise to 380,000. Record-low borrowing costs continue to attract buyers, lifting demand for homebuilders, while a drop in the supply of foreclosed homes is easing downward pressure on prices. Federal Reserve policy makers have targeted the housing market with further accommodation measures in order to spur growth and reduce unemployment. [Bloomberg]

Fed's Evans Calls for More Easing, Warns of 'Lost Decade'

Federal Reserve Bank of Chicago President Charles Evans said policy makers must not be passive in the face of high U.S. unemployment, firing back at critics of the Fed's decision this month to step up record stimulus. "We cannot be complacent and assume that the economy is not being damaged if no action is taken," Evans said in a speech in Hammond, Indiana. "If we continue to take only modest, cautious, safe policy actions, we risk suffering a lost decade similar to that which Japan experienced in the 1990s." The policy-setting Federal Open Market Committee started a third round of quantitative easing this month, saying it would buy \$40 billion in mortgage bonds a month until the labor market improves. The decision drew criticism from some Fed officials, including Philadelphia Fed President Charles Plosser, who said the new accommodation will do little to spur job growth while stoking inflation. [Bloomberg]

Madrid Protesters March Again as Spain Braces for Cuts

Spanish protesters marched for a second night in Madrid, calling on Prime Minister Mariano Rajoy to reverse austerity measures as his nine-month-old government prepared its fifth package of budget cuts. Rajoy risks renewed criticism tomorrow when the Cabinet approves the 2013 budget and presents measures to bolster the shrinking economy. The premier is struggling to persuade European peers, voters and investors that he can tackle the crisis, as Spain's bond yields surge amid rising investor expectations that Rajoy will delay asking for external aid. [Bloomberg]

CORPORATE NEWS

GM-Peugeot Discussion Said to Slow While Economy Worsens

General Motors Co. (GM) and PSA Peugeot Citroen's efforts to deepen their alliance have slowed recently amid a worsening European auto market and complicated regulatory review, people familiar with the matter said. The companies have already missed a June 30 deadline on the parts-buying plan. The automakers also aimed to announce as soon as this week at the Paris Motor Show more details on plans to jointly build four model lines using common underpinnings and to combine purchasing efforts, said the people, who asked not to be identified discussing internal negotiations. The weakening European economy and the companies' different processes for developing cars have hindered progress, the people said, underscoring the challenge of synchronizing operations in an industry where products are planned years in advance. The automakers outlined in February a sweeping alliance to save \$2 billion a year. GM bought 7 percent of Peugeot (UG) in the deal. [Bloomberg]

Toyota Joins Nissan in Saying Deeper China Output Cuts Loom

Toyota Motor Corp. (7203), Nissan Motor Co. (7201) and Honda Motor Co. (7267) signaled Chinese production cuts may deepen this month after anti-Japanese protests flared in the world's largest vehicle market. Nissan lowered August output in China, its largest market by volume, 8.9 percent from a year earlier to 86,488 units, the Japanese carmaker said today. Chinese production fell 18 percent to 67,625 vehicles at Toyota, Asia's biggest automaker, and declined 10 percent at Honda. Officials at the Japanese automakers said sales and production are poised to worsen in September after anti-Japan protests over disputed islets in the East China Sea escalated, with some demonstrators torching auto showrooms and smashing cars. Japanese autos will lose their lead this year over German nameplates in the country for the first time since 2005, China's Passenger Car Association estimates. [Bloomberg]

BP's Texas Refinery Sale Shows Volatile Industry's Decay

BP Plc (BP/) may get less than half the \$2.85 billion it planned for selling its Texas City refinery, the third-largest in the U.S., as values for U.S. plants haven't kept pace with soaring profits. The average price of U.S. refineries sold since 2009 indicates the plant should sell for \$1 billion, data compiled by Bloomberg Industries show, a valuation that would be among the lowest in two decades. At a time when investors are enjoying the highest stock returns since 2007, BP would reap less than half of the \$4.4 billion total value it estimated it would get when it put its Texas and Carson, California, plants up for sale last year, according to data compiled by Bloomberg. [Bloomberg]