

Wednesday March 28, 2012

Stock Markets Rap (as of Mar 27)

	Close	Chg	(%)
Dow	13,198	-44	-0.3
Nasdaq	3,120	-2	-0.1
S&P 500	1,413	-4	-0.3
VIX	15.59	+1.33	+9.3
MSCI World	1,322	-1	-0.1

	Close	Chg	(%)
FTSE 100	5,870	-33	-0.6
DAX	7,079	-0	-0.0
CAC	3,470	-32	-0.9
Euro Stoxx	2,457	-14	-0.6

	Close	Chg	(%)
ASX 200	4,301	+39	+0.9
Nikkei	10,255	+237	+2.4
Shanghai	2,347	-3	-0.1
HSI	21,047	+378	+1.8
H Shares	10,811	+220	+2.1

	Close	Chg	(%)
STI	3,019	+44	+1.5
Malaysia	1,588	+5	+0.3
PSEi	5,078	+48	+1.0
SET	1,207	+19	+1.6
LSX	976	+6	+0.6
Vietnam	446	-13	-2.9
Indonesia	4,079	+48	+1.2
FTSE ASEAN	580	+10	+1.8

Currencies Rap (as of Mar 27)

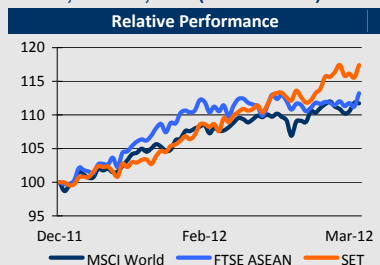
	Last	Chg	(%)
DX	79.15	+0.16	+0.21
THB/USD	30.70	-0.08	-0.26
LAK/THB	260.15	+0.56	+0.21
LAK/USD	7,984.00	-5.00	-0.06
USD/EUR	1.3354	+0.01	+0.88
JPY/USD	82.83	-0.06	-0.07

Commodities Rap (as of Mar 27)

	Close	Chg	(%)
Gold	1,687.70	-0.50	-0.03
Silver	32.62	-0.13	-0.41
Copper	388.00	-0.75	-0.19
WTI	107.33	+0.30	+0.28
Brent	125.54	-0.11	-0.09
BDI	917	+5	+0.55

Source: Bloomberg

World, ASEAN, SET (as of Mar 27)



Source: Bloomberg

MACRO NEWS

- US Consumer Confidence Wanes, Inflation a Concern
- Chinese Yuan Hits Third-Straight Record High
- China's Industrial Company Profits Fall 5.2% on Exports

CORPORATE NEWS

- Apple [AAPL:US]** - Apple Proposes Deal on iPad 4G, Refunds in Australia
- Pfizer [PFE:US]** - Pfizer Rises After Goldman Raises Potential for Full Breakup
- China Construction Bank [939:HK]** - CCB Defends Credit Quality as Bad Loans Rise
- PetroChina [857:HK]** - Value Partners Bets Big on PetroChina, China Shenhua

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MACRO NEWS

US Consumer Confidence Wanes, Inflation a Concern

Americans were more worried about inflation in March than at any time in the last 10 months and consumer confidence waned in the wake of higher gasoline prices. A separate report on Tuesday showed U.S. home prices were unchanged in January from December, the first time since July prices have not declined in a sign the battered housing market is slowly stabilizing. The Conference Board showed the index of consumer attitudes slipped to 70.2 from an upwardly revised 71.6 the month before, roughly in line with economists' forecasts for 70.3. But expectations for inflation in the coming year jumped to the highest level since May 2011 at 6.3% from 5.5%. The S&P/Case-Shiller composite index of 20 metropolitan areas was flat in January on a seasonally adjusted basis, beating economists' expectations for a decline of 0.2%. It was the first time the index did not decline since July 2011. Average home prices across the country were back to early 2003 levels. [\[Reuters\]](#)

Chinese Yuan Hits Third-Straight Record High

China's currency rose to a fresh record against the U.S. dollar Tuesday, with the dollar buying 6.284 yuan, a day after Chinese President Hu Jintao told U.S. President Barack Obama that efforts to make the currency more freely tradable would continue. China's central bank set midpoint of the daily trading range for the dollar-yuan pair at a record high for the third straight session Tuesday, even as the yuan ended slightly lower against the dollar Monday. Beijing plans to further reform its currency system, including steps to enable the market to play a greater role in determining its value, Hu said in a meeting with Obama in Seoul. [\[MarketWatch\]](#)

China's Industrial Company Profits Fall 5.2% on Exports

Chinese industrial companies had their first January-February profit decline since 2009 as slowing exports and a government campaign to cool property prices damped earnings. Net income dropped 5.2% from a year earlier to 606 billion yuan (\$96 billion), the National Bureau of Statistics said on its website. That compared with a 34.3% gain in the first two months of 2011. Among 41 industry categories, 23 reported an increase in profits, 14 saw income fall and one broke even. Companies in the category of oil refining, coking and nuclear fuel processing switched from profits to losses, while two other industries saw losses widen, the bureau said. [\[Bloomberg\]](#)

CORPORATE NEWS

Apple [AAPL:US] - Apple Proposes Deal on iPad 4G, Refunds in Australia

Lawyers for Apple Inc. and Australia's competition regulator will seek to present to a federal court Wednesday an agreed clarification statement on the incompatibility of the new iPad with 4G telecommunications networks in the country. Paul Anastassiou, senior council representing Apple, told the court the company had already made an offer to the Australian Competition & Consumer Commission, or ACCC, to put a clarification on its website and at sales points telling consumers the new device isn't compatible with Telstra Corp.'s 4G network in Australia. Mr. Anastassiou also said Apple had proposed offering a refund for purchasers of the new model iPad who may feel they were misled by the company's description of the device, although he added Apple was confident very few people would apply to return their iPad. [\[WSJ\]](#)

Pfizer [PFE:US] - Pfizer Rises After Goldman Raises Potential for Full Breakup

Pfizer Inc., the world's largest drugmaker, rose to its highest price in more than four years after Goldman Sachs Group Inc. analysts said the company may go beyond the divestiture plans it has already announced. Pfizer climbed 1.5% to \$22.50 at the close in New York, the highest value since \$22.55 in February 2008. Read, at a recent meeting with Goldman analysts, indicated he may be willing to further split up the company after selling or spinning off those two units, Jami Rubin, a Goldman analyst, wrote in a note to investors. "We see these moves as first steps in a potential full-scale breakup," akin to the split now taking place at Abbott Laboratories, Rubin wrote. [\[Bloomberg\]](#)

China Construction Bank [939:HK] - CCB Defends Credit Quality as Bad Loans Rise

China Construction Bank, the world's second-largest lender by market value, said an increase of about a tenth in its non-performing loans in the last quarter was due in part to it tightening its loan standards, prompting it to set aside more money for bad debt. Rising bad loan costs among Chinese banks highlight growing concern that NPLs are likely to increase as growth in the economy slows. "We've been very diligent about how we classify our loans, maybe even more so than the regulators and other banks," CCB Chairman Wang Hongzhang said. "Our NPL numbers may look higher than some competitors, but our credit quality is definitely as good or even better than everybody else." CCB's total non-performing loans rose almost 10% in October-December, a reflection of a deterioration in the manufacturing, real estate and retail sectors, the bank said. [\[Reuters\]](#)

PetroChina [857:HK] - Value Partners Bets Big on PetroChina, China Shenhua

Value Partners is betting aggressively on PetroChina Co Ltd and China Shenhua Energy Co Ltd in its flagship equity fund, part of its outsized bet on the world's second largest economy. Renee Hung, deputy chief investment officer who helps manage about \$7 billion for the money manager that won the best equity fund group award from Thomson Reuters Lipper on Monday, said the two energy companies were attractively valued, offered solid dividend yields and could show earnings growth of between 15% and 20%. Hung has invested more than 50% of her \$1.8 billion flagship Asia Pacific-focused Value Partners Classic Fund in China. She was also positive on auto firms such as Brilliance China Automotive and real estate company China Vanke. PetroChina is now its top holding, almost hitting the maximum 10% exposure the fund could have to a stock. China Shenhua Energy, China's largest coal producer, has an 8.2% allocation, up from 2.8% a year ago, according to data compiled by Lipper. [\[Reuters\]](#)