

October 4, 2012

## Stock Markets Rap

|             | Close     | Chg   | (%)   |
|-------------|-----------|-------|-------|
| MSCI World  | 1,318.91  | -0.6  | -0.0% |
| Dow         | 13,494.61 | 0.0   | 0.1%  |
| Nasdaq      | 3,135.23  | 15.2  | 0.5%  |
| S&P 500     | 1,450.99  | 5.2   | 0.5%  |
| Euro Stoxx  | 2,564.02  | 14.0  | 0.5%  |
| FTSE 100    | 5,825.81  | 16.4  | 0.3%  |
| DAX         | 7,322.08  | 16.2  | 0.2%  |
| CAC         | 3,406.02  | -8.2  | -0.2% |
| ASX 200     | 4,396.00  | -19.0 | -0.4% |
| Nikkei      | 8,746.87  | -39.2 | -0.4% |
| Shanghai    | 2,086.17  | 29.8  | 1.5%  |
| Hang Seng   | 20,888.28 | 47.9  | 0.2%  |
| H Shares    | 9,828.22  | -3.4  | -0.0% |
|             | Close     | Chg   | (%)   |
| FTSE ASEAN  | 590.56    | -1.7  | -0.3% |
| Singapore   | 3,077.14  | -2.0  | -0.1% |
| Thailand    | 1,307.55  | 1.9   | 0.1%  |
| Malaysia    | 1,649.75  | -1.3  | -0.1% |
| Indonesia   | 4,251.51  | -5.3  | -0.1% |
| Philippines | 5,375.52  | 26.8  | 0.5%  |
| Vietnam     | 385.37    | 1.1   | 0.3%  |
| Lao PDR     | 1,048.96  | 0.0   | 0.0%  |
| Cambodia    | 677.42    | 10.8  | 1.6%  |

## Currencies Rap

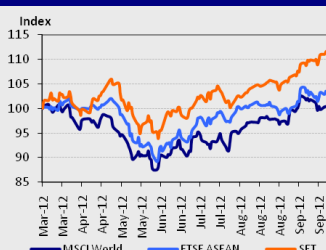
|         | Last      | Chg  | (%)   |
|---------|-----------|------|-------|
| DX      | 79.97     | 0.2  | 0.3%  |
| USD/EUR | 1.29      | -0.0 | -0.1% |
| JPY/USD | 78.23     | 0.1  | 0.1%  |
| THB/USD | 30.66     | 0.0  | 0.0%  |
| VND/USD | 20,890.00 | 5.0  | 0.0%  |
| LAK/USD | 8,011.40  | -8.1 | -0.1% |
| KHR/USD | 4,058.15  | -3.4 | -0.1% |
| MMK/USD | 860.04    | -1.7 | -0.2% |
| VND/THB | 681.12    | -0.3 | -0.0% |
| LAK/THB | 261.22    | -0.4 | -0.2% |
| KHR/THB | 681.12    | -0.3 | -0.0% |
| MMK/THB | 28.04     | -0.1 | -0.3% |

## Commodities Rap

|        | Close    | Chg   | (%)   |
|--------|----------|-------|-------|
| Gold   | 1,778.44 | -0.74 | -0.0% |
| Silver | 34.73    | -0.09 | -0.3% |
| Copper | 378.40   | -1.70 | -0.4% |
| WTI    | 88.14    | -3.75 | -4.1% |
| Brent  | 108.17   | -3.40 | -3.0% |
| BDI    | 798.00   | 20.00 | 2.6%  |

## World, ASEAN, SET

### Relative Performance



KT Zmico Research  
Research@ktzmico.com  
66 (0) 2695-5000

## MACRO NEWS

- Global : Global Services Weaken as Europe Slides Into Recession
- US : Services in U.S. Expanded More in September Than Forecast
- China : China's Slowdown Reverberates as ADB Cuts Forecasts
- EU : Draghi Stares at Spain as Bond Brinkmanship Keeps ECB Waiting

## CORPORATE NEWS

- AT&T [T: US] : AT&T Is Said to Unveil Nokia's Lumia 920 Tomorrow
- BofA [BAC: US] : BofA Agrees to Sell 12-Building New Jersey Office Campus
- BNP [BNPQY: US] : BNP Is Coming Under Pressure With SocGen to Isolate Risk

## MACRO NEWS

### Global Services Weaken as Europe Slides Into Recession

Services industries from Asia to Europe cooled last month after the euro-area debt crisis pulled economies including Spain and Italy into recession and damped global growth prospects. The purchasing managers' index fell to 53.7 in September from 56.3 in August, the National Bureau of Statistics and China Federation of Logistics and Purchasing in Beijing said today. That's the lowest since at least March 2011. In the euro-area, a gauge slipped to 46.1 last month from 47.2 and a U.K. measure also fell. Readings below 50 indicate contraction. [Bloomberg]

### Services in U.S. Expanded More in September Than Forecast

The Institute for Supply Management's index of U.S. non-manufacturing businesses, which covers about 90 percent of the economy, rose to 55.1 in September from the prior month's 53.7, the Tempe, Arizona-based group said today. The median forecast of 77 economists surveyed by Bloomberg projected 53.4. Estimates ranged from 51.5 to 54.7. Readings above 50 signal expansion. The ISM services survey covers industries ranging from utilities and retailing to housing, health care and finance. [Bloomberg]

### China's Slowdown Reverberates as ADB Cuts Forecasts

China's services industry expanded the least in more than a year, underscoring a slowdown that spurred the Asian Development Bank to lower its 2012 regional growth estimate and caused a slide in Australian coal exports. The purchasing managers' index from the Chinese government and logistics federation fell to 53.7 in September from 56.3 the previous month, a report showed today, while Australia recorded its widest trade deficit since March 2008 in August. The ADB today forecast Asia excluding Japan will expand 6.1 percent this year, the slowest pace since 2009. [Bloomberg]

### Draghi Stares at Spain as Bond Brinkmanship Keeps ECB Waiting

Mario Draghi is waiting for Spain to get back to him on whether his plan to save the euro is needed. One month after the European Central Bank president unveiled an unprecedented bond purchase program to rescue Europe's embattled southern fringe, Spanish Prime Minister Mariano Rajoy is showing reluctance to ask for the aid he pushed for with Italy on concern about the terms attached to it. "We're back at this game of brinkmanship between the ECB and governments again, and it's a case of who makes some concessions first," said Nick Matthews, senior European economist at Nomura International Plc in London. [Bloomberg]

## CORPORATE NEWS

### AT&T Is Said to Unveil Nokia's Lumia 920 Tomorrow

AT&T Inc. (T), the second-largest U.S. wireless carrier, will announce plans tomorrow to sell Nokia Oyj (NOK)'s first device running on Windows Phone 8 software for the U.S. market, two people with knowledge of the plan said. Nokia unveiled the Lumia 920 phone last month as one of two devices with Microsoft Corp. (MSFT)'s new Windows operating system, without giving a release date or saying what carriers would offer it. AT&T is planning to host a showcase of new devices tomorrow in New York. The phone won't be immediately available for sale after the unveiling. The Lumia phones are the linchpin of a comeback plan for Nokia, which has struggled to compete with Apple Inc. (AAPL)'s iPhone and Google Inc.'s Android. Microsoft also is counting on the Nokia devices to help it win back market share in smartphone software. The Lumia 920, which sports a 4.5-inch screen, would be the first Windows Phone 8 model to be sold in the U.S. [Bloomberg]

### BofA Agrees to Sell 12-Building New Jersey Office Campus

Bank of America Corp. agreed to sell a 12-building office campus in central New Jersey that it inherited from Merrill Lynch & Co., part of the company's efforts to cut costs. Real Estate Alert, a trade newsletter, reported today that New York-based Fortress Investment Group LLC (FIG) agreed to buy the complex for \$375 million to \$400 million. Gordon Runte, a spokesman for Fortress, didn't immediately respond to a phone message seeking comment. [Bloomberg]

### BNP Is Coming Under Pressure With SocGen to Isolate Risk

French lenders' trading assets have grown to almost match the size of the nation's economy, making them vulnerable to government efforts to wall off banking risk. Investment-banking units of BNP Paribas SA (BNP), Societe Generale SA, Credit Agricole SA (ACA) and Natixis (KN) SA have 2.05 trillion euros (\$2.64 trillion) in trading assets, including bonds, equities and derivatives, data compiled from the banks show. That's a 21 percent jump in the 12 months to June and a two-year high, just shy of France's \$2.77 trillion gross domestic product. French President Francois Hollande, elected in May, has pledged to overhaul the country's banking industry -- which has the biggest holdings in public and private debt in the euro-area's troubled economies -- to better separate the consumer and the riskier investment-banking operations. [Bloomberg]