

Tuesday June 5, 2012

Stock Markets Rap (as of June 4)

	Close	Chg	(%)
MSCI World	1,151	-2	-0.2
Dow	12,101	-17	-0.1
Nasdaq	2,760	+13	+0.5
S&P 500	1,278	+0	+0.0
Euro Stoxx	2,079	+10	+0.5
FTSE 100	5,260	-	-
DAX	5,978	-72	-1.2
CAC	2,954	+4	+0.1
ASX 200	3,985	-79	-1.9
Nikkei	8,296	-145	-1.7
Shanghai	2,309	-65	-2.7
Hang Seng	18,186	-373	-2.0
H Shares	9,375	-246	-2.6

	Close	Chg	(%)
FTSE ASEAN	511	-8	-1.5
Singapore	2,699	-47	-1.7
Thailand	1,115	-	-
Malaysia	1,555	-18	-1.2
Indonesia	3,655	-145	-3.8
Philippines	4,890	-172	-3.4
Vietnam	417	-12	-2.8
Lao PDR	1,015	0	0.0
Cambodia	737	-38	-4.9

Currencies Rap (as of June 4)

	Last	Chg	(%)
DXY	82.56	-0.33	-0.40
USD/EUR	1.2433	-0.00	-0.01
JPY/USD	78.14	+0.12	+0.15
THB/USD	31.56	-0.21	-0.66
VND/USD	20,920	+55.00	+0.26
LAK/USD	8,028.00	-6.00	-0.07
KHR/USD	4,053.80	-40.90	-1.00
MMK/USD	836.08	-7.35	-0.87
VND/THB	662.15	+7.92	+1.21
LAK/THB	254.37	+2.52	+1.00
KHR/THB	129.00	+1.50	+1.18
MMK/THB	26.49	+0.05	+0.20

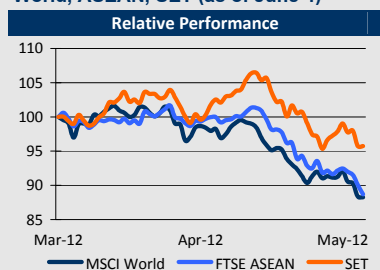
Commodities Rap (as of June 4)

	Close	Chg	(%)
Gold	1,613.90	-8.20	-0.51
Silver	28.01	-0.50	-1.77
Copper	330.70	-0.65	-0.20
WTI	83.98	+0.75	+0.90
Brent	98.85	+0.42	+0.43
BDI	904	-	-

Source: Bloomberg

* UK FTSE 100, SET Index and BDI as of June 1

World, ASEAN, SET (as of June 4)



Source: Bloomberg

MACRO NEWS

- G7 to Hold Emergency Euro Zone Talks, Spain Top Concern
- EU's Rehn: Must Consider Direct Bank Recapitalisation via ESM
- U.S. Factory Orders Post Surprise Fall in April
- US: Employers in U.S. Increased 69,000 in May; Jobless Rate at 8.2%
- China Services Growth Weakens as JPMorgan Cuts Outlook: Economy
- China Making Contingency Plans for a Greek Exit

CORPORATE NEWS

- Sands China [1928:HK] - Macau Gambling Revenue Growth Slows to Near 3 Yr-Low
- Sands China [1928:HK] - Sands China Gives Up Appeal for Macau Land Rights
- Apple [AAPL:US] - Apple's Sim Backed by Europe

Thanawat Patchimkul
Global Strategist
Email: thanawatp@ktzmico.com
Tel: + 66 2 695 5451
Assisted by
Denruthai Krishnamra

MACRO NEWS

G7 to Hold Emergency Euro Zone Talks, Spain Top Concern

Finance chiefs of the Group of Seven leading industrialized powers will hold emergency talks on the euro zone debt crisis on Tuesday in a sign of heightened global alarm about strains in the 17-nation European currency area. With Greece, Ireland and Portugal all under international bailout programs, financial markets are anxious about the risks from a seething Spanish banking crisis and a June 17 Greek election that may lead to Athens leaving the euro zone. Canadian Finance Minister Jim Flaherty said ministers and central bankers of the United States, Canada, Japan, Britain, Germany, France and Italy would hold a special conference call, raising pressure on the Europeans to act. [\[Reuters\]](#)

EU's Rehn: Must Consider Direct Bank Recapitalisation via ESM

The European Commission has been considering the possibility of direct bank recapitalisation by the euro zone's ESM bailout fund, though this is not possible under the current treaty, its top economics official said on Monday. "We have been considering this as a serious possibility, of breaking the link between the sovereigns and the banks," EU Economic and Monetary Affairs Commissioner Olli Rehn told a news briefing. "The key issue is to be able to break the link between the banks and the sovereigns so that we can go to the roots of this current debt crisis." [\[Reuters\]](#)

U.S. Factory Orders Post Surprise Fall in April

New orders for U.S. factory goods fell in April for the 3rd time in 4 months as demand slipped for everything from cars and machinery to computers, the latest worrisome sign for the economy. The Commerce Dept said on Monday orders for manufactured goods dropped 0.6% during the month. The government also revised its estimate for new orders in March to show a steeper decline. Economists forecast rising 0.2% in April. [\[Reuters\]](#)

US: Employers in U.S. Increased 69,000 in May; Jobless Rate at 8.2%

American employers in May added the smallest number of workers in a year and the unemployment rate unexpectedly increased as job-seekers re-entered the workforce, further evidence that the labor-market recovery is stalling. Payrolls climbed by 69,000 last month, less than the most-pessimistic forecast, after a revised 77,000 gain in April that was smaller than initially estimated, Labor Department figures showed. The median estimate called for a 150,000 May advance. The jobless rate rose to 8.2% from 8.1%, while hours worked declined. [\[Bloomberg\]](#)

China Services Growth Weakens as JPMorgan Cuts Outlook: Economy

The purchasing managers' index fell to 55.2 in May 2012 from 56.1 in April, the lowest reading since March 2011, the National Bureau of Statistics and China Federation of Logistics and Purchasing said. The report adds to evidence that the world's second-biggest economy is weakening as Europe's debt crisis crimps demand and government curbs on the property market feed through to more industries. JPMorgan Chase & Co. has cut its full-year economic growth forecast for China twice in a month and now estimates an expansion of 7.7%, down from 9.2% in 2011. "The uncertainties surrounding the exit of Greece from the euro area and the sovereign debt crisis in peripheral countries have intensified substantially," JPMorgan analysts said in a note dated June 1. The risk is "a significant drag" on China's economic recovery, the bank said. [\[Bloomberg\]](#)

China Making Contingency Plans for a Greek Exit

The Chinese government has called on key agencies, including the central bank, to come up with plans to deal with the potential economic risks of a Greek withdrawal from the euro zone, three sources with knowledge of the matter told Reuters on Monday. The sources said the plans may include implementing measures to keep the yuan currency stable, increasing checks on cross-border capital flows, and stepping up policies to stabilize the domestic economy. "It's very urgent," a source with direct knowledge said. "The government has asked every department to analyze measures to cope with a Greek exit from the euro zone and make their own suggestions as soon as possible." [\[CNBC\]](#)

CORPORATE NEWS

Sands China [1928:HK] - Macau Gambling Revenue Growth Slows to Near 3 Yr-Low

Macau, the world's largest gambling destination, reported 7.3% growth in its May gambling revenue on Friday, the slowest expansion rate recorded since July 2009. Total revenue of 26.08 billion patacas recorded for May is the second highest for a single month, but a far cry from the 70-90% monthly growth rates seen in 2010 and even the 22% growth in April. [\[Reuters\]](#)

Sands China [1928:HK] - Sands China Gives Up Appeal for Macau Land Rights

Sands China Ltd. said in a statement to the Hong Kong stock exchange that it had on Wednesday withdrawn its appeal of the Macau government's December 2010 decision to reject the casino operator's request for rights to land in Cotai area, the home to its flagship Venetian Macao casino-resort. Las Vegas Sands said in its 2011 annual report that if it didn't get the land rights or receive full reimbursement of its capitalized investment in the project, it would record a charge for all or some portion of the US\$101.1 million in costs as of Dec. 31, 2011. [\[MarketWatch\]](#)

Apple [AAPL:US] - Apple's Sim Backed by Europe

The European Telecommunications Standards Institute (ETSI) has selected a design proposed by Apple as the standard for the next generation of mobile phone SIM cards ending months of sometimes contentious debate between Apple and rivals including Motorola Mobility, Research In Motion and Nokia. The new "nano" Sim card design – the fourth since mobile phone Sims were introduced in the early 1990s – is 40% smaller than the micro-Sim currently used in some handsets including Apple's popular iPhone 4S. [\[Financial Times\]](#)