

November 7, 2012

Stock Markets Rap

	Close	Chg	(%)
MSCI World	1,311.42	8.1	0.6%
Dow	13,245.68	133.2	1.0%
Nasdaq	3,011.93	12.3	0.4%
S&P 500	1,428.39	11.1	0.7%
Euro Stoxx	2,535.94	18.3	0.7%
FTSE 100	5,884.90	45.8	0.8%
DAX	7,377.76	51.3	0.7%
CAC	3,478.66	30.2	0.9%
ASX 200	4,484.80	10.7	0.2%
Nikkei	8,975.15	-32.3	-0.4%
Shanghai	2,106.00	-8.0	-0.4%
Hang Seng	21,944.43	-62.0	-0.3%
H Shares	10,734.42	-33.9	-0.3%
	Close	Chg	(%)
FTSE ASEAN	588.24	-1.0	-0.2%
Singapore	3,019.33	-12.4	-0.4%
Thailand	1,300.84	-5.9	-0.4%
Malaysia	1,645.63	-8.4	-0.5%
Indonesia	4,314.27	11.3	0.3%
Philippines	5,473.61	15.8	0.3%
Vietnam	376.95	-0.3	-0.1%
Lao PDR	1,103.88	18.3	1.7%
Cambodia	666.67	0.0	0.0%

Currencies Rap

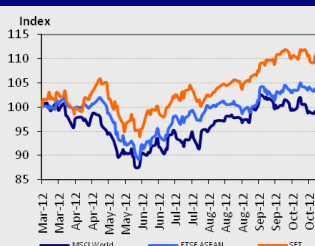
	Last	Chg	(%)
DX	80.61	-0.1	-0.2%
USD/EUR	1.28	-0.0	-0.0%
JPY/USD	80.22	-0.1	-0.1%
THB/USD	30.76	-0.0	-0.2%
VND/USD	20,850.00	0.0	0.0%
LAK/USD	8,004.55	-33.3	-0.4%
KHR/USD	4,022.80	-16.1	-0.4%
MMK/USD	849.48	-3.5	-0.4%
VND/THB	677.75	1.3	0.2%
LAK/THB	260.23	-0.6	-0.2%
KHR/THB	677.75	1.3	0.2%
MMK/THB	27.62	-0.1	-0.2%

Commodities Rap

	Close	Chg	(%)
Gold	1,691.09	10.47	0.6%
Silver	31.34	0.42	1.3%
Copper	350.60	3.60	1.0%
WTI	88.71	3.06	3.6%
Brent	111.07	3.34	3.1%
BDI	947.00	-24.00	-2.5%

World, ASEAN, SET

Relative Performance



MACRO NEWS

- US : U.S. Vows to Avoid Fiscal Cliff Amid G-20 Warning
- EU : Hollande Raises French Sales Tax, Signaling Economic Shift
- Australia : Australia Sparks Currency Gain by Holding Key Rate
- Asia : Top-Performing Won Threatens to Hurt Korea Export Rebound

CORPORATE NEWS

- Amazon [AMZN: US]: Amazon Monthly Prime Option Steps Up Challenge to Netflix
- AT&T [T: US]: AT&T to Unveil Upgrade Plan to Improve Outlook of Rural Business

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MACRO NEWS

U.S. Vows to Avoid Fiscal Cliff Amid G-20 Warning

The U.S. gave an election-eve commitment to “carefully calibrate” its budget retrenchment amid global warnings that a rush of austerity would harm the weak world economy. As Americans prepared to choose a president, Group of 20 finance chiefs said after talks yesterday in Mexico City that the U.S. pledged to avoid a “sharp fiscal contraction” in 2013. That’s when \$607 billion of automatic tax increases and spending cuts are set to take effect unless lawmakers act. [Bloomberg]

Hollande Raises French Sales Tax, Signaling Economic Shift

President Francois Hollande will raise France’s main sales tax rates to finance a cut in payroll charges, throwing support behind businesses for the first time in a bid to counter a record trade deficit and revive growth. Hollande is setting out his plan in a week where France is coming under pressure from the International Monetary Fund and the European Commission to improve its competitiveness as Europe’s sovereign debt crisis prompts neighboring Spain and Italy to overhaul their economies. The IMF said yesterday that France needs “serious structural reform” and the commission is slated to issue another report tomorrow. [Bloomberg]

Australia Sparks Currency Gain by Holding Key Rate

Australia’s central bank kept its benchmark interest rate unchanged at a developed-world high as the global economy stabilizes and domestic inflation picks up, driving the local currency to a five-week high. Governor Glenn Stevens and his board left the overnight cash-rate target at 3.25 percent, the Reserve Bank of Australia said in a statement in Sydney. The move surprised most economists, with 20 of 27 surveyed by Bloomberg News having predicted a cut to 3 percent. Traders were split 50-50 on whether Stevens would stand pat or cut. [Bloomberg]

Top-Performing Won Threatens to Hurt Korea Export Rebound

South Korea’s won, the best performer among Asia’s most-traded currencies since June, is threatening to curtail exports just as the economy shows signs of a rebound in growth. The won may appreciate a further 9.1 percent from yesterday’s close to 1,000 per dollar by the end of 2013, according to Bank of America Merrill Lynch and BNP Paribas SA forecasts. Kia Motors Corp. (000270), the nation’s second-largest carmaker, said Oct. 26 that currency gains may hurt profitability. “The interest-rate gap between developed countries and South Korea is spurring bond market inflows and triggering won appreciation,” said Stephen Lee, a Seoul-based economist for Samsung Securities Co., who sees the benchmark rate cut to 2.25 percent from 2.75 percent within the first half of next year. “The Bank of Korea will have to lower rates to lessen this pressure.” [Bloomberg]

CORPORATE NEWS

Amazon Monthly Prime Option Steps Up Challenge to Netflix

Amazon.com Inc. (AMZN) started a monthly subscription option for Amazon Prime, a service for shipping and streaming video, a move designed to entice holiday shoppers and step up competition with Netflix Inc. (NFLX) Prime subscriptions, which have cost at \$79 a year, can now be bought for \$7.99 month, according to pricing information on the website of the Seattle-based company. Free two-day shipping may help Amazon, the world’s largest online retailer, encourage consumers to make more holiday gift purchases on its website. The new payment option also intensifies a rivalry with Netflix, which charges the same price for monthly subscriptions to its streaming video service. [Bloomberg]

AT&T to Unveil Upgrade Plan to Improve Outlook of Rural Business

AT&T Inc. (T), the largest U.S. telephone company, plans to tell investors tomorrow that it will extend high-speed Internet service to far-flung customers in an effort to boost sales in its struggling rural business. Through a combination of upgrades to the phone lines and the expansion of its long-term evolution, or LTE, wireless network, the company would be able to reach customers in rural areas with faster connections. About 23 percent of AT&T’s 52 million subscriber households can’t get broadband lines, according to John Hodulik, an analyst at UBS AG. [Bloomberg]