

Monday July 9, 2012

Stock Markets Rap (as of July 6)

	Close	Chg	(%)
MSCI World	1,229	-13	-1.0
Dow	12,772	-124	-1.0
Nasdaq	2,937	-39	-1.3
S&P 500	1,355	-13	-0.9
Euro Stoxx	2,236	-49	-2.2
FTSE 100	5,663	-30	-0.5
DAX	6,410	-125	-1.9
CAC	3,169	-61	-1.9
ASX 200	4,158	-11	-0.3
Nikkei	9,021	-59	-0.7
Shanghai	2,224	+22	+1.0
Hang Seng	19,801	-8	-0.0
H Shares	9,680	-23	-0.2

	Close	Chg	(%)
FTSE ASEAN	561	-1	-0.3
Singapore	2,979	+7	+0.2
Thailand	1,200	-2	-0.1
Malaysia	1,621	+6	+0.4
Indonesia	4,055	-15	-0.4
Philippines	5,363	-7	-0.1
Vietnam	415	+2	+0.4
Lao PDR	1,003	0	0.0
Cambodia	688	0	0.0

Currencies Rap (as of July 6)

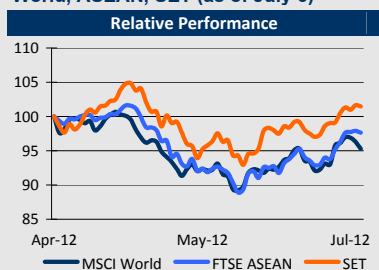
	Last	Chg	(%)
DXY	83.38	+0.56	+0.68
USD/EUR	1.2291	-0.02	-1.78
JPY/USD	79.66	+0.01	+0.01
THB/USD	31.75	+0.21	+0.67
VND/USD	20,885	+5.00	+0.02
LAK/USD	8,022.50	+6.50	+0.08
KHR/USD	4,134.65	+26.75	+0.65
MMK/USD	891.94	+8.47	+0.96
VND/THB	660.13	-2.04	-0.31
LAK/THB	253.64	-0.52	-0.20
KHR/THB	129.00	0.00	0.00
MMK/THB	28.20	+0.19	+0.67

Commodities Rap (as of July 6)

	Close	Chg	(%)
Gold	1,578.90	-30.50	-1.90
Silver	26.92	-0.75	-2.72
Copper	340.95	-8.35	-2.39
WTI	84.45	-2.77	-3.18
Brent	98.19	-2.51	-2.49
BDI	1,157	+19	+1.67

Source: Bloomberg

World, ASEAN, SET (as of July 6)



Source: Bloomberg

MACRO NEWS

- China June Inflation Eases Further; CPI Up 2.2%
- Euro Touches 2-Year Low Before Finance Ministers Meet
- IMF to Cut Global Growth Forecasts
- U.S. Job Creation Slows; Unemployment Remains At 8.2%

CORPORATE NEWS

- China Construction Bank [939:HK]** - Chinese Banks to Become Renminbi Clearing Bank in Singapore
- Sands China [1928:HK]** - Goldman Upgrades Wynn Macau, Says Investors 'Too Pessimistic'
- BHP Billiton [BHP:US]** - Coking Coal Exports From U.S. May Slow on BHP Labor Accord
- SingTel [Z74:SP]** - StarHub Rolls Out 4G Amid Singapore iPhone Craze

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MACRO NEWS**China June Inflation Eases Further; CPI Up 2.2%**

China's inflation eased sharply in June on cooling demand, with consumer prices rising 2.2% from the same month a year earlier, as compared to a 3% year-on-year increase in May, according to official data released Monday. Data released by the National Bureau of Statistics also showed that the Chinese mainland's producer prices dropped 2.1% in June from the year-ago period, accelerating from a 1.4% decline in May. Both figures for June matched estimates from a Dow Jones Newswires' poll of economists. [\[MarketWatch\]](#)

Euro Touches 2-Year Low Before Finance Ministers Meet

The euro touched its lowest level in two years before regional finance ministers gather in Brussels today to discuss crisis-fighting measures adopted by heads of government at a summit last month. The 17-nation currency weakened versus most of its 16 major counterparts before a bill sale in Italy this week. The yen advanced against all of its most-traded peers after Japan released trade data for May and as Asian stocks extended losses in global equity markets from last week, boosting demand for haven assets. Australia's dollar fell for a second day after Chinese Premier Wen Jiabao said downward pressure on the economy is still "relatively large." "The risk around the finance ministers' meeting is that we see more cracks appearing in European unity and perhaps a delay in implementation of the measures agreed on at the summit," said Mike Jones, a Wellington-based currency strategist at Bank of New Zealand Ltd. "That's taking some toll on the euro." The euro earlier slid to as low as \$1.2251, the weakest since July 2010, before trading at \$1.2281 as of 9:12 a.m. in Tokyo, 0.1% lower than the close on July 6. [\[Bloomberg\]](#)

IMF to Cut Global Growth Forecasts

IMF head Christine Lagarde said Friday that the IMF will cut its global growth forecasts in the next month, adding that a weaker global economy will bring more trouble for Japan in the form of a stronger yen. The world economic outlook will be "tilted to the downside," Ms. Lagarde said at a news conference in Tokyo. "Tilted means there's not an enormous variation, but it's a negative variation," she said, without providing any figures or details of which regions would be affected. The IMF's world economic outlook is revised quarterly. In the latest update in April, the fund predicted global growth of 3.5% in 2012, revised upwards from a 3.3% forecast in January, and forecast 4.1% growth in 2013, up from 3.9%. [\[WSJ\]](#)

U.S. Job Creation Slows; Unemployment Remains At 8.2%

The U.S. economy added just 80,000 net jobs in June, the government reported Friday. Although slightly higher than May's disappointing number, June's figure was well below economists' expectations, sending the stock market tumbling. The unemployment rate remained at 8.2%, as the slow but steady drop from the high of 10% in late 2009 has flattened. The private sector recorded its lowest monthly job growth in nearly a year, even as the heavy government layoffs eased considerably. Only 4,000 net jobs were lost in the public sector last month. Businesses are worried about adding employees when the nation's economic recovery is threatened with mounting financial problems in the Eurozone, a looming global economic slowdown and a policy paralysis among Washington politicians. [\[Los Angeles Times\]](#)

CORPORATE NEWS**China Construction Bank [939:HK] - Chinese Banks to Become Renminbi Clearing Bank in Singapore**

Singapore's Ministry of Trade and Industry announced Friday that two eligible Chinese banks currently operating in Singapore will be granted Qualifying Full Bank (QFB) privileges, one of which will be authorized as a clearing bank for renminbi in Singapore. The ministry did not name the two Chinese banks in the press release. Currently, there are three Chinese banks operating in Singapore, including Bank of China, Industrial and Commercial Bank of China and China Construction Bank, none of which are under the license scheme of QFB. [\[China Daily\]](#)

Sands China [1928:HK] - Goldman Upgrades Wynn Macau, Says Investors 'Too Pessimistic'

While a slowdown in Macau has many analysts lowering growth forecasts and cutting stock prices, Goldman Sachs says there's too much pessimism over the gaming market and investors could see good value in the long term in certain stocks. The bank upgraded Wynn Macau, a unit of U.S. gaming firm Wynn Resorts, from sell to neutral, because its shares no longer traded at a significantly higher valuation than those of its peers. Goldman has added Galaxy Entertainment to its conviction buy list over Sands China. The bank said it expects markets to be disappointed by weak results from Sands China in 2Q12 because it failed to create much hype with the opening of its newest casino on Macau's Cotai strip in April. [\[CNBC\]](#)

BHP Billiton [BHP:US] - Coking Coal Exports From U.S. May Slow on BHP Labor Accord

Coking coal exports from the U.S. may slow after BHP Billiton and labor unions in Australia reached an accord, according to Raymond James Financial Inc. U.S. shipments of the steelmaking component in 1Q12 were about 17.5 million short tons, up 2.1% from a year earlier, Energy Department data show, as producers benefited from a void caused by rolling strikes at the world's biggest coking coal exporter since June 2011. BHP and the unions, after beginning mediation July 3, agreed on a framework that will guide the finalization of an enterprise pact. There's the fear that this has been keeping supply out of the market. [\[Bloomberg\]](#)

SingTel [Z74:SP] - StarHub Rolls Out 4G Amid Singapore iPhone Craze

StarHub, Singapore's second-largest phone company, will roll out a faster network at key business centers as more people use smart phones such as Apple's iPhone to browse the Internet and watch videos. Singapore Telecommunications, also known as SingTel, last month unveiled its 4G services in the country. [\[Bloomberg\]](#)