

Thursday December 8, 2011

NEWS UPDATE

Stock Markets Rap (as of Dec 7)

	Close	Chg	(%)
Dow	12,196	+46	+0.4
Nasdaq	2,649	-0	-0.0
S&P 500	1,261	+3	+0.2
Global Dow	1,851	+6	+0.3
VIX	28.67	+0.54	+1.9

	Close	Chg	(%)
FTSE 100	5,547	-22	-0.4
DAX	5,995	-34	-0.6
CAC	3,176	-4	-0.1

	Close	Chg	(%)
ASX 200	4,293	+31	+0.7
Nikkei	8,722	+147	+1.7
Shanghai	2,333	+7	+0.3
HSI	19,241	+298	+1.6
H Shares	10,485	+227	+2.2
FTSE STI	2,783	+33	+1.2
SET	1,047	+16	+1.5
LSX	927	0	0.0
Vietnam	387	-3	-0.8

Currencies Rap (as of Dec 7)

	Last	Chg	(%)
DXY	78.42	-0.08	-0.10
THB/USD	30.80	-0.04	-0.13
THB/LAK	260.21	+0.37	+0.14
LAK/USD	8,014.50	+1.00	+0.01
USD/EUR	1.3388	-0.00	-0.21
JPY/USD	77.74	-0.01	-0.01

Commodities Rap (as of Dec 7)

	Close	Chg	(%)
Gold	1,744.80	+13.00	+0.75
Silver	32.63	-0.12	-0.36
WTI	100.49	-0.79	-0.78
Brent	109.53	-1.28	-1.16
BDI	1,849	+1	+0.05

Source: Bloomberg

G20 Plans \$600 Bln IMF Lending Facility for Europe-Nikkei

The Group of 20 nations is planning to put together a \$600 billion lending facility at the International Monetary Fund which could be used to bolster indebted countries in the euro zone, the Nikkei newspaper reported. In its online edition, the Nikkei cited no sources but said key members like Japan, the United States and China would contribute to the facility. The report said the G20 would also discuss making use of special drawing rights, a reserve asset from which cash-strapped nations can request withdrawals. "One proposal calls for increasing the allocations to key nations by about 250 billion dollars and redistributing the money to troubled nations," the Nikkei reported. [\[Reuters\]](#)

Germany Rejects Combined Euro Rescue Funds, Official Says

Germany rejected proposals to combine the current and permanent euro-area rescue funds as Chancellor Angela Merkel's government said divisions may prevent agreement on a debt-crisis strategy among all 27 European Union states this week. Germany will oppose any attempt to change an agreed sequence, in which the permanent European Stability Mechanism will take over from the current rescue fund at an appointed time, a German official told reporters in Berlin today on condition of anonymity because the negotiations are private. [\[Bloomberg\]](#)

ECB to Cut Rates as Focus on Bond Buys Intensifies

The ECB is expected to cut rates and unveil a new package of bank aid on Thursday, with markets also watching for any hint it will intensify its bond buying support for the bloc's struggling periphery, setting the stage for a critical euro zone summit. A Reuters survey of 73 analysts showed a 60-percent chance the ECB will cut rates by 25 basis points for the second month running, back to the record low of 1.0% it reached during the financial crisis in 2009. Perhaps the most intense focus will be on what the ECB signals it is prepared to do regarding its bond purchases. Earlier this week S&P also warned that its threat of a mass downgrade of euro zone member rating would be tough to avoid if larger ECB bond buying was not part of Friday's summit deal. [\[Reuters\]](#)

S&P Puts Downgrade Sights on EU, Big Banks

The European Union and some of the largest banks in the euro zone were added to Standard & Poor's list of entities on watch for possible downgrade. Standard & Poor's Ratings Services also put a swath of European local and regional governments and public-finance entities on watch for possible downgrade, including the cities of Paris, Rome and Vienna. S&P on Monday placed 15 of the euro zone's 17 countries on watch for downgrade, citing the currency area's deepening political, financial and monetary problems. Greece's status was already very close to default and Cyprus was already on negative watch. In Wednesday's move, S&P put its credit ratings on some of the largest banks in the euro zone on watch for downgrade and warned it will take similar ratings actions on other large banks soon. [\[WSJ\]](#)

Singapore Imposes More Property Taxes to Cool Prices, Curb Economic Risks

Singapore imposed additional taxes on purchases of private residential property to curb excessive investment that may spur economic and banking-industry risks. Foreigners and corporate entities will have to pay an additional 10% stamp duty. The extra levy will be 3% for permanent residents purchasing a second home, as well as for citizens buying their third residential property. [\[Bloomberg\]](#)

IMF raises Cambodia economy's growth to 7.5 pct in 2011

IMF's Chief of Mission to Cambodia Olaf Unteroberdoerster said that the IMF was satisfied with the economic development process in Cambodia and forecasted that the country's growth is 7.5% thanks to the well growth in tourism, garment exports, and construction. [\[Xinhua\]](#)

Cambodia Opens Controversial Mega-Dam

Energy-starved Cambodia on Wednesday opened the country's largest hydropower dam to date, a multi-million dollar Chinese-funded project that has attracted criticism from environmental groups. Prime Minister Hun Sen said the start of operations of the 194-MW hydroelectric dam, which cost more than \$280 million, in southern Kampot province was a "historic event" in the development of the nation. Nine more dams, including at least four funded by China, are set to open by 2019, and once they are all operational they will generate 2,045 MW of power, serving all Cambodia's provinces. [\[AFP\]](#)

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