

Thursday November 10, 2011

NEWS UPDATE

Stock Markets Rap (as of Nov 9)

	Close	Chg	(%)
Dow	11,781	-389	-3.2
Nasdaq	2,622	-106	-3.9
S&P 500	1,229	-47	-3.7
Global Dow	1,825	-51	-2.7
VIX	36.16	+8.68	+31.6

	Close	Chg	(%)
FTSE 100	5,460	-107	-1.9
DAX	5,830	-132	-2.2
CAC	3,075	-68	-2.2

	Close	Chg	(%)
ASX 200	4,346	+52	+1.2
Nikkei	8,755	+100	+1.2
Shanghai	2,525	+21	+0.8
HSI	20,014	+336	+1.7
H Shares	10,918	+232	+2.2
FTSE STI	2,859	-8	-0.3
SET	968	-16	-1.6
LSX	905	0	0.0
Vietnam	405	-3	-0.8

Currencies Rap (as of Nov 9)

	Last	Chg	(%)
DXY	77.97	+1.38	+1.80
THB/USD	30.71	+0.02	+0.07
THB/LAK	260.79	-0.24	-0.09
LAK/USD	8,009.00	-2.00	-0.02
USD/EUR	1.3678	-0.01	-0.75
JPY/USD	77.68	-0.33	-0.42

Commodities Rap (as of Nov 9)

	Close	Chg	(%)
Gold	1,791.60	-7.60	-0.42
Silver	34.36	-0.79	-2.25
WTI	95.74	-1.06	-1.10
Brent	112.31	-2.69	-2.34
BDI	1,802	+43	+2.44

Source: Bloomberg

Market Selloff: 'Contagion Spreading; They've Got to Stop This'

Fears that Italy, the world's third-largest debtor nation, cannot afford its obligations shook world markets, sending investors into the relative safety of the U.S. dollar and Treasuries. The measure for pain in this latest market drama has been the yield on Italian bonds, which traded above 7% for the first time Wednesday, a level viewed as unsustainable by the markets and the level at which Greece, Ireland and Portugal sought help. The warning signs were also flashing when the yield curve inverted, and 2-year yields rose above the 10-year, which was at 7.25%. [\[CNBC\]](#)

ECB's Stark to Europe: We Are Not 'Lender of Last Resort'

European Central Bank policymaker Juergen Stark warned European governments on Wednesday against asking the ECB for support in dealing with the region's sovereign debt crisis, saying this would put the central bank's independence at risk. "We are not the lender of last resort (to governments) and I do not advise European governments to ask the ECB to become lender of last resort," Stark, a member of the ECB's executive board said. "This will mean that the ECB immediately will lose its independence." [\[CNBC\]](#)

China Inflation, Output Create Room for Pro-Growth Steps

Chinese industrial output grew at its weakest annual pace in a year in October and inflation fell sharply, raising expectations Beijing will do more to support economic growth by "fine tuning" policy. China's annual inflation rate fell to 5.5% in October from September's 6.1% -- the biggest drop in the annual rate from one month to the next since February 2009 -- and a further pullback from July's three-year peak of 6.5%. Producer price inflation also showed a marked slowdown to 5.0% in October, a one-year low, from 6.5% in September. Industrial output rose in October by 13.2% from a year earlier, slightly below expectations for a 13.4% rise and the weakest pace since October 2010. [\[Reuters\]](#)

Japan Sept Machinery Orders Slump, Outlook Bleak

Japan's core machinery orders fell more than expected in September and manufacturers expect a further decline this quarter as a strong yen and faltering global growth dent capital spending and herald a rough patch in the economy's recovery. Core machinery orders, a leading indicator of capital spending, fell 8.2% from the previous month, market forecasts a 7.5% fall, government data showed on Thursday. [\[Reuters\]](#)

U.S. SEC Approves Tougher Listing Rules for Reverse Mergers

U.S. securities regulators approved strict new listing standards for reverse merger companies Wednesday amid a rash of recent accounting scandals. A reverse merger is a method of entering the market where U.S. shell companies merge with foreign companies. Many of the companies that have been targeted by regulators for accounting issues have been based in China. The SEC sharpened its focus on the issue beginning last year as dozens of China-based companies began disclosing auditor resignations or bookkeeping irregularities. Under the new rules, reverse merger companies will be prohibited from applying to list until they have completed a one-year "seasoning period" by trading in the over-the-counter market or on another regulated exchange. [\[CNBC\]](#)

South Korea, Malaysia May Hold Rates as Europe Crisis Imperils Asia Growth

Malaysia and South Korea may leave interest rates unchanged this week to protect growth as Europe's debt crisis imperils demand for Asian exports. Bank Negara Malaysia will keep its benchmark overnight policy rate at 3 percent Thursday, according to 18 of 19 economists surveyed by Bloomberg News. South Korea's central bank will maintain the seven-day repurchase rate at 3.25 percent in Seoul the same day, all 17 economists said in another survey. [\[Bloomberg\]](#)

Environmental Group Blasts Study on Mekong Dam Project

An U.S. environmental group is denouncing a report commissioned by Laos that recommends going ahead with a proposed hydroelectric dam on the Mekong River. The group, International Rivers, says the study by a Swiss-based company (Poyry Energy AG) represents "a desperate bid" by Laos to gain approval for the multi-million dollar Xayaburi Dam from neighboring Thailand, Vietnam and Cambodia. International Rivers says the Swiss report fails to address more than a dozen of those requirements, including one that provides for the safe migration of important fish species found in the river. [\[Voice of America\]](#)

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