

Wednesday October 12, 2011

Stock Markets Rap (as of Oct 11)

	Close	Chg	(%)
Dow	11,416	-17	-0.1
Nasdaq	2,583	+17	+0.7
S&P 500	1,196	+1	+0.1
Global Dow	1,810	+6	+0.3
VIX	32.86	-0.16	-0.5

	Close	Chg	(%)
FTSE 100	5,396	-3	-0.1
DAX	5,865	+18	+0.3
CAC	3,154	-8	-0.3

	Close	Chg	(%)
ASX 200	4,228	+27	+0.6
Nikkei	8,774	+168	+2.0
Shanghai	2,349	+4	+0.2
HSI	18,142	+431	+2.4
H Shares	9,257	+388	+4.4
FTSE STI	2,693	+25	+0.9
SET	945	+22	+2.3
LSX	914	0	0.0
Vietnam	418	-2	-0.5

Currencies Rap (as of Oct 11)

	Last	Chg	(%)
DXY	77.62	+0.13	+0.17
THB/USD	30.93	+0.08	+0.26
THB/LAK	259.14	-0.88	-0.34
LAK/USD	8,016.50	-8.00	-0.10
USD/EUR	1.3641	-0.00	-0.15
JPY/USD	76.72	+0.02	+0.03

Commodities Rap (as of Oct 11)

	Close	Chg	(%)
Gold	1,661.00	-9.80	-0.59
Silver	32.00	+0.02	+0.06
WTI	85.81	+0.40	+0.47
Brent	110.73	+1.78	+1.63
BDI	2,106	+74	+3.64

Source: Bloomberg

NEWS UPDATE

Slovakia Holds Up European Bailout Plan

Lawmakers in Slovakia rejected a plan late Tuesday to expand the powers of a bailout fund for banks and troubled European governments. The development, which was tied to a vote of confidence in the government of Slovakian Prime Minister Iveta Radicova, is a bit of a setback for European leaders that are struggling to deal with the continent's growing debt crisis. Slovakia is the only member of the 17 nation euro currency bloc that has not approved the plan to overhaul the bailout fund, known as the European Financial Stability Facility, or EFSF. Tuesday's "no" vote does not necessarily mean that the plan to expand the EFSF is dead. But the vote means Radicova will resign. The incoming government could hold a second vote on Thursday or Friday, according to a spokeswoman for the Slovakian Parliament. [\[CNN Money\]](#)

Greek Inflation Quickened in September with Restaurant Tax

Greece's inflation rate rose in September for the first time in six months after restaurants started charging a higher sales tax. The inflation rate increased to 2.9% from 1.4% in August, the first annual increase since March, the Hellenic Statistical Authority said in a statement from Athens yesterday. The government increased sales tax on restaurants by 10 percentage points to 23% as part of a package of measures approved in June to reduce the budget deficit and continue receiving EU-led rescue funds. [\[Bloomberg\]](#)

Senate Republicans Vote to Kill Obama's Jobs Bill

United against Barack Obama, Senate Republicans voted Tuesday night to kill the jobs package the president had spent weeks campaigning for across the country, a stinging loss at the hands of lawmakers opposed to stimulus-style spending and a tax increase on the very wealthy. The demise of Obama's \$447 billion jobs package was expected. The White House and leaders in Congress were already moving on to alternative ways to address the nation's painful 9.1% unemployment, including breaking the legislation into smaller, more digestible pieces and approving long-stalled trade bills. [\[Associated Press\]](#)

Senate Approves China Yuan Bill, House Fate Unclear

The U.S. Senate on Tuesday approved a controversial bill to punish China over its currency in an effort to save American jobs, sending it to the House of Representatives where its fate is uncertain. Beijing has warned the legislation could spark a trade war but it has advanced further than similar U.S. bills in the past, reflecting frustration with China's trade policies and lawmakers' worries about stubbornly high unemployment going into congressional and presidential elections in 2012. The bill would allow the U.S. government to slap countervailing duties on products from countries found to be subsidizing their exports by undervaluing their currencies. [\[Reuters\]](#)

China to Invest in Russian Fund

China's sovereign-wealth fund agreed to invest \$1 billion in a Kremlin-backed investment vehicle during a visit by Russian Prime Minister Vladimir Putin, though the two sides still appear to be unable to resolve long-delayed negotiations over planned natural-gas pipelines between the countries. China Investment Corp.'s agreement marks the first commitment by an investor to the Russian Direct Investment Fund, a private-equity vehicle set up in June by Mr. Putin and President Dmitry Medvedev as a way to spur foreign investment in Russia. [\[WSJ\]](#)

OPEC Cuts Global Oil Demand Forecast, Sees U.S. Growing 1.8% In 2012

Estimates for crude oil demand in 2011 and 2012 were once again downgraded by the world's largest oil cartel, the Organization of Petroleum Producing Countries (OPEC). In their latest oil market report, OPEC lowered its forecasts for the global economy and the U.S., while they expect softness in 2012 oil demand to outpace the slowdown in supplies, putting further pressure on prices. [\[Forbes\]](#)

German Leader Merkel Visits Vietnam to Boost Trade

German Chancellor Angela Merkel said Tuesday that eurozone countries have the political will to overcome the debt crisis threatening Europe's shaky banking sector during a two-day visit to boost trade ties with the Communist country. Compared with Vietnam and other countries with young populations, Merkel said, European countries face greater challenges as they try to reduce their public debt. "Eurozone countries have the political will to overcome this public debt crisis. The root of the problem is problems with the banks," Merkel said. [\[Associated Press\]](#)

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