

Tuesday November 22, 2011

NEWS UPDATE

Stock Markets Rap (as of Nov 21)

	Close	Chg	(%)
Dow	11,547	-249	-2.1
Nasdaq	2,523	-49	-1.9
S&P 500	1,193	-23	-1.9
Global Dow	1,741	-44	-2.5
VIX	32.91	+0.91	+2.8

	Close	Chg	(%)
FTSE 100	5,223	-140	-2.6
DAX	5,606	-194	-3.3
CAC	2,895	-102	-3.4

	Close	Chg	(%)
ASX 200	4,163	-14	-0.3
Nikkei	8,348	-27	-0.3
Shanghai	2,415	-1	-0.1
HSI	18,226	-265	-1.4
H Shares	9,726	-232	-2.3
FTSE STI	2,698	-32	-1.2
SET	965	-19	-1.9
LSX	929	-9	-0.9
Vietnam	379	-0	-0.1

Currencies Rap (as of Nov 21)

	Last	Chg	(%)
DXY	78.37	+0.30	+0.39
THB/USD	31.15	+0.15	+0.48
THB/LAK	257.13	-1.33	-0.51
LAK/USD	8,011.00	0.00	0.00
USD/EUR	1.3457	-0.01	-0.50
JPY/USD	76.85	-0.06	-0.08

Commodities Rap (as of Nov 21)

	Close	Chg	(%)
Gold	1,678.60	-46.50	-2.70
Silver	31.19	-1.30	-4.01
WTI	96.92	-0.49	-0.50
Brent	106.88	-0.68	-0.63
BDI	1,874	-21	-1.11

Source: Bloomberg

US Deficit Panel Announces It Failed to Reach Deal

U.S. lawmakers abandoned their effort to rein in the country's ballooning debt Monday in a sign that Washington likely will not be able to resolve a dispute over taxes and spending until 2013. Automatic spending cuts are due to kick in now that the committee has failed. Standard & Poor's issued a statement after the announcement that the panel's failure would not affect the credit agency's rating or outlook for the U.S. national debt. S&P had downgraded the country's credit rating to double-A-plus from triple-A on Aug. 5. A Moody's spokesperson said its credit rating for the U.S. government remains Triple-A with a negative outlook. [\[CNBC\]](#)

Moody's Warns on French Rating Outlook

Moody's warned France on Monday that a sustained rise in its debt yields coupled with weakening economic growth could harm its ratings outlook, fuelling concern the euro zone's second largest economy might lose its coveted AAA status. Moody's announced in mid-October it could place France's AAA rating on negative outlook in three months if the costs for helping to bailout French banks and other euro zone members overstretched its budget. Moody's said that at last week's record level; France pays nearly twice as much as Germany for long-term funding. The premium investors charge on French 10-year debt compared to the German equivalent was up around 20 basis points at 163 bps following publication of Moody's report but remained well short of the 202 bps hit last week, a new euro-era high. [\[Reuters\]](#)

Sales of Existing U.S. Homes Unexpectedly Increase: Economy

Sales of previously owned homes in the U.S. unexpectedly rose in October, a sign falling prices may be attracting buyers. Purchases increased 1.4% to a 4.97 million annual rate, the National Association of Realtors said. The median forecast was for a 4.8 million rate. The median house price dropped 4.7% from a year earlier, and the number of properties for sale was the lowest for any October since 2005. Borrowing costs near a record low are helping homebuyers take advantage of housing that's growing more affordable as prices drop. [\[Bloomberg\]](#)

MF Global Missing Money May Double, Exceed \$1.2 Billion

MF Global Inc.'s shortfall in U.S. segregated customer accounts may exceed \$1.2 billion, more than double what was previously expected, said the trustee overseeing a liquidation of the failed brokerage run by former New Jersey Governor Jon Corzine. Customer accounts with \$5.45 billion were frozen Oct. 31, the day after a unit of the New York-based brokerage reported a "material shortfall" in customer funds that are required to be segregated under rules of the U.S. Commodity Futures Trading Commission. The parent, MF Global Holdings Inc., filed for bankruptcy to apportion returns to creditors. [\[Bloomberg\]](#)

Hungary Requests Financial Help from IMF, EU

Hungary has officially requested precautionary financial help from the IMF and the European Union, confirming a sharp reversal of the government's opposition to working under the international lender's guidance. The forint had firmed sharply to around 303-304 versus the euro on the announcement by Friday, but gave back some of those gains to trade at 306.84 on Monday as markets remained cautious and were eying rating agencies' views, primarily Standard and Poor's which had warned Hungary could be downgraded by the end of this month. [\[Reuters\]](#)

Thailand Cuts 2011 Growth Forecast on Floods

GDP rose 3.5%yoy in 3Q11, after climbing a revised 2.7% in 2Q11, the National Economic and Social Development Board said. NESDB cut its Thai growth forecast for 2011 to 1.5%, from 3.5%-4% earlier. The economy is set to expand 4.5%-5.5% in 2012, it said, boosted by post-flood reconstruction. [\[Bloomberg\]](#)

Vietnam: SSC Urges to Restructure Securities Companies to Restore Orders on Market

The State Securities Commission (SSC) admitted that 105 securities companies are too many for Vietnam. SSC informed that it is compiling the stock market development strategy for 2011-2020, and it is now consulting with the Ministry of Justice on the strategy before submitting to the government for promulgation in 4Q11. SSC has also finished the drafting of the Prime Minister's instruction on stepping up the operation and strengthening the management over the stock market. The plans on restructuring the stock market and restructuring securities companies have also been drafted. [\[VietnamNet\]](#)

Thanawat Patchimkul
Global Strategist

Email: thanawatp@ktzmico.com

Tel: + 66 2 673 5300

Assisted by
Denruthai Krishnamra