

Wednesday November 23, 2011

Stock Markets Rap (as of Nov 22)

	Close	Chg	(%)
Dow	11,494	-54	-0.5
Nasdaq	2,521	-2	-0.1
S&P 500	1,188	-5	-0.4
Global Dow	1,734	-7	-0.4
VIX	31.97	-0.94	-2.9

	Close	Chg	(%)
FTSE 100	5,207	-16	-0.3
DAX	5,537	-69	-1.2
CAC	2,871	-24	-0.8

	Close	Chg	(%)
ASX 200	4,133	-30	-0.7
Nikkei	8,315	-34	-0.4
Shanghai	2,413	-3	-0.1
HSI	18,252	+26	+0.1
H Shares	9,745	+20	+0.2
FTSE STI	2,717	+19	+0.7
SET	977	+12	+1.3
LSX	912	-18	-1.9
Vietnam	382	+3	+0.7

Currencies Rap (as of Nov 22)

	Last	Chg	(%)
DXY	78.24	-0.06	-0.08
THB/USD	31.18	+0.02	+0.06
THB/LAK	256.96	-0.17	-0.07
LAK/USD	8,012.00	+1.00	+0.01
USD/EUR	1.3541	+0.01	+0.62
JPY/USD	76.90	+0.05	+0.07

Commodities Rap (as of Nov 22)

	Close	Chg	(%)
Gold	1,702.40	+23.80	+1.42
Silver	33.03	+1.84	+5.91
WTI	98.01	+1.09	+1.12
Brent	109.03	+2.15	+2.01
BDI	1,854	-20	-1.07

Source: Bloomberg

NEWS UPDATE

U.S. Third-Quarter Growth Cut on Weak Inventories

The U.S. economy grew more slowly than previously estimated in 3Q11, but a drawing down of stocks held by companies and firm consumer spending suggested output would pick up in late 2011. GDP grew at a 2.0% annual rate in 3Q11, the Commerce Department said in its second estimate on Tuesday, down from the previously reported 2.5%. While the pace of growth was weaker than economists had expected, the composition of the report, particularly still-firm consumer spending and the first drop in businesses inventories in nearly 2 years, set the stage for a stronger performance in the final months. [\[Reuters\]](#)

IMF Revamps Credit Lines to Lure Nations

IMF revamped its credit line program to encourage countries facing outside shocks to turn to the fund with few conditions attached. IMF said the new instrument, the Precautionary and Liquidity Line, can be tapped by countries with strong economies currently facing short-term liquidity needs. Funding available will be capped at a percentage of countries' contributions to the fund, limiting the role the instrument can play in preventing the debt crisis from spreading in Europe. The changes, which enable countries that pre-qualify to request IMF funds without having to make as many policy changes come as Europe's crisis threatens to spread to France and Spain. [\[Bloomberg\]](#)

Spain Pays More Than Greece to Borrow in First T-Bill Sale Since Election

Spain paid more than Greece and Portugal to sell three-month bills as the newly elected People's Party called for a European agreement to "save" the nation's debt, saying the country can't afford 7% interest rates. Spain's three-month borrowing costs doubled as it sold bills at an average yield of 5.11%, more than twice the rate at the previous auction a month ago. The Treasury paid more than the 4.63% for 13-week bills sold Nov. 15 by Greece, which received a European Union-led bailout last year. Portugal paid 4.895% on three-month bills the following day. [\[Bloomberg\]](#)

Commerzbank May Need 5 bln Euros More Capital-Sources

Commerzbank may need considerably more capital than previously expected to meet a targeted core capital buffer of 9% of assets by mid-2012, as demanded by the EU's banking watchdog. Commerzbank's share price fell by more than 17% to below 1.12 euros, making the stock the biggest decliner on Germany's blue-chip index. Germany's second-biggest lender could need around 5 billion euros (\$6.7 billion) instead of the 2.9 billion euros previously expected, should the European Banking Authority (EBA) proceed with plans to tighten the capital requirements it wants to impose on banks to withstand the euro zone sovereign debt crisis. This is based on internal Commerzbank calculations, the sources said. [\[Reuters\]](#)

Asia Can Withstand Europe Shocks: World Bank

Most Asian nations have room to use fiscal stimulus to protect their economies from an escalation in the European debt crisis that may have "substantial" spillovers in the region, the World Bank said. Asian policy makers have shifted their focus to shielding growth, rather than stemming inflation, as Europe's debt woes and a struggling U.S. economy increase the risk of another global recession. While new capital rules being introduced in Europe will constrain the ability of the region's banks to lend in Asia, high reserves and current account surpluses in most East Asian countries will protect them from the impact of possible renewed financial stress, the World Bank said. [\[Bloomberg\]](#)

Vietnam: Russia to Lend Vietnam \$9 Billion for First Nuclear Plant

Russia agreed to lend Vietnam as much as \$9 billion to fund the construction of the Southeast Asian nation's first nuclear power plant as the countries deepen their economic ties. Vietnam said last year it plans to build as many as 13 nuclear power stations with a capacity totaling 16,000 megawatts over the next two decades. The announcement attracted interest from atomic plant builders including Moscow-based Rosatom Corp. and China's Guangdong Nuclear Power Group Co. [\[Bloomberg\]](#)

Lao PDR: Govt Eyes US\$713m in Aid This Fiscal Year

Lao hopes to receive official development assistance (ODA) of 5,700 billion kip (US\$713 million) this fiscal year. According to the National Socio-Economic Development Plan for 2011-12, the government requires total investment funding of 23,000 billion kip (US\$2.9 billion) to secure its target of 8.3% GDP growth this fiscal year. Of that total, 5,700 billion kip is expected to come from international development partners, 2,200 billion kip from the government, and the remainder from the private sector. [\[Vientiane Times\]](#)

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