

Wednesday January 25, 2012

GLOBAL NEWS

Stock Markets Rap (as of Jan 24)

	Close	Chg	(%)
Dow	12,676	-33	-0.3
Nasdaq	2,787	+2	+0.1
S&P 500	1,315	-1	-0.1
Global Dow	1,907	-10	-0.5
VIX	18.91	+0.24	+1.3

	Close	Chg	(%)
FTSE 100	5,752	-31	-0.5
DAX	6,419	-17	-0.3
CAC	3,323	-16	-0.5

	Close	Chg	(%)
ASX 200	4,224	-1	-0.0
Nikkei	8,785	+19	+0.2
Shanghai	2,319	+23	+1.0
HSI	20,110	+167	+0.8
H Shares	11,147	+9	+0.1
FTSE STI	2,849	+38	+1.4
SET	1,063	+1	+0.0
LSX	903	-18	-1.9
Vietnam	373	-0	-0.1

Currencies Rap (as of Jan 24)

	Last	Chg	(%)
DXY	79.80	+0.02	+0.02
THB/USD	31.45	+0.06	+0.19
THB/LAK	254.64	-0.69	-0.27
LAK/USD	8,008.50	-5.00	-0.06
USD/EUR	1.3022	+0.00	+0.08
JPY/USD	77.72	+0.75	+0.97

Commodities Rap (as of Jan 24)

	Close	Chg	(%)
Gold	1,664.50	-13.80	-0.82
Silver	31.98	-0.30	-0.91
WTI	98.95	-0.63	-0.63
Brent	110.03	-0.55	-0.50
BDI	807	-34	-4.04

Source: Bloomberg

* Shanghai Composite, Hang Seng, H-Shares, FTSE Straits Times and Ho Chi Minh Stock Index as of Jan 20

Greek Creditors Urge Quick Deal After Eurozone Rejection

Greece's private creditors pleaded on Tuesday with European officials who rejected their bond swap offer to hammer together a deal before Athens tumbles into a chaotic default. Athens' hopes for a swift deal with lenders were evaporating after euro zone ministers on Monday rejected creditors' demand for a 4% coupon, or interest rate, on new, longer-dated bonds in exchange for existing debt. Greece says it is not prepared to pay a coupon of more than 3.5% which would impose steeper losses on its private creditors. EU Economic and Monetary Affairs Commissioner Olli Rehn said the two sides remain close to an agreement on a Greek debt swap, which he hoped would come this month rather than next. [\[Reuters\]](#)

Japan Posts First Trade Deficit Since '80

Japan has posted its first annual trade deficit since 1980, the government announced Wednesday, as a fall in overseas revenues from its once-dominant exporters was exacerbated in the aftermath of the Fukushima nuclear plant accident. A December deficit of ¥205.1 billion (\$2.6 billion) created a gap of ¥2.49 trillion (\$32.0 billion) for all of 2011, according to the figures released by the Ministry of Finance. The deficit symbolized the trauma that has hit Japan's export industries, with blue-chip names such as Sony Corp. and Toyota Motor Corp. struggling with fast-changing global markets and declining competitiveness against rising stars in South Korea and other growing Asian economies. [\[WSJ\]](#)

IMF Cuts Global Growth Forecast; Sees Recession

The IMF cut its forecast for global growth and warned that the European debt crisis threatens to derail the world economy. "The epicenter of the danger is Europe but the rest of the world is increasingly affected," the fund said. "There's an even greater danger, namely that the European crisis intensifies. In this case the world could be plunged into another recession." The fund, in an update of its World Economic Outlook report, lowered its estimate for global growth this year to 3.3% from a September forecast of 4%. The expansion next year will be 3.9%, down from 4.5%. The euro area may enter a "mild recession" in 2012 as it shrinks 0.5%. The U.S. outlook was unchanged at 1.8% growth. [\[Bloomberg\]](#)

Euro-Area Manufacturing, Services Show Recovery Signs: Economy

European services and factory output strengthened in January, led by a "robust" performance by Germany, as the region's leaders work to find a solution to the debt crisis. A euro-area composite index based on a survey of purchasing managers in both industries rose to 50.4, a five-month high, from 48.3 in December, London-based Markit Economics said in a report today. Still, incoming new business fell and the increase in output was partly due to companies reducing order backlogs. [\[Bloomberg\]](#)

India Unexpectedly Cuts Reserve Ratio as BRIC Nations Act to Shield Growth

India's central bank unexpectedly cut the amount of deposits lenders need to set aside as reserves for the first time since 2009 and signaled future interest-rate cuts, joining BRIC nations in shielding growth. Stocks rose. The Reserve Bank of India reduced the cash reserve ratio to 5.5% from 6%, it said in a statement in Mumbai Tuesday. The move adds around 320 billion rupees (\$6.4 billion) into lenders, it said. [\[Bloomberg\]](#)

INDOCHINA NEWS

Lao PDR: Telecom Firms Ease Minimum Call Rate Restriction

Assistant Minister of Post and Telecommunications Mr Padapphet Sayakhot said that Lao Telecom, ETL, Star Telecom and VimpelCom Lao jointly agreed to lower the minimum service charge, which allows the telcos to offer reduced call rates on certain days. In October, the telcos agreed that a minimum rate of 800 kip would be charged as they saw their profits plummet amid cut-throat competition. Under the revised agreement, the operators will continue to offer a fixed minimum call rate of 800 kip per minute, except on special occasions, when they will be allowed to reduce the rate to 400 kip per minute. This reduced rate is not to exceed a time period of five days, to prevent an operator from using the lower rate to boost sales, the agreement states. [\[Vientiane Times\]](#)

Thailand: Rubber Advances as Government Approves Purchase Plan for Growers

Rubber prices rose yesterday after Thailand, the largest producer, approved a plan to buy the material at above-market rates to boost farm incomes and higher oil prices improved the appetite for the raw material in tyre production. [\[Bangkok Post\]](#)

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