

Thursday January 26, 2012

Stock Markets Rap (as of Jan 25)

	Close	Chg	(%)
Dow	12,757	+81	+0.6
Nasdaq	2,818	+32	+1.1
S&P 500	1,326	+11	+0.9
Global Dow	1,914	+7	+0.4
VIX	18.31	-0.60	-3.2

	Close	Chg	(%)
FTSE 100	5,723	-29	-0.5
DAX	6,422	+3	+0.0
CAC	3,312	-10	-0.3

	Close	Chg	(%)
ASX 200	4,271	+47	+1.1
Nikkei	8,884	+98	+1.1
Shanghai	2,319	+23	+1.0
HSI	20,110	+167	+0.8
H Shares	11,147	+9	+0.1
FTSE STI	2,892	+42	+1.5
SET	1,056	-7	-0.7
LSX	894	-9	-1.0
Vietnam	373	-0	-0.1

Currencies Rap (as of Jan 25)

	Last	Chg	(%)
DXY	79.48	-0.39	-0.49
THB/USD	31.51	+0.06	+0.19
THB/LAK	254.09	-0.55	-0.22
LAK/USD	8,006.50	-2.00	-0.02
USD/EUR	1.3048	+0.00	+0.20
JPY/USD	77.71	-0.01	-0.01

Commodities Rap (as of Jan 25)

	Close	Chg	(%)
Gold	1,703.00	+35.60	+2.14
Silver	33.12	+1.15	+3.58
WTI	99.40	+0.45	+0.45
Brent	109.81	-0.22	-0.20
BDI	784	-23	-2.85

Source: Bloomberg

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

GLOBAL NEWS

Fed: Benchmark Rate Will Stay Low Until '14

Chairman Ben S. Bernanke said the Federal Reserve is considering additional asset purchases to boost growth after extending its pledge to keep interest rates low through at least late 2014. Policy makers are "prepared to provide further monetary accommodation if employment is not making sufficient progress towards our assessment of its maximum level, or if inflation shows signs of moving further below its mandate-consistent rate," Bernanke said at a news conference today after a Federal Open Market Committee meeting in Washington. Bond buying is "an option that's certainly on the table." **[Bloomberg]**

UK Economy Contracts by 0.2% in 4Q11, Increasing Worries of Recession

Britain's economy shrank by 0.2% in the last three months of 2011, official data showed Wednesday, a worse than expected result that raises fears of a recession and could see the Bank of England push for more monetary stimulus. The Office for National Statistics said that the economy, which had been expected to contract by only 0.1%, saw no growth in the key services sector and a slide in industrial activity. **[Washington Post]**

Gold Surges 2.5%, Above \$1,700 After Fed

Gold surged 2.5% on Wednesday to above \$1,700 an ounce, its biggest one-day gain in four months, as the U.S. Federal Reserve said interest rates would likely remain near zero into late 2014. Investors piled into gold on fears that their portfolio values will shrink due to currency depreciation as global central banks use easy monetary policies to flood markets with cash to boost ailing economies, a fund manager said. **[Reuters]**

US Senate Investigating HSBC for Money Laundering

HSBC Holdings PLC is under investigation by a U.S. Senate panel in a money-laundering inquiry, the latest step in a long-running U.S. effort to halt shadowy money flows through global banks, according to people familiar with the situation and a company securities filing. **[Reuters]**

INDOCHINA NEWS

Thailand Cuts Rates Again, Flood Impact Worse Than Thought

The Bank of Thailand cut its main interest rate by 25 basis points to 3.00% on Wednesday, as expected, saying the impact of flooding last year had been worse than expected and global economic risks had grown. "Inflationary pressure declined, reflecting a more prolonged recovery in domestic demand and a slowdown in commodity prices in line with weakening global demand," the Monetary Policy Committee said. "Nonetheless, the boost to economic activity from reconstruction spending and various government stimulus measures could exert some upward pressure on inflation going forward." **[Reuters]**

Thai PM for Chennai-Dawei Corridor

The sleepy little town of Dawei, earlier known as Tavoy, in southern Myanmar is certainly not a familiar name in India. But if the young Thai Prime Minister Yingluck Shinawatra has her way, it could well become the hub of India's long-sought transport corridor to Southeast Asia. In her address to the business associations in New Delhi on Wednesday, Shinawatra talked about her government's commitment to transform the connectivity in Southeast Asia by building a deep sea port and a massive industrial complex at Dawei. Shinawatra's proposal for the Chennai-Dawei corridor will connect economically robust regions. As the crow flies from Chennai, Dawei is directly across on the other side of the Bay of Bengal. The Dawei development project also came up for discussion in Delhi this week in the talks with the visiting foreign minister of Myanmar, U Maung Lwin. **[Indian Express]**

Lao PDR: Govt Approves Electricity Price Hike and National Development Plans

The government has approved an increase in the price of electricity in the wake of changes brought about by the evolving market economy. The price increase will take effect next month. The government did not give detailed information as to precisely by how much prices will rise. This week's government meeting also agreed in principle with the strategic plan to continue to develop special and specific economic zones (SEZ) in Laos between now and 2020, to accelerate national development. The government meeting also considered and gave in principle approval to development plans for highway connectivity for 2011-2015 and 2011-2020. **[Vientiane Times]**

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