

Tuesday January 31, 2012

GLOBAL NEWS

Stock Markets Rap (as of Jan 30)

	Close	Chg	(%)
Dow	12,654	-7	-0.1
Nasdaq	2,812	-5	-0.2
S&P 500	1,313	-3	-0.3
Global Dow	1,912	-17	-0.9
VIX	19.40	+0.87	+4.7

	Close	Chg	(%)
FTSE 100	5,671	-62	-1.1
DAX	6,444	-68	-1.0
CAC	3,266	-53	-1.6

	Close	Chg	(%)
ASX 200	4,273	-16	-0.4
Nikkei	8,793	-48	-0.5
Shanghai	2,285	-34	-1.5
HSI	20,160	-341	-1.7
H Shares	11,146	-301	-2.6
FTSE STI	2,888	-28	-1.0
SET	1,075	-2	-0.1
LSX	929	+9	+1.0
Vietnam	385	+12	+3.2

Currencies Rap (as of Jan 30)

	Last	Chg	(%)
DXY	79.13	+0.22	+0.28
THB/USD	31.14	+0.09	+0.29
THB/LAK	256.87	-0.91	-0.35
LAK/USD	7,999.00	-4.00	-0.05
USD/EUR	1.3129	-0.00	-0.34
JPY/USD	76.32	-0.40	-0.52

Commodities Rap (as of Jan 30)

	Close	Chg	(%)
Gold	1,734.40	-1.00	-0.06
Silver	33.53	-0.26	-0.78
WTI	98.78	-0.78	-0.78
Brent	110.75	-0.71	-0.64
BDI	702	-24	-3.31

Source: Bloomberg

Portugal Borrowing Costs Hit New Highs

Concerns that Greece's delay in striking a deal with private creditors could infect other European economies brought unwelcome attention to Portugal, where borrowing costs Monday pushed into euro-era highs. "Portugal is seen as the case closest to Greece," one sovereign debt trader said. The five-year Portuguese government bond yield was at a euro-era record of 21.9%, while the yield on the 10-year bond at around 16.4%, more than full percentage point higher from the close Friday. [\[WSJ\]](#)

US: Income Jumps, Spending Slows as Consumers Pull Back

Consumer spending was flat in December as households took advantage of the largest rise in income in 9 months to boost their savings, setting the tone for a slowdown in demand early in 2012. The Commerce Department said spending was the weakest since June and followed a 0.1% gain in November. Economists had expected spending, which accounts for more than two-thirds of U.S. economic activity, to nudge up 0.1% last month. For all of 2011, spending rose 4.7%, the largest increase since 2007. Wages rose last month, helping to prop-up incomes. Income advanced 0.5%, the largest gain since a matching increase in March, and followed a 0.1% rise in November. Economists had expected income to rise 0.4%. [\[CNBC\]](#)

Concerns Are Rising on Japan's Debt

Jitters from Europe's sovereign-debt crisis are now touching Japan, a country with a long-calm bond market despite fiscal deficits far larger than those of Greece or Italy. In recent weeks, the cost of insuring against default on Japanese government bonds—a measure of perceived credit risk—has increased sharply, nearing the historic peak at the height of the Greek debt crisis in October. Standard & Poor's and Fitch Ratings have put Japan's government debt on watch for possible downgrade, with verdicts possible over the next month. A key factor in their assessment, and the market's, will be whether Prime Minister Yoshihiko Noda can push a sales-tax increase through the legislature by March. [\[WSJ\]](#)

Greece's Papademos Seek on Debt Deal by End of Week

Greek Prime Minister Lucas Papademos said negotiators had made "significant progress" in talks to strike a restructuring deal for Greek government debt, with the aim of having a definitive agreement by the end of this week. Papademos said the major sticking points to be agreed with the troika were on deeper spending cuts and labour market reforms. Those commitments, together with a deal with private sector bondholders on taking a 50 percent face-value writedown on the near 200 billion euros of Greek bonds they hold, are needed before the troika can sign off on a second rescue package for Greece. [\[Reuters\]](#)

EU Leaders Agree on Rescue Fund, 25 Join Fiscal Pact

European leaders agreed on a permanent rescue fund for the euro zone on Monday and 25 out of 27 EU states backed a German-inspired pact for stricter budget discipline, but they struggled to reconcile fiscal austerity with economic growth. Only Britain and the Czech Republic refused to sign a fiscal compact in March that will impose quasi-automatic sanctions on countries that breach European Union budget deficit limits and pledging to enact balanced budget rules in national law. [\[Reuters\]](#)

INDOCHINA NEWS

Cambodia: Kingdom Considers Oil Imports from Iran

Cambodia plans to import and refine oil from Iran, a spokesman from the Council of Ministers has said, just one among several proposed forms of strengthened co-operation between the two countries. Among the proposed economic activity were oil imports from Iran, which would be refined in Cambodia and then sold to China starting in 2014, Council of Ministers spokesman Ek Tha had said. [\[Phnom Penh Post\]](#)

Myanmar: Singapore to Help Myanmar Modernize Economy

Singapore will offer training courses to help Myanmar modernize its economy and open itself further to foreign investment, under a pact between the two nations signed Monday. The courses will cover investment promotion, infrastructure building, trade, tourism development and central banking, according to a statement accompanying the Singapore-Myanmar Technical Cooperation Program agreement, which was signed during a state visit by Myanmar's president, U Thein Sein. [\[WSJ\]](#)

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