

Monday October 3, 2011

NEWS UPDATE

Stock Markets Rap (as of 30 Sep)

	Close	Chg	(%)
DOW	10,913	-241	-2.2
Nasdaq	2,415	-65	-2.6
S&P 500	1,131	-29	-2.5
Global Dow	1,726	-45	-2.5
VIX	42.96	+4.12	+10.6

	Close	Chg	(%)
FTSE 100	5,128	-68	-1.3
DAX	5,502	-138	-2.4
CAC	2,982	-46	-1.5

	Close	Chg	(%)
ASX 200	4,009	+0	+0.0
Nikkei	8,700	-1	-0.0
Shanghai	2,359	-6	-0.3
HSI	17,592	-419	-2.3
H Shares	8,917	-360	-3.9
FTSE STI	2,675	-33	-1.2
SET	916	-10	-1.1
LSX	938	+1	+0.1
Vietnam	428	-0	-0.1

Currencies Rap (as of 30 Sep)

	Last	Chg	(%)
DXY	78.55	+0.52	+0.67
THB/USD	31.20	+0.00	+0.00
THB/LAK	257.39	+0.18	+0.07
LAK/USD	8,022.00	-2.50	-0.03
USD/EUR	1.3387	-0.02	-1.46
JPY/USD	77.06	+0.34	+0.44

Commodities Rap (as of 30 Sep)

	Close	Chg	(%)
Gold	1,622.30	+5.00	+0.31
Silver	30.08	-0.44	-1.44
WTI	79.20	-2.94	-3.58
Brent	102.76	-1.19	-1.14
BDI	1,899	-14	-0.73

Source: Bloomberg

Greek Budget Falls Short of Deficit Target

The Greek Finance Ministry on Sunday cleared an austerity plan for approval by the country's Parliament that falls short of targets set by the European Union and the International Monetary Fund. The draft budget calls for a deficit of 8.5% of the country's GDP in 2011, falling short of a target of 7.6%. The deficit will be reduced to 6.8% of GDP in 2012, but still short of the mark of 6.5% of GDP. [\[Reuters\]](#)

Eurozone Inflation Rate Jumps to 3% in September

The eurozone inflation rate increased to 3% in September, up from 2.5% in August, according to the first estimate from the EU statistics agency. No breakdown was given, but Eurostat said its initial forecasts were usually "reliable". Separate figures also released by Eurostat showed the eurozone unemployment rate unchanged at 10% in August from the previous month. [\[BBC\]](#)

German EconMin Sees No Willingness to Leverage EFSF

German Economy Minister Philipp Roesler said on Friday that the Bundestag (lower house of parliament) did not seem willing to leverage Europe's EFSF bailout fund after it approved new powers for it a day earlier. "I do not see any willingness there to change the upper limits or increase the liabilities through other ways such as leveraging," he said. [\[Reuters\]](#)

Congress Addresses Chinese Currency Manipulation

The Senate is expected to take up legislation Monday that would impose higher U.S. duties on Chinese products to offset the perceived advantage that critics say China gets by undervaluing its currency. It's a political given here that China's economic policy has damaged American manufacturers and taken away American jobs. [\[CNBC\]](#)

S&P 500 Valuations Below Recessions Since '57 as Estimates Drop

The rout that erased \$2.9 trillion from U.S. equities has pushed valuations in the Standard & Poor's 500 Index 25% below the average level from the last nine recessions, even as profit estimates fall. Companies in the benchmark gauge for American equities trade at 10.2 times 2012 forecast earnings, compared with the average in economic contractions since 1957 of 13.7, according to data compiled by Bloomberg. At the same time, analysts have cut projections for profits next year by 2.6% to \$110.78 a share, the biggest eight-week drop since 2009, the data show. [\[Bloomberg\]](#)

China Manufacturing Stability May Ease 'Hard Landing' Concern

Signs of stability in China's manufacturing industry in September may ease concern the world's second-largest economy will suffer a slump in economic expansion that escalates the risk of another global recession. The Purchasing Managers' Index published Oct. 1 by the China Federation of Logistics and Purchasing rose for a second month, to 51.2, with new export orders gaining and an inflation measure -- factories' input costs -- moderating. [\[Bloomberg\]](#)

Copper Rout Outpaces Analysts Focused on Shortages

The biggest rout in copper since the global recession drove analysts to cut their price forecasts by 16 percent in a week as mounting concern about growth eroded expectations for supply shortages. The metal may drop as much as 10% to \$6,500 a metric ton by Dec. 31, according to the median in a Bloomberg survey of 16 analysts and traders. Their estimate was \$7,773 a week ago. [\[Bloomberg\]](#)

Europe Opens CCI to Boost Trade with Laos

The European Chamber of Commerce and Industry (ECCIL) officially opened in Vientiane on Friday to expand trade and investment links in Laos. The ECCIL, which is the only representation for European enterprises in Laos, represents and offers services for European businesses operating in Laos. The Chamber has full-time personnel who will provide a full range of services to members and non-members, and will strengthen the existing trade and investment agreements between the EU and Laos. [\[Vientiane Times\]](#)

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