

Monday February 20, 2012

Stock Markets Rap (as of Feb 17)

	Close	Chg	(%)
Dow	12,950	+46	+0.4
Nasdaq	2,952	-8	-0.3
S&P 500	1,361	+3	+0.2
VIX	17.78	-1.44	-7.5
MSCI World	1,288	+8	+0.6

	Close	Chg	(%)
FTSE 100	5,905	+20	+0.3
DAX	6,848	+96	+1.4
CAC	3,440	+46	+1.4
Euro Stoxx	2,520	+33	+1.3

	Close	Chg	(%)
ASX 200	4,196	+14	+0.3
Nikkei	9,384	+146	+1.6
Shanghai	2,357	+0	+0.0
HSI	21,492	+214	+1.0
H Shares	11,712	+134	+1.2

	Close	Chg	(%)
STI	3,001	+23	+0.8
Malaysia	1,557	+7	+0.4
PSEi	4,881	+114	+2.4
SET	1,130	+10	+0.9
LSX	896	-9	-1.0
Vietnam	403	+7	+1.7
Indonesia	3,977	+49	+1.2
FTSE ASEAN	571	+8	+1.5

Currencies Rap (as of Feb 17)

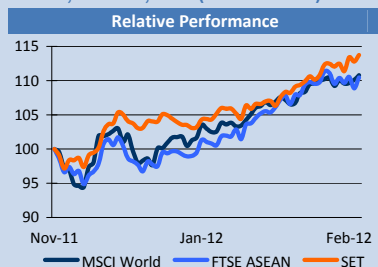
	Last	Chg	(%)
DX	79.33	-0.02	-0.02
THB/USD	30.80	-0.09	-0.29
LAK/THB	260.04	+0.80	+0.31
LAK/USD	8,004.00	-4.00	-0.05
USD/EUR	1.3140	+0.01	+1.06
JPY/USD	79.55	+0.75	+0.95

Commodities Rap (as of Feb 17)

	Close	Chg	(%)
Gold	1,725.90	-2.50	-0.14
Silver	33.28	-0.16	-0.46
Copper	371.60	-8.25	-2.17
WTI	103.24	+0.93	+0.91
Brent	119.58	-0.53	-0.44
BDI	717	-6	-0.83

Source: Bloomberg

World, ASEAN, SET (as of Feb 17)



Source: Bloomberg

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- Iran Stops Exporting Crude Oil to British, French Companies, Shana Reports
- US: Consumer Prices in U.S. Rose Less Than Forecast in January
- Japan's Trade Deficit Widens to a Record as Exports Slump 9.3%

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- Thailand: Central Bank to Upgrade System for AEC
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GLOBAL NEWS

China Cuts Banks' Reserve Ratios for Second Time

China's central bank cut the amount of cash that commercial lenders must hold as reserves on Saturday for the second time in nearly three months, the latest step to shore up the slowing economy. The People's Bank of China (PBOC) is on the course of gentle policy easing to cushion the world's second-largest economy against stiff global headwinds, although it has been treading warily. The PBOC delivered a 50-basis-point cut in banks' reserve requirement ratio (RRR), effective from next Friday, February 24, after repeatedly defying market expectations for such a move. It would cut the RRR for the biggest banks to 20.5% from 21%, injecting an estimated 400 billion yuan into the banking system that could be used for lending. [\[Reuters\]](#)

Iran Stops Exporting Crude Oil to British, French Companies, Shana Reports

Iran halted crude exports to French and British companies, the oil ministry's news website Shana reported, citing Alireza Nikzad Rahbar, a ministry spokesman. Iran "will give its crude oil to new customers instead of French and U.K. companies," Rahbar said. The halt followed a warning by the oil minister that the Persian Gulf country might act preemptively ahead of a European Union ban on purchases of Iranian crude planned to start in July, he said without giving further details, according to the report Sunday. [\[Bloomberg\]](#)

US: Consumer Prices in U.S. Rose Less Than Forecast in January

The cost of living in the U.S. rose less than forecast in January, supporting the Federal Reserve's view that inflation will be contained. The consumer-price index increased 0.2% after no change the prior month, the Labor Department reported Friday in Washington. Economists had forecast a 0.3% gain. Over the past 12 months, prices climbed 2.9%, the smallest year-to-year advance since March 2011. [\[Bloomberg\]](#)

Japan's Trade Deficit Widens to a Record as Exports Slump 9.3%

Japan posted a record trade deficit in January as the yen's strength and weaker global demand eroded manufacturers' profits and slowed the nation's recovery from last year's earthquake and tsunami. The trade deficit widened to 1.48 trillion yen (\$19 billion) and shipments dropped 9.3% from a year earlier, the Ministry of Finance said today in Tokyo. The median estimate was for a trade gap of 1.46 trillion yen. The currency's advance has hampered business at companies. Japan last year posted its first annual trade deficit since 1980 and the Bank of Japan last week unexpectedly expanded stimulus a day after a government report showed gross domestic product contracted last quarter. [\[Bloomberg\]](#)

INDOCHINA NEWS

Vietnam Stocks May Rally as Inflation Eases, Dragon Capital Says

Vietnam stocks, Asia's third-best performers this year, are cheap and equities may rally in the next two quarters as slowing inflation prompts the central bank to cut interest rates, according to Dragon Capital Group. The market's "fair-value multiple" is between 10 times to 12 times estimated profit, Dominic Scriven, chief executive of the Ho Chi Minh City-based fund manager, which oversees about \$1 billion in assets, said by phone on Feb. 17. His Vietnam Growth Fund has returned 14.4% this year, the second-best performance of 18 similar funds are tracked by Bloomberg. [\[Bloomberg\]](#)

Thailand: Central Bank to Upgrade System for AEC

The Bank of Thailand is preparing to improve its clearing system to accommodate Thai banks that are increasingly expanding operations overseas under the Asean Economic Community (AEC) framework. Nawaporn Maharagkaga, senior director of the Financial Institutions Strategy Department, says Thai banks and other firms are enthusiastic about expanding into other Asean countries to benefit from the formation of an Asean single market in 2015. Cross-border trade activity will increase tremendously this year, and the private banks must quickly upgrade their cross-country clearing services to aid their clients. Banks must also open branches in other countries to extend their coverage. [\[Bangkok Post\]](#)

Myanmar: Thai Investors Feel Urge to Rush into Burma Despite Challenges

Bracing for an expected increase in wage costs at home, Thai corporations are responding to the Burmese government's moves to make things easier for foreign investors. "A friend of mine in a labour-intensive industry is looking at investment opportunities in [Burma]," said Areepong Bhoocha-oom, permanent secretary for Finance. Areepong said the government fully supports Thai investors looking for business opportunities in the neighboring country, which is rich in resources such as gas and oil reserves. He sees mutual benefits for both sides, and for all Asean citizens, who in future will be able to travel freely in the region, similar to how Europeans can take advantage of the EU's economic integration. Diplomatic sources in Burma said Europe, the US and their allies were expected to lift trade and investment sanctions in March or April after recent progress in policy reforms and moves toward democracy. Looking to create jobs, the Burmese government plans to woo labour-intensive industries. [\[The Nation\]](#)

Lao PDR: German Investors Attracted by Laos' Central Location

German business operators view Laos as a regional hub which they can use as a base from which to expand within Asean, a German official has said. German Development Cooperation official Mr Armin Hofmann said Friday that Laos is located in the centre of the Southeast Asian mainland, meaning German business operators can easily trade with Cambodia, Thailand, Myanmar and even China, the world's second largest economy. Mr Hofmann said the area of greatest potential for Germany is the energy sector, because Germany has the best technology and machinery for use in renewable energy. Laos has the potential to develop hydropower, and also biodiesel due to its large areas of fertile land, which can provide agricultural products for the biodiesel processing industry. [\[Vientiane Times\]](#)