

Friday September 30, 2011

NEWS UPDATE

Stock Markets Rap (as of 29 Sep)

	Close	Chg	(%)
DOW	11,154	+143	+1.3
Nasdaq	2,481	-11	-0.4
S&P 500	1,160	+9	+0.8
Global Dow	1,771	+15	+0.9
VIX	38.84	-2.24	-5.5

	Close	Chg	(%)
FTSE 100	5,197	-21	-0.4
DAX	5,640	+61	+1.1
CAC	3,028	+32	+1.1

	Close	Chg	(%)
ASX 200	4,008	-31	-0.8
Nikkei	8,701	+86	+1.0
Shanghai	2,365	-27	-1.1
HSI	18,011	-119	-0.7
H Shares	9,277	-17	-0.2
FTSE STI	2,708	+7	+0.3
SET	926	-5	-0.6
LSX	936	-17	-1.8
Vietnam	428	-6	-1.4

Currencies Rap (as of 29 Sep)

	Last	Chg	(%)
DXY	77.92	+0.06	+0.08
THB/USD	31.20	+0.15	+0.48
THB/LAK	257.21	-1.17	-0.45
LAK/USD	8,024.50	+3.00	+0.04
USD/EUR	1.3584	-0.00	-0.21
JPY/USD	76.72	+0.19	+0.25

Commodities Rap (as of 29 Sep)

	Close	Chg	(%)
Gold	1,617.30	-0.80	-0.05
Silver	30.52	+0.39	+1.29
WTI	82.14	+0.93	+1.15
Brent	103.95	+0.14	+0.13
BDI	1,913	-7	-0.36

Source: Bloomberg

*Hang Seng and H-Shares Index as of 28 Sep

Germany Approves Expansion of European Bailout Fund

Germany's parliament voted Thursday to increase the powers of Europe's bailout fund, as Greece's debt woes fuel fears of a wider financial crisis. The vote passed by a large majority -- 523 in favor to 85 against, with three abstentions -- which should boost confidence in European markets. Expansion of the European Financial Stability Facility -- Europe's bailout fund -- so it can increase its lending capacity from around €250 billion to €440 billion must be ratified by a number of European countries. Germany's parliamentary approval follows votes in favor this week from Austria and Finland. [\[CNN\]](#)

U.S. Economy Grew at a Revised 1.3% Pace in Second Quarter

The U.S. economy grew at a 1.3% pace in the second quarter, faster than estimated last month and helped by exports and spending on services. The revised rise in gross domestic product compares with a 1% gain previously calculated, Commerce Department figures showed yesterday in Washington. The median forecast of economists surveyed by Bloomberg News was 1.2%, following a 0.4% increase in the first three months of the year. [\[Bloomberg\]](#)

Chinese Web Stocks Drop in U.S. Trading After SEC Cites DOJ's Fraud Review

Chinese Internet stocks tumbled in New York trading after a top U.S. securities regulator said the Department of Justice is reviewing allegations of accounting fraud at firms operating out of the Asian nation. In the past year, regulators have intensified scrutiny of China-based companies listed on U.S. exchanges amid concern that the firms weren't complying with accounting standards. [\[Bloomberg\]](#)

IPOs Shelved at Record Pace as Offer Pipeline Balloons

Companies canceled or postponed \$8.9 billion in initial public offerings in the third quarter as stocks plunged, putting the market on pace to set a record for pulled deals. The value of withdrawn and delayed IPOs so far this year rose to \$34 billion, approaching the \$40 billion pulled in 2010, the most since Bloomberg began compiling data. [\[Bloomberg\]](#)

New Zealand's Credit Rating Reduced by Fitch on High Debt

New Zealand's sovereign credit rating was cut one step to AA by Fitch Ratings, which cited the southern Pacific nation's high level of external debt and its persistent current account deficit. The outlook is stable after the rating was reduced from AA+. New Zealand was on a negative outlook since July 2009. New Zealand's net external debt of 83% of GDP in U.S. dollar terms at the end of last year compares with 10% for the median of AA-rated nations, Fitch said. The current account deficit is likely to widen to 4.9% in 2012 and to 5.5% next year [\[Bloomberg\]](#)

Deposits Set for Quarterly Drop Squeeze Lending: China Credit

Savings at China's banks are headed for the first quarterly decline in almost 20 years, threatening to extend a drop in lending and spurring financial companies to sell bonds to raise cash. Deposits grew 27.5 billion yuan (\$4.3 billion) in July and August, 98 percent less than a year earlier, central bank data show. Savings at the nation's four biggest lenders fell 420 billion yuan in the first half of September, according to the China Securities. [\[Bloomberg\]](#)

World's Biggest Pension Fund to Start Emerging Stocks Investment

The Government Pension Investment Fund, which oversees 114 trillion yen (\$1.5 trillion), is in the final stage of deciding the managers who will handle the investments, said Takahiro Mitani, president of the fund, known as GPIF. The investments will be focused on markets included in the MSCI Emerging Markets Index. [\[Bloomberg\]](#)

RHB, OSK Seek Nod to Start Merger Talks

RHB Capital Bhd and OSK Holdings Bhd said yesterday they are seeking Bank Negara Malaysia's (BNM) approval to start talks for a possible merger of their respective investment banking operations. "Further details on the approval in principle from BNM will be announced in due course," OSK told Bursa Malaysia. OSK was previously linked to Malayan Banking Bhd, but no deal came through as the latter moved on to acquire Singapore's Kim Eng Securities instead. [\[The Sun Daily\]](#)

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