

Tuesday November 1, 2011

NEWS UPDATE

Stock Markets Rap (as of Oct 31)

	Close	Chg	(%)
Dow	11,955	-276	-2.3
Nasdaq	2,684	-53	-1.9
S&P 500	1,253	-32	-2.5
Global Dow	1,898	-66	-3.4
VIX	29.96	+5.43	+22.1

	Close	Chg	(%)
FTSE 100	5,544	-158	-2.8
DAX	6,141	-205	-3.2
CAC	3,243	-106	-3.2

	Close	Chg	(%)
ASX 200	4,298	-55	-1.3
Nikkei	8,988	-62	-0.7
Shanghai	2,468	-5	-0.2
HSI	19,865	-154	-0.8
H Shares	10,513	-112	-1.1
FTSE STI	2,856	-50	-1.7
SET	975	+2	+0.2
LSX	898	-3	-0.4
Vietnam	421	-1	-0.3

Currencies Rap (as of Oct 31)

	Last	Chg	(%)
DXY	76.50	+1.44	+1.91
THB/USD	30.71	+0.15	+0.49
THB/LAK	260.78	-1.38	-0.53
LAK/USD	8,008.50	+2.00	+0.02
USD/EUR	1.3858	-0.03	-2.04
JPY/USD	78.17	+2.35	+3.10

Commodities Rap (as of Oct 31)

	Close	Chg	(%)
Gold	1,725.20	-22.00	-1.26
Silver	34.35	-0.93	-2.65
WTI	93.19	-0.13	-0.14
Brent	109.56	-0.35	-0.32
BDI	1,965	-53	-2.63

Source: Bloomberg

MF Global Files Bankruptcy as Broker-Dealer Unit Liquidates

MF Global Holdings Ltd. filed for bankruptcy protection as it seeks to reorganize after making bets on European sovereign debt. Its broker-dealer unit, MF Global Inc., faces liquidation. The firm listed debt of \$39.7 billion and assets of \$41 billion in Chapter 11 papers filed yesterday in U.S. Bankruptcy Court. MF Global's filing is the 5th-largest financial-industry public company bankruptcy by assets, coming after Lehman Brothers, Washington Mutual, CIT Group and Consecro, according to BankruptcyData.com. It's the 8th-largest bankruptcy by assets of any public company, according to the research group. [\[Bloomberg\]](#)

Europe Inflation Unexpectedly Stays at 3%, Jobless Rises

European inflation unexpectedly remained at a 3-year high and unemployment increased, complicating the European Central Bank's task of bolstering the region's faltering economy. The inflation rate in the euro area held at 3% in October from the previous month, the European Union's statistics office in Luxembourg said in an initial forecast. That's the highest rate since October 2008. European unemployment unexpectedly rose to 10.2% in Sept from 10.1 in August, in a separate report. [\[Bloomberg\]](#)

Business Activity in U.S. Grows as Factories Lift Recovery

Business activity in the U.S. expanded in October at about the same pace as in the prior month, a sign overseas demand and business investment will help keep the economy expanding. The Institute for Supply Management-Chicago Inc. said yesterday its business barometer decreased to 58.4 in October from 60.4 the prior month. A level of 50 is the dividing line between expansion and contraction. The group's employment gauge climbed to a six-month high. [\[Bloomberg\]](#)

Yen Drops Most in 3 Years as Japan Sells Currency; Euro Falls

The yen dropped by the most in 3 years against the dollar as Japan stepped into foreign-exchange markets to weaken the currency for the 3rd time this year after its gains to a postwar record threatened exporters. Japanese Finance Minister Jun Azumi ordered the intervention at 10:25 a.m. Tokyo time because "speculative moves" in the currency failed to reflect Japan's economic fundamentals. He pledged to keep selling the yen in the market after it climbed to a postwar record of 75.35 per dollar earlier yesterday. The yen earlier remained at 79.20 for almost three hours during Asian trading. [\[Bloomberg\]](#)

Italy's Jobless Rate Hits 10-Month High of 8.3% in September

Italy's jobless rate rose to 8.3% in Sept amid a government austerity drive aimed at shielding the euro-region's 2nd-most indebted country from the sovereign crisis. The rate climbed from a revised 8% in August. Economists predicted the rate would be unchanged at 7.9%. Joblessness among those between ages 15-24 rose to 29.3% in Sept, the highest since the series began in 2004, from 28% in August. Italy's debt load amounting to 1.9 trillion euros, 120% of the output, the 2nd highest after Greece. [\[Bloomberg\]](#)

China PMI Drops for First Time in 3 Months

A Chinese manufacturing index dropped for the first time in three months in October, bolstering the case for Premier Wen Jiabao to loosen policies aimed at cooling inflation as growth slows. The Purchasing Managers' Index fell to 50.4 from 51.2 in September, the China Federation of Logistics and Purchasing said in a statement today. That compared with the median estimate of 51.8 in a Bloomberg News survey of 16 economists. A reading above 50 indicates expansion. [\[Bloomberg\]](#)

Lao PDR: Heavy Rains Bolster EDL Gen's 3Q11 Profit

EDL Gen, one of the largest hydropower companies in Laos, has made a higher profit than expected in 3Q11 thanks to heavy monsoon rains. The public company last week announced it made a net profit of LAK 248.4 billion (USD 31.0m) in 3Q11. EDL made a net profit of about LAK 437 billion (USD 54.6m) from hydropower generation and sale in 9M11. EDL Gen expects net earnings of LAK 580 billion (USD 72.4m) in 2011. According to BCEL-KT, which provides underwriting services for EDL Gen, earnings per share were LAK 503 (USD0.06) during 9M11. The broker said it would be possible for the power company to pay the full year dividend payment (before tax) of LAK 600 (USD 0.07) this year. EDL Gen paid LAK160 (USD 0.02) per share to shareholders over 6M11. [\[Vientiane Times\]](#)

Thanawat Patchimkul
Global Strategist

Email: thanawatp@ktzmico.com

Tel: + 66 2 673 5300

Assisted by
Denruthai Krishnamra