

Monday November 7, 2011

NEWS UPDATE

Stock Markets Rap (as of Nov 4)

	Close	Chg	(%)
Dow	11,983	-61	-0.5
Nasdaq	2,686	-12	-0.4
S&P 500	1,253	-8	-0.6
Global Dow	1,860	-5	-0.3
VIX	30.16	-0.34	-1.1

	Close	Chg	(%)
FTSE 100	5,527	-18	-0.3
DAX	5,966	-167	-2.7
CAC	3,124	-72	-2.3

	Close	Chg	(%)
ASX 200	4,281	+109	+2.6
Nikkei	8,801	+161	+1.9
Shanghai	2,528	+20	+0.8
HSI	19,843	+600	+3.1
H Shares	10,705	+411	+4.0
FTSE STI	2,848	+38	+1.4
SET	957	-0	-0.0
LSX	905	-18	-1.9
Vietnam	411	+2	+0.5

Currencies Rap (as of Nov 4)

	Last	Chg	(%)
DXY	76.96	+0.29	+0.38
THB/USD	30.63	-0.15	-0.49
THB/LAK	261.23	+0.84	+0.32
LAK/USD	8,010.50	-4.50	-0.06
USD/EUR	1.3792	+0.00	+0.01
JPY/USD	78.24	+0.22	+0.28

Commodities Rap (as of Nov 4)

	Close	Chg	(%)
Gold	1,756.10	-9.00	-0.51
Silver	34.08	-0.41	-1.20
WTI	94.26	+0.19	+0.20
Brent	111.97	+1.14	+1.03
BDI	1,784	-33	-1.82

Source: Bloomberg

G-20 Fails to Find Agreement on Europe Plan

Leaders of the Group of 20 industrialized and developing economies failed Friday to come up with a plan to enhance the euro zone's response to its sovereign debt woes, undercutting equity markets and sending Italian bond yields soaring to new euro-era highs. G-20 leaders agreed to continue work on a plan to shore up the IMF's resources at their next meeting in February. But there was no plan for the IMF to immediately increase its role in supporting Europe's beleaguered economies. German Chancellor Angela Merkel said the meeting failed to produce an agreement on how to boost the European Financial Stability Facility, with G-20 countries showing little interest in moving to fund it. [\[MarketWatch\]](#)

Papandreou to Step Down in Accord on Greek Unity Government

Greek Prime Minister George Papandreou agreed to step down to allow the creation of a national unity government that will secure international financing and avert a collapse of the country's economy. Papandreou met with Antonis Samaras, leader of the main opposition party, and agreed to form a government intended to lead Greece "to elections immediately after the implementation of European Council decisions on October 26. Both sides will meet again Monday to decide who will be the head of the new government with a separate meeting to discuss the time frame and the gov't's mandate. [\[Bloomberg\]](#)

After Greece, Italy Could Be Next Focus for Markets

The eyes of the world have been trained on Greece for most of this week, but, as the Hellenic crisis approached breaking point, signs are that Italy will be the next focus. Prime Minister Silvio Berlusconi's élan was dented Thursday after he was forced to accept IMF oversight of Italy's progress in implementing austerity measures at the Group of 20 nations (G20) meeting in Cannes, France. While the move calmed markets slightly, there are plenty of warnings that the Italian problem has not gone away. [\[CNBC\]](#)

U.S. Employers Add Fewest Jobs in Four Months in Slow Economic Recovery

The U.S. jobless rate unexpectedly fell in October while employers added the fewest workers in four months, reinforcing Federal Reserve Chairman Ben S. Bernanke's prediction of a "frustratingly slow" recovery. The unemployment rate dropped to a six-month low of 9% from 9.1%, even as more people entered the labor force. Payrolls rose by a less-than-forecast 80,000, following increases in the prior two months that were revised up by 102,000, Labor Department data showed Friday. Fed policy makers are forecasting "moderate" growth that won't push unemployment below 8% until 2013. [\[Bloomberg\]](#)

German Factory Orders Unexpectedly Plunged 4.3% in September

German factory orders unexpectedly plunged in September as demand from the euro region slumped, adding to signs the region's debt crisis is damping growth in Europe's largest economy. Orders fell 4.3% from August, when they dropped 1.4%, the Economy Ministry in Berlin said. It's the third straight month orders have declined. Economists forecast a 0.1% increase for September, according to Bloomberg News survey. In the year, orders rose 2.4% when adjusted for work days. [\[Bloomberg\]](#)

Yen Intervention Losing Momentum

Foreign-exchange traders are gearing up to test Jun Azumi's resolve to keep intervening in currency markets to weaken the yen from its postwar high. While Japan's Finance Minister directed the central bank on Oct. 31 to sell what analysts estimate was about 8 trillion yen (\$102 billion), sending it down as much as 4.7% against the dollar, the move failed to increase volatility. Traders avoid currencies with rising price swings because they boost the odds of sudden losses. [\[Bloomberg\]](#)

Lao PDR: Thai Floods Drive up Lao Inflation

The Lao National Statistics Bureau unveiled its monthly price survey last week, which revealed that the price of eggs, condensed milk, cooking oil and sugar saw 0.6, 0.54, 1.97 and 0.75 percent increases respectively in October compared to September. The bureau said that flooding in Thailand has driven up the price of imported goods and there is a possibility that prices will continue to rise because the floodwaters have undermined Thailand's ability to supply goods to regional markets. The rising price of imported commodities and domestic goods caused a month-on-month Consumer Price Index (CPI) rise of 0.27 percent, leaving Laos' inflation rate at 6.66 percent in October. [\[Vientiane Times\]](#)

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