

October 12, 2012

Stock Markets Rap

	Close	Chg	(%)
MSCI World	1,308.83	3.7	0.3%
Dow	13,326.39	-0.0	-0.1%
Nasdaq	3,049.42	-2.4	-0.1%
S&P 500	1,432.84	0.3	1.2%
Euro Stoxx	2,487.08	30.5	1.2%
FTSE 100	5,829.75	53.0	0.9%
DAX	7,281.70	76.5	1.1%
CAC	3,413.72	47.8	1.4%
ASX 200	4,483.53	-7.2	-0.2%
Nikkei	8,546.78	-49.4	-0.6%
Shanghai	2,102.87	-17.1	-0.8%
Hang Seng	20,999.05	79.5	0.4%
H Shares	10,231.20	190.1	1.9%
	Close	Chg	(%)
FTSE ASEAN	589.97	0.1	0.0%
Singapore	3,032.66	-1.2	-0.0%
Thailand	1,294.90	5.6	0.4%
Malaysia	1,655.47	-3.9	-0.2%
Indonesia	4,284.97	5.0	0.1%
Philippines	5,353.47	-16.1	-0.3%
Vietnam	394.19	-0.5	-0.1%
Lao PDR	1,049.98	2.0	0.2%
Cambodia	677.42	0.0	0.0%

Currencies Rap

	Last	Chg	(%)
DX	79.78	-0.1	-0.2%
USD/EUR	1.29	0.0	0.4%
JPY/USD	78.35	0.0	0.1%
THB/USD	30.70	-0.0	-0.1%
VND/USD	20,860.00	5.0	0.0%
LAK/USD	8,004.05	-2.9	-0.0%
KHR/USD	4,025.00	-18.9	-0.5%
MMK/USD	853.67	-4.6	-0.5%
VND/THB	679.59	0.9	0.1%
LAK/THB	260.70	0.1	0.1%
KHR/THB	679.59	0.9	0.1%
MMK/THB	27.80	-0.1	-0.4%

Commodities Rap

	Close	Chg	(%)
Gold	1,770.90	8.39	0.5%
Silver	34.23	0.45	1.3%
Copper	375.15	3.35	0.9%
WTI	92.07	0.82	0.9%
Brent	115.71	1.38	1.2%
BDI	903.00	28.00	3.2%

World, ASEAN, SET

Relative Performance



MACRO NEWS

- China : China Room to Ease Seen Fading as Pork Costs End Inflation Lull
- EU : Spanish Bonds Risk Forced Selling as Rating Approaches Junk
- US : Jobless Claims in U.S. Fall to Four-Year Low

CORPORATE NEWS

- Apple [AAPL: US] : Samsung Can Sell Galaxy Nexus During Appeal, Court Rules
- BofA [BAC: US] : BofA's Moynihan Sees Further Job Losses as Economy Sputters
- China's Banks Said to Resist Cutting Lending Rates
- Toyota [7203: US] : Toyota's Lexus Says U.S. Sales Behind Target on BMW Rivalry

KT Zmico Research
 Research@ktzmico.com
 66 (0) 2695-5000

MACRO NEWS**China Room to Ease Seen Fading as Pork Costs End Inflation Lull**

A U.S. drought that pushed soybean and corn prices to records is adding to the risk of a rebound in inflation in China, where consumer-price gains were probably close to the slowest in two years in September. Inflation was 1.9 percent last month, according to the median forecast in a Bloomberg News survey before a report on Oct. 15. Credit Agricole CIB says the rate may approach 4 percent by year-end and Citigroup Inc. estimates a pace of about 3.5 percent. [Bloomberg]

Spanish Bonds Risk Forced Selling as Rating Approaches Junk

Spanish government bonds are facing a selloff by investors concerned that the nation's credit rating will be cut to non-investment grade after Standard & Poor's lowered its ranking for the debt to one level above junk. Spain's two-year notes fell for a fourth day, the longest run of declines in six weeks, after New York-based S&P said it had cut the rating two levels to BBB- from BBB+. While data compiled by Bloomberg News shows that about half the time government bond yields move in the opposite direction suggested by new ratings, a potential cut to junk may prompt selling by investors who use bond indexes to determine their holdings of fixed-income assets. [Bloomberg]

Jobless Claims in U.S. Fall to Four-Year Low

Fewer Americans than forecast filed first-time claims for unemployment benefits last week, which may reflect difficulty adjusting the data for seasonal swings at the start of a new quarter. Applications for jobless benefits dropped 30,000 to 339,000 in the week ended Oct. 6, the fewest since February 2008, Labor Department figures showed yesterday. Economists forecast 370,000 claims, according to the median estimate in a Bloomberg survey. [Bloomberg]

CORPORATE NEWS**Samsung Can Sell Galaxy Nexus During Appeal, Court Rules**

Samsung (005930) Electronics Co., the world's largest mobile-phone maker, won its bid to continue selling its newest Galaxy Nexus smartphone in the U.S. while it battles patent-infringement claims filed by Apple Inc. (AAPL) The U.S. Court of Appeals for the Federal Circuit yesterday granted Samsung's request to lift a lower court's ban on sales. Samsung wants to continue selling the phone while it challenges a federal judge's June 29 ruling that Apple was likely to win its suit claiming the Galaxy Nexus infringed four patents and that sales were hurting Apple's business in the meantime. [Bloomberg]

BofA's Moynihan Sees Further Job Losses as Economy Sputters

Bank of America Corp. Chief Executive Officer Brian Moynihan will cut more jobs as the U.S.'s second-largest lender works through mortgage losses and global economic growth sputters. BofA is among banks cutting jobs and other expenses to restore profitability after the 2008 financial crisis sent borrowers into delinquency and the global economy into the deepest slump in at least seven decades. Moynihan announced \$3 billion of cuts at BofA's investment bank, trading and wealth- management units in July. [Bloomberg]

China's Banks Said to Resist Cutting Lending Rates

China's biggest banks are resisting government pressure to lower borrowing costs amid an economic slowdown as they seek to maintain the profitability of their lending operations, officials at the top four lenders said. The banks are limiting discounts for their best corporate clients to 10 percent of the benchmark lending rate, the officials said, asking not to be identified as they're not authorized to speak publicly. The central bank in July began allowing lenders to offer credit at 30 percent less than the benchmark rates. [Bloomberg]

Toyota's Lexus Says U.S. Sales Behind Target on BMW Rivalry

Toyota Motor Corp. (7203)'s Lexus, dethroned in 2011 as the best-selling U.S. luxury auto brand, said it may miss its U.S. sales target this year amid increased competition from Bayerische Motoren Werke AG. (BMW) Sales in the U.S. are "slightly behind" their target, according to Kazuo Ohara, executive vice president for Lexus. The introduction of the ES model in August may help the automaker boost sales in the rest of the year, he said. Toyota, which also lost its title as the world's biggest carmaker to General Motors Co. (GM) last year, is targeting a rebound in 2012, forecasting sales -- including those of subsidiaries Hino Motors Ltd. and Daihatsu Motor Co. -- to rise 23 percent to a record 9.76 million units. Regaining market share for Lexus, which had led U.S. luxury sales for 11 years, is a priority because its vehicles fetch higher prices than Toyota-brand cars. [Bloomberg]