

Tuesday March 13, 2012

Stock Markets Rap (as of Mar 12)

	Close	Chg	(%)
Dow	12,960	+38	+0.3
Nasdaq	2,984	-5	-0.2
S&P 500	1,371	+0	+0.0
VIX	15.64	-1.47	-8.6
MSCI World	1,290	-2	-0.2

	Close	Chg	(%)
FTSE 100	5,893	+5	+0.1
DAX	6,901	+21	+0.3
CAC	3,490	+3	+0.1
Euro Stoxx	2,514	-5	-0.2

	Close	Chg	(%)
ASX 200	4,197	-15	-0.4
Nikkei	9,890	-40	-0.4
Shanghai	2,435	-5	-0.2
HSI	21,134	+48	+0.2
H Shares	11,226	-30	-0.3

	Close	Chg	(%)
STI	2,962	-1	-0.0
Malaysia	1,565	-14	-0.9
PSEi	4,975	-6	-0.1
SET	1,150	-9	-0.7
LSX	947	+20	+2.1
Vietnam	428	-4	-0.9
Indonesia	3,987	-4	-0.1
FTSE ASEAN	567	-5	-0.8

Currencies Rap (as of Mar 12)

	Last	Chg	(%)
DX	79.89	-0.15	-0.19
THB/USD	30.65	+0.10	+0.33
LAK/THB	261.10	-0.27	-0.10
LAK/USD	8,000.00	+6.00	+0.08
USD/EUR	1.3108	-0.00	-0.11
JPY/USD	82.26	-0.20	-0.24

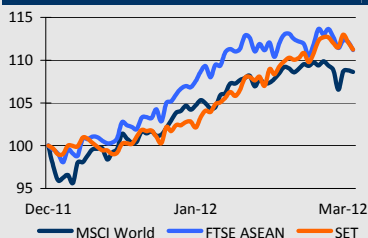
Commodities Rap (as of Mar 12)

	Close	Chg	(%)
Gold	1,699.80	-11.70	-0.68
Silver	33.41	-0.80	-2.34
Copper	383.75	-2.10	-0.54
WTI	106.34	-1.06	-0.99
Brent	125.34	-0.64	-0.51
BDI	837	+13	+1.58

Source: Bloomberg

World, ASEAN, SET (as of Mar 12)

Relative Performance



Source: Bloomberg

MACRO NEWS

- US Budget Deficit Rose in February, on Track to Top \$1 Trillion for Fourth Straight Year
- Italy in Recession, Headache for PM Monti
- High-Yielding New Greek Bonds Fail to Lure Investors
- China Central Bank Eyes Freer Yuan, Policy Flexibility

CORPORATE NEWS

- Exxon Mobil [XOM:US]** - Exxon, Iraq Agree on West Qurna Oilfield Payments
- Citigroup [C:US]** - Citigroup Might Be Surprise Winner in Stress Tests
- Google [GOOG:US]** - ComScore: Google Expands Share Of US Internet Searches In February
- Pfizer [PFE:US]** - Pfizer CEO: Spin-Off More Likely for Animal Health
- Apple [AAPL:US]** - iPhone Fails to Gain China Share as Samsung Lead Triples: Tech

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MACRO NEWS

US Budget Deficit Rose in February, on Track to Top \$1 Trillion for Fourth Straight Year

The U.S. federal deficit was slightly smaller through the first five months of the budget year than the previous year. Still, the imbalance is on pace to exceed \$1 trillion for the fourth straight year, which could be an issue in this year's presidential election. The Treasury Department said Monday that the deficit grew by \$232 billion in February. The Obama administration expects the deficit will reach \$1.3 trillion when the budget year ends on Sept. 30. That would nearly match last year's gap. The government ran a record deficit of \$1.41 trillion in 2009 and a \$1.29 trillion gap in 2010. The deficit was slightly lower at the start of the year in part because the government took in more taxes from corporations. [\[The Washington Post\]](#)

Italy in Recession, Headache for PM Monti

Italy is in recession, final data confirmed Monday, underscoring the difficulties facing Mario Monti's government as it grapples with a shrinking economy dragged down by austerity measures and a debt crisis. Italy's economy shrank 0.7% in 4Q11, following a 0.2% decline in GDP in 3Q11. Italy's national statistics office ISTAT said GDP fell 0.4% y-o-y in 4Q11, revising a preliminary estimate of a 0.5% fall. Weak consumption in the euro zone's third largest economy weighed heavily in 4Q, while investments and inventories also declined but net exports contributed positively. [\[Reuters\]](#)

High-Yielding New Greek Bonds Fail to Lure Investors

Investors shied away from new, post-swap, Greek bonds on their first trading day on Monday. Investors demanded yields of between roughly 14 and 19% to buy the new bonds. Unusually, yields on the paper maturing earlier were higher than on longer-term debt. This inversion can indicate investors fear a default. [\[Reuters\]](#)

China Central Bank Eyes Freer Yuan, Policy Flexibility

China will encourage the value of its yuan currency to be set by the market and step back from intervention "in an orderly manner", while keeping policy flexible to support credit growth in the face of volatile capital flows, the central bank said on Monday. Speaking days after China posted its biggest trade deficit in at least a decade, People's Bank of China (PBOC) Governor Zhou Xiaochuan said monetary policy moves would respond to liquidity conditions determined by the balance of payments, demand for yuan in markets and international capital flows. Zhou's remarks support well-entrenched investor views of an imminent reduction in the amount of cash commercial lenders must keep with the central bank, following cuts of 50 basis points each in November and February that brought the required reserve ratio (RRR) down from June 2011's record high of 21.5%. [\[Reuters\]](#)

CORPORATE NEWS

Exxon Mobil [XOM:US] - Exxon, Iraq Agree on West Qurna Oilfield Payments

Exxon Mobil and Baghdad have reached agreement for the company to be paid in oil for work on the huge West Qurna-1 oilfield, after months of negotiations over contract terms, an Iraqi oil official said. The foreign oil companies involved in Iraq's oil expansion generally prefer to be compensated for capital expenditure and service fees in oil, because cash payments are more complicated to arrange. BP, which leads the Rumaila project, and Italy's Eni, leader of the Zubair project, had signed up to Iraq's oil sales agreement from the outset, the first step towards being paid in crude. [\[Reuters\]](#)

Citigroup [C:US] - Citigroup Might Be Surprise Winner in Stress Tests

Citigroup Inc may be a surprise winner when the Federal Reserve reveals the results of bank stress tests designed to gauge the health of the biggest U.S. banks. The third-largest U.S. bank may receive permission to increase its penny-per-share quarterly dividend, analysts say, something long-suffering shareholders have been waiting for since the payout was slashed after a series of government bailouts. Stronger banks such as Wells Fargo & Co are also likely to see another round of dividend increases, while Bank of America Corp and other banks still trying to rebuild their capital, such as Regions Financial Corp, will be left out. [\[CNBC\]](#)

Google [GOOG:US] - ComScore: Google Expands Share Of US Internet Searches In February

Google expanded its leading market share among U.S. Internet-search engines last month as Microsoft Corp.'s Bing search engine also saw its share rise slightly, according to industry researcher comScore Inc. (SCOR). Google's U.S. market share rose 0.2% to 66.4% in February from the prior month. Microsoft's Internet-search sites' share edged up 0.1% to 15.3%. Yahoo remained in the No. 3 spot, slipping 0.3% to 13.8%. [\[WSJ\]](#)

Pfizer [PFE:US] - Pfizer CEO: Spin-Off More Likely for Animal Health

Pfizer is more likely to spin off its animal health unit than sell it, reflecting the expected investor appeal of such a large standalone business, its chief executive said on Monday. Pfizer faces a hefty tax bill if it sells outright and any buyer would also face substantial antitrust hurdles. [\[Reuters\]](#)

Apple [AAPL:US] - iPhone Fails to Gain China Share as Samsung Lead Triples: Tech

Apple Inc. got a second partner in China to sell the iPhone in the world's biggest mobile-phone market. The deal may be too late to catch Samsung Electronics, with a market share that's three times larger and growing. China Telecom began selling the iPhone last week as Apple tries to build on its 7.5% share of the country's smartphone sales. Samsung controlled 24.3% of the market for phones that can play videos and games, according to Gartner Inc. [\[Bloomberg\]](#)