

August 17, 2012

Stock Markets Rap

	Close	Chg	(%)
MSCI World	1,287.62	10.8	0.8%
Dow	13,250.11	0.0	0.6%
Nasdaq	3,062.39	31.5	1.0%
S&P 500	1,415.51	10.0	1.5%
Euro Stoxx	3,032.15	44.9	1.5%
FTSE 100	9,181.77	33.2	0.4%
DAX	8,648.11	115.4	1.4%
CAC	4,302.23	65.6	1.5%
ASX 200	4,504.00	44.0	1.0%
Nikkei	114.71	1.7	1.5%
Shanghai	331.73	-1.3	-0.4%
Hang Seng	2,573.64	-11.2	-0.4%
H Shares	1,255.92	-4.7	-0.4%
	Close	Chg	(%)
FTSE ASEAN	576.58	-0.9	-0.2%
Singapore	2,451.29	1.8	0.1%
Thailand	1,188.62	1.0	0.1%
Malaysia	1,650.09	-3.7	-0.2%
Indonesia	4,160.51	18.5	0.4%
Philippines	5,219.51	-47.1	-0.9%
Vietnam	430.83	0.1	0.0%
Lao PDR	1,036.75	9.2	0.9%
Cambodia	709.68	0.0	0.0%

Currencies Rap

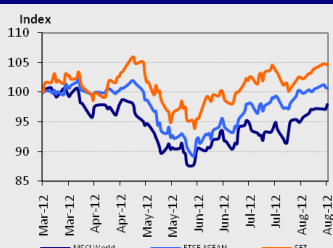
	Last	Chg	(%)
DX	82.36	-0.3	-0.3%
USD/EUR	1.23	-0.0	-0.1%
JPY/USD	79.22	0.3	0.3%
THB/USD	31.54	-0.0	-0.0%
VND/USD	20,850.00	5.0	0.0%
LAK/USD	8,028.90	0.4	0.0%
KHR/USD	4,052.95	-15.1	-0.4%
MMK/USD	874.11	0.1	0.0%
VND/THB	660.86	-0.3	-0.0%
LAK/THB	254.48	0.0	0.0%
KHR/THB	660.86	-0.3	-0.0%
MMK/THB	27.71	0.0	0.0%

Commodities Rap

	Close	Chg	(%)
Gold	1,603.69	8.96	0.6%
Silver	27.86	0.21	0.7%
Copper	3.39	0.03	1.0%
WTI	95.60	1.27	1.3%
Brent	115.27	0.96	0.8%
BDI	720.00	-8.00	-1.1%

World, ASEAN, SET

Relative Performance



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MACRO NEWS

- EU: Merkel 'Committed to Do Everything We Can'
- US: Building Permits in U.S. Increase to Four-Year High

CORPORATE NEWS

- Morgan Stanley [MS: US] - Morgan Stanley Unit Fined Over Trader's \$1.3 Billion Bet
- Apple [AAPL: US] - Apple in Talks With Cable TV Networks Over Set-Top Box

MACRO NEWS**Merkel: 'Committed to Do Everything We Can'**

German Chancellor Angela Merkel said Thursday Germany is committed to do everything they can to maintain the euro and renewed her call for fiscal discipline by praising Canada for not "living on borrowed money" and saying it should serve as a model for Europe. Merkel, fresh off her summer vacation, arrived in Ottawa for two days of meetings with Canadian Prime Minister Stephen Harper. Last month, European Central Bank President Mario Draghi said the bank would do "whatever it takes" to preserve the euro — and markets surged on hopes of action. Spokesmen for Merkel and Italian Premier Mario Monti backed Draghi's comments last month and Merkel supported them on Thursday. "What he said is something we repeated time and again since the beginning of the Greek difficulties more than two years ago. We feel committed to do everything we can to maintain the common currency. The European Central Bank, although it is of course independent, is completely in line with what we have said all along," Merkel said at a press conference with Harper. [CNBC]

Building Permits in U.S. Increase to Four-Year High

American builders took out more residential construction permits in July than at any time in the past four years, a sign the market will continue to improve. Applications, a proxy for future work, rose to an 812,000 annual rate, exceeding the highest estimate of economists surveyed by Bloomberg and the most since August 2008, Commerce Department figures showed today in Washington. Housing starts fell 1.1 percent to a 746,000 rate from June's 754,000, which was the strongest pace in more than three years. Less costly properties combined with record-low mortgage rates are reviving demand, helping companies like PulteGroup Inc. (PHM) boost profits. Another report showed Americans this month were the most pessimistic on the economic outlook since late last year as fuel costs climb, a hurdle that may prevent the economy from strengthening in the second half of the year. "Housing is one of the bright spots in the economy," said Ryan Sweet, a senior economist at Moody's Analytics Inc. in West Chester, Pennsylvania. "The recovery's resilience will be tested over the next couple months because of Europe, the weakening in China, and also given that the consumer and business moods are rather gloomy right now." Stocks rose, sending the Standard & Poor's 500 Index to its highest level since April, as the increase in building permits brightened the outlook for housing. The 500 Index climbed 0.7 percent to 1,415.51 at the 4 p.m. close in New York. The S&P Supercomposite Homebuilding Index advanced 4.4 percent. [Bloomberg]

CORPORATE NEWS**Morgan Stanley Unit Fined Over Trader's \$1.3 Billion Bet**

Morgan Stanley (MS) Smith Barney, the brokerage venture of Morgan Stanley and Citigroup Inc. (C), was fined \$450,000 after a trader amassed a \$1.3 billion bet in 2009, Financial Industry Regulatory Authority records show. The brokerage didn't have enough controls in place to detect that Jared Weinryt, 31, had breached his \$116 million trading limit as he made overnight bets on futures, Finra said this month. The trades led to losses for Morgan Stanley Smith Barney of about \$14.9 million, according to Finra. Regulators are pressing Wall Street to heighten risk controls after multibillion-dollar trading losses at UBS AG and JPMorgan Chase & Co. (JPM), the collapse of MF Global Holdings Ltd. (MFGQ) after a \$6.3 billion bet on European debt, and Knight Capital Group Inc. (KCG)'s \$270 million loss caused by faulty software. Morgan Stanley Smith Barney "detected the trading activity by a former employee that occurred three years ago, stopped it promptly, reported it to regulators, and has since added new controls designed to prevent a reoccurrence," Christine Jockle, a spokeswoman for the unit, said in an e-mailed statement. The brokerage employed Weinryt from 2006 to 2009, Finra records show. He bought and sold futures, agreements to trade assets at set prices and dates. Investors sometimes buy futures as a bet on price fluctuations and sell them before the delivery date. Weinryt traded in futures tied to U.S. sovereign debt and Eurodollars, according to Finra. [Bloomberg]

Apple in Talks With Cable TV Networks Over Set-Top Box

Apple is in talks with U.S. cable operators about allowing viewers to use an Apple TV device as a set-top box for live television and other content, the Wall Street Journal reported, citing people familiar with the matter. Time Warner Cable [TWC 89.55 ▼ -0.22 (-0.25%)] is among the cable networks that the iPhone maker is in talks with, but it has not yet reached a deal, the sources told the Journal. Apple [AAPL 636.34 ▲ 5.51 (+0.87%)] had considered building a cable set-top box two years ago but former Chief Executive Steve Jobs did not go ahead with the idea, saying most operators lacked national reach, the sources told the newspaper. Apple already sells a \$99 set-top box called Apple TV that streams Netflix and other content. It has not been confirmed if the set-top box would use the same hardware as Apple TV or an upgraded box, the newspaper said. The technology might be embedded in a television, the sources told the Journal. [CNBC]