

Wednesday February 29, 2012

Stock Markets Rap (as of Feb 28)

	Close	Chg	(%)
Dow	13,005	+24	+0.2
Nasdaq	2,987	+21	+0.7
S&P 500	1,372	+5	+0.3
VIX	17.96	-0.23	-1.3
MSCI World	1,303	+5	+0.4

	Close	Chg	(%)
FTSE 100	5,928	+12	+0.2
DAX	6,888	+38	+0.6
CAC	3,454	+13	+0.4
Euro Stoxx	2,521	+4	+0.2

	Close	Chg	(%)
ASX 200	4,263	-5	-0.1
Nikkei	9,723	+89	+0.9
Shanghai	2,452	+5	+0.2
HSI	21,569	+351	+1.7
H Shares	11,761	+221	+1.9

	Close	Chg	(%)
STI	2,970	+23	+0.8
Malaysia	1,557	-2	-0.1
PSEi	4,820	+21	+0.4
SET	1,146	+11	+1.0
LSX	924	+1	+0.1
Vietnam	422	-6	-1.4
Indonesia	3,904	+43	+1.1
FTSE ASEAN	571	+7	+1.3

Currencies Rap (as of Feb 28)

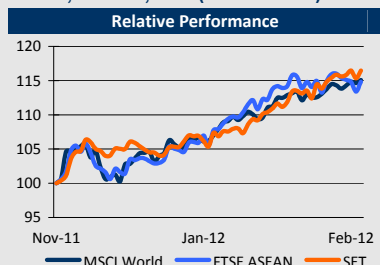
	Last	Chg	(%)
DX	78.25	-0.32	-0.41
THB/USD	30.33	-0.14	-0.46
LAK/THB	263.27	+1.16	+0.44
LAK/USD	7,985.00	+2.00	+0.03
USD/EUR	1.3458	+0.01	+0.45
JPY/USD	80.46	-0.15	-0.19

Commodities Rap (as of Feb 28)

	Close	Chg	(%)
Gold	1,788.40	+13.50	+0.76
Silver	37.21	+1.60	+4.50
Copper	392.15	+3.25	+0.84
WTI	106.55	-2.01	-1.85
Brent	121.55	-2.62	-2.11
BDI	738	+8	+1.10

Source: Bloomberg

World, ASEAN, SET (as of Feb 28)



Source: Bloomberg

MACRO NEWS

-  Dow Closes Above 13,000 for First Time Since 2008 on Confidence
-  Euro Approaches Three-Month High Before ECB Bank-Refinancing Operation
-  China Allows New Bank Loans to Some Local Govt Projects

CORPORATE NEWS

-  **BHP Billiton [BHP:US]** - BHP, ArcelorMittal See Tight Iron Ore Market as Costs Curb
-  **JPMorgan [JPM: US]** - JPMorgan Aims to Use Size to Lift Profit by 25%
-  **Apple [AAPL:US]** - Apple to Unveil New iPad Next Month
-  **McDonald's [MCD:US]** - McDonald's Plans to Expand Franchising in China
-  **3M [MMM:US]** - GE to 3M Pension Pain Mounts as Fed Rate Policy Boosts Company Liabilities
-  **Google [GOOG:US]** - Google Says Android Is Being Activated on 850,000 Devices a Day

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MACRO NEWS

Dow Closes Above 13,000 for First Time Since 2008 on Confidence

U.S. stocks rose, sending the Dow Jones Industrial Average to its first close above 13,000 since 2008, as better-than-estimated consumer confidence data and a drop in oil bolstered optimism in the world's largest economy. Stocks rose as the Conference Board's index increased to the highest level in a year. The euro strengthened versus the dollar before the European Central Bank provides funds Wednesday to support banks. Earlier Tuesday, stocks dropped as orders for U.S. durable goods fell in January by the most in three years. Separate data showed that home prices in 20 U.S. cities declined more than forecast in December. [\[Bloomberg\]](#)

Euro Approaches Three-Month High Before ECB Bank-Refinancing Operation

The euro rose towards its strongest in almost three months on speculation the European Central Bank's allotment of three-year loans to banks Wednesday will spur demand for the region's assets. The euro traded at \$1.3478 at 9 a.m. in Tokyo from \$1.3458 in New York yesterday. ECB will probably grant euro-region banks 470 billion (\$633 billion) euros this week in its longer-term refinancing operation, or LTRO, according to a Bloomberg News survey. The bank lent a record 489 billion euros in its first such operation on Dec. 21. Using the operations, banks can borrow from the ECB at around 1% and invest the proceeds in higher-yielding securities such as the 10-year Italian government bond, yielding 5.35%. [\[Bloomberg\]](#)

China Allows New Bank Loans to Some Local Govt Projects

China's banking regulator has allowed banks to make new loans to unfinished local government investment projects to ensure their completion, the official China Securities Journal reported on Tuesday. This is the latest step by the authorities to ward off a wave of debt defaults by cash strapped local governments. Banks will be allowed to continue extending new loans to local highway projects, land reserve centres as well as local financing vehicle projects, provided they are at least 60% complete, the newspaper said. [\[Reuters\]](#)

CORPORATE NEWS

BHP Billiton [BHP:US] - BHP, ArcelorMittal See Tight Iron Ore Market as Costs Curb

The global iron ore market will remain tight until later in the decade because increased capital costs could delay some new projects, supporting prices that have more than doubled over the past three years. Global iron ore demand, chiefly driven by top importer China, has been outpacing supply, and many analysts have predicted the seaborne market will start to be oversupplied by 2014 or 2015 because of massive expansion by top miners Vale, Rio Tinto and BHP Billiton. With rising costs set to delay greenfield projects, there is little risk of the global iron ore market being oversupplied until late in the decade, Simon Wandke, vice president and chief commercial officer of ArcelorMittal Mining, said on Tuesday. [\[Reuters\]](#)

JPMorgan [JPM:US] - JPMorgan Aims to Use Size to Lift Profit by 25%

JPMorgan Chase plans to use size to its advantage, leveraging its various components to boost annual earnings more than 25% over time, bank executives said on Tuesday. At the banking company's investor day, Chief Financial Officer Doug Braunstein said JPMorgan was targeting \$24 billion in annual net income, up from the \$19 billion it earned last year. "I'll be damned if we don't have record profits at least for a while now," Chief Executive Officer Jamie Dimon said in closing remarks at the conference. [\[Reuters\]](#)

Apple [AAPL:US] - Apple to Unveil New iPad Next Month

Apple Inc. will hold a product event on March 7 in San Francisco, where it's said to be releasing the third generation of its best-selling iPad tablet computer. Apple shares were trading at \$532.98 at 2:47 p.m. New York time, up 1.4%, after earlier reaching a record high. The stock has climbed 31% this year. The introduction of the new iPad will be Apple's first major hardware release since the death of co-founder Steve Jobs in October. With new features, Chief Executive Officer Tim Cook aims to give customers more reasons to stick with the iPad, even as rivals undercut it on price. [\[Bloomberg\]](#)

McDonald's [MCD:US] - McDonald's Plans to Expand Franchising in China

McDonald's Corp, the world's biggest hamburger chain said it plans to increase the number of franchised stores in China as it ramps up expansion in one of the world's fastest-growing consumer markets. McDonald's lags rival Yum Brands Inc in opening outlets in China. Yum has opened about 4,500 restaurants under brands including KFC, Pizza Hut, East Dawning and Little Sheep in the country, which is now Yum's biggest earnings driver. In comparison, McDonald's owns more than 1,400 restaurants in China. McDonald's opened a record 200 new stores in China last year, and has unveiled plans to boost investment in the country by 50% in 2012, aiming to open another 225-250 new outlets this year. [\[Reuters\]](#)

3M [MMM:US] - GE to 3M Pension Pain Mounts as Fed Rate Policy Boosts Company Liabilities

General Electric, Boeing and 3M will join big U.S. employers in making a record \$100 billion in 2012 pension contributions, 67% more than two years ago, as low interest rates boost companies' liabilities. Payments may total \$400 billion from 2011 through 2015 to ease underfunding at the 100 largest defined-benefit programs, according to consultant Milliman Inc. [\[Bloomberg\]](#)

Google [GOOG:US] - Google Says Android Is Being Activated on 850,000 Devices a Day

Google Inc.'s Android software, the world's most popular smartphone operating system, is being activated on 850,000 new devices a day, up from 700,000 in December. The total number of Android devices has topped 300 million according to Google. [\[Bloomberg\]](#)