

Thursday May 17, 2012

Stock Markets Rap (as of May 16)

	Close	Chg	(%)
MSCI World	1,205	-9	-0.8
Dow	12,599	-33	-0.3
Nasdaq	2,874	-20	-0.7
S&P 500	1,325	-6	-0.4
Euro Stoxx	2,175	-3	-0.2
FTSE 100	5,405	-32	-0.6
DAX	6,384	-17	-0.3
CAC	3,049	+9	+0.3
ASX 200	4,166	-101	-2.4
Nikkei	8,801	-100	-1.1
Shanghai	2,346	-29	-1.2
Hang Seng	19,260	-634	-3.2
H Shares	9,742	-343	-3.4

	Close	Chg	(%)
FTSE ASEAN	541	-14	-2.4
Singapore	2,831	-46	-1.6
Thailand	1,171	-13	-1.1
Malaysia	1,536	-25	-1.6
Indonesia	3,980	-65	-1.6
Philippines	4,864	-113	-2.3
Vietnam	450	-6	-1.3
Lao PDR	1,032	0	0.0
Cambodia	774	-	-

Currencies Rap (as of May 16)

	Last	Chg	(%)
DXY	81.37	+0.15	+0.19
USD/EUR	1.2711	-0.01	-1.09
JPY/USD	80.41	+0.49	+0.61
THB/USD	31.49	+0.15	+0.48
VND/USD	20,850	-3.00	-0.01
LAK/USD	8,019.00	+5.00	+0.06
KHR/USD	4,032.50	+7.50	+0.19
MMK/USD	829.96	+1.91	+0.23
VND/THB	662.30	-2.80	-0.42
LAK/THB	254.69	-1.10	-0.43
KHR/THB	129.00	0.00	0.00
MMK/THB	26.36	-0.07	-0.26

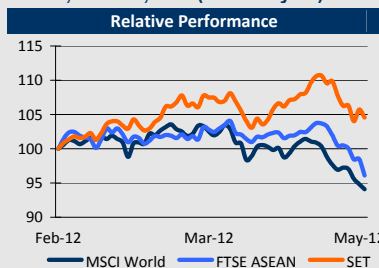
Commodities Rap (as of May 16)

	Close	Chg	(%)
Gold	1,536.60	-20.50	-1.32
Silver	27.20	-0.88	-3.15
Copper	347.80	-3.95	-1.12
WTI	92.81	-1.17	-1.24
Brent	111.71	-0.53	-0.47
BDI	1,137	+7	+0.62

Source: Bloomberg

* Cambodia Stock Index as of May 11

World, ASEAN, SET (as of May 16)



Source: Bloomberg

MACRO NEWS

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- U.S. Housing, Industrial Data Point to Steady Growth

CORPORATE NEWS

- Tencent [700:HK]** - Tencent Net Rises to Record on Chinese, Korean Game Sales
- China Mobile [941:HK]** - China Mobile in Talks with Apple Over iPhone
- McDonald's [MCD:US]** - McDonald's to Almost Double China Employees as Gears Up
- Apple [AAPL:US]** - Apple Readies iPhone with Bigger Screen: Sources
- PepsiCo [PEP:US]** - CLSA Ups Pepsi, Sees Better Odds of Split

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MACRO NEWS

ECB Stops Loans to Some Greek Banks as Draghi Talks Exit

The European Central Bank said it will temporarily stop lending to some Greek banks to limit its risk as President Mario Draghi signaled the ECB won't compromise on key principles to keep Greece in the euro area. The Frankfurt-based ECB said it will push the responsibility for lending to some Greek financial institutions onto the Greek central bank until they have sufficiently boosted their capital. "Once the recapitalization process is finalized, and we expect this to be finalized soon, the banks will regain access to standard Eurosystem refinancing operations," the ECB said. [\[Bloomberg\]](#)

Markets Await Facebook IPO, But Greece Is Still a Worry

Uncertainty surrounding Greece will continue to tug at markets Thursday, as traders await the pricing of the big Facebook IPO. Huge demand for the offering encouraged Facebook [FB] to sell even more shares, and now its giant IPO could bring in a record \$18.4 billion, more than the \$17.9 billion record offering of Visa shares. If Facebook prices at the top of its range, its valuation would be \$104 billion. Greece heads to a new election June 17, after politicians failed to put together a ruling coalition, following the May 6 election. Fears that Greece would leave the euro zone, wreaking havoc in the financial system, has been weighing on markets. The G-8 leaders also begin to gather Thursday night ahead of Friday and Saturday meetings at Camp David. Greece is expected to be a big topic of discussion. "If the G-8 simply puts out a defacto statement like it always does, it's going to be a disappointment to the market. At some point, it requires a multilateral approach to solve this problem," said Boris Schlossberg of GFT Forex. [\[CNBC\]](#)

U.S. Housing, Industrial Data Point to Steady Growth

Groundbreaking for U.S. homes rebounded in April and factory activity gained momentum, suggesting a moderate pickup in economic growth early in the second quarter. The Commerce Department said housing starts increased 2.6% to a seasonally adjusted annual rate of 717,000 units. In a separate report, the Federal Reserve said production at the nation's mines, factories and utilities rose 1.1% - the largest gain since December 2010. [\[Reuters\]](#)

CORPORATE NEWS

Tencent [700:HK] - Tencent Net Rises to Record on Chinese, Korean Game Sales

Tencent Holdings Ltd., China's biggest Internet company, posted a record quarterly profit of 2.95 billion yuan (\$467 million) after online game sales jumped. First-quarter net income increased 2.8% from a year earlier, Tencent said in a Hong Kong stock exchange filing yesterday. That matched the 2.95 billion yuan average of 10 analyst estimates. Revenue rose 52% to 9.65 billion yuan. Tencent outpaced smaller rivals NetEase Inc. (NTES) and Shanda Games Ltd. (GAME) in luring players in China's \$6.5 billion online games market and added gamers overseas, including in South Korea, to step up international expansion. Chief Executive Officer Pony Ma is upgrading services such as messaging and microblogging to win Chinese smartphone users and sustain his company's 41% surge in Hong Kong trading this year. [\[Bloomberg\]](#)

China Mobile [941:HK] - China Mobile in Talks with Apple Over iPhone

China Mobile, the world's biggest mobile operator by subscribers, said Wednesday the company is in talks with Apple to offer the popular iPhone to its users in the Asian nation. The company's domestic rivals -- China Unicom and China Telecom -- already offer the iPhone to their subscribers. "Both sides have been making contact with each other. And both sides are willing to boost cooperation," China Mobile said. [\[AFP\]](#)

McDonald's [MCD:US] - McDonald's to Almost Double China Employees as Gears Up

McDonald's Corp., the world's largest restaurant chain, will hire 70,000 people in China this year, almost doubling its workforce there, as it accelerates new store openings in the Asian nation. On May 20, all 1,400 McDonald's stores in China will set up recruitment tables and invite people to apply for restaurant positions, Lisa Howard, a company spokeswoman, said. Oak Brook, Illinois-based McDonald's first announced the openings in China yesterday, she said. McDonald's has about 80,000 employees in China now, Howard said. It will open as many as 250 locations there this year, compared with 200 last year, she said. [\[Bloomberg\]](#)

Apple [AAPL:US] - Apple Readies iPhone with Bigger Screen: Sources

Apple Inc plans to use a larger screen on the next-generation iPhone and has begun to place orders for the new displays from suppliers in South Korea and Japan, people familiar with the situation said on Wednesday. The new iPhone screens will measure 4 inches from corner to corner, one source said. That would represent a roughly 30 percent increase in viewing area, assuming Apple keeps other dimensions proportional. Apple has used a 3.5-inch screen since introducing the iPhone in 2007. Early production of the new screens has begun at three suppliers: Korea's LG Display Co Ltd, Sharp Corp and Japan Display Inc, a Japanese government-brokered merger combining the screen production of three companies. [\[Reuters\]](#)

PepsiCo [PEP:US] - CLSA Ups Pepsi, Sees Better Odds of Split

PepsiCo was upgraded to outperform from underperform by CLSA on Wednesday, with the brokerage firm saying chances for a break-up have improved following news that activist investor Ralph Whitworth snagged a stake in the soda and snacks giant worth about \$610 million. The investment company also lifted its price target on Pepsi to \$75 from \$66. While Whitworth's stake is small, his reputation as an activist shareholder and corporate governance expert could push Pepsi's board to reexamine the benefits of a split, CLSA analyst Caroline Levy said. CLSA said it has long held the view that the Purchase, N.Y.-based maker of Frito-Lay and Gatorade is "more valuable as separate, focused entities than as one." [\[FoxBusiness\]](#)