

Friday May 25, 2012

Stock Markets Rap (as of May 24)

	Close	Chg	(%)
MSCI World	1,191	+4	+0.3
Dow	12,530	+34	+0.3
Nasdaq	2,839	-11	-0.4
S&P 500	1,321	+2	+0.1
Euro Stoxx	2,157	+22	+1.1
FTSE 100	5,350	+84	+1.6
DAX	6,316	+30	+0.5
CAC	3,038	+35	+1.2
ASX 200	4,056	-11	-0.3
Nikkei	8,563	+7	+0.1
Shanghai	2,351	-12	-0.5
Hang Seng	18,666	-120	-0.6
H Shares	9,541	-33	-0.3

	Close	Chg	(%)
FTSE ASEAN	531	+2	+0.3
Singapore	2,780	-1	0
Thailand	1,126	+15	+1.4
Malaysia	1,548	+9	+0.6
Indonesia	3,985	+3	+0.1
Philippines	4,904	-24	-0.5
Vietnam	427	-10	-2.3
Lao PDR	996	0	0
Cambodia	785	0	0

Currencies Rap (as of May 24)

	Last	Chg	(%)
DX	82.35	+0.25	+0.31
USD/EUR	1.2532	0	-0.4
JPY/USD	79.6	+0.13	+0.16
THB/USD	31.62	+0.09	+0.29
VND/USD	20,860	+10	+0.05
LAK/USD	8,023.50	+6.5	+0.08
KHR/USD	4,079.95	+34.95	+0.86
MMK/USD	840.33	+1.23	+0.15
VND/THB	659.44	-1.54	-0.23
LAK/THB	253.83	-0.47	-0.18
KHR/THB	129	+0.5	+0.39
MMK/THB	26.58	-0.03	-0.1

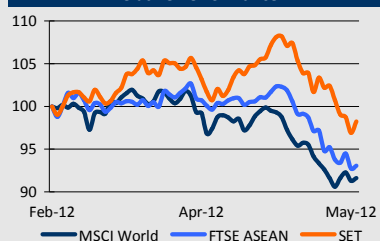
Commodities Rap (as of May 24)

	Close	Chg	(%)
Gold	1,559.80	+9.2	+0.59
Silver	28.16	+0.64	+2.32
Copper	342.85	+3.25	+0.96
WTI	90.66	+0.76	+0.85
Brent	106.55	+0.99	+0.94
BDI	1,058	-42	-3.82

Source: Bloomberg

World, ASEAN, SET (as of May 24)

Relative Performance



Source: Bloomberg

MACRO NEWS

- Italy's Monti Says Greece Will Probably Keep Euro
- Europe Manufacturing Shrinks, German Confidence Drops: Economy
- China Manufacturing Activity Worsens: HSBC
- China Banks May Miss Loan Target For 2012, Officials Say

CORPORATE NEWS

- Google [GOOG:US] - Google Tablet Nearly Ready for Launch -CNBC
- Royal Dutch Shell [RDSA:US] - Shell Says Considering Options on Bid Target Cove
- Tencent [700:HK] - Tencent Plans To Invest \$1 Billion In E-Commerce Unit
- McDonald's [MCD:US] - McDonald's Bonds Tie Higher-Rated IBM Record: Corporate Finance

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MACRO NEWS

Italy's Monti Says Greece Will Probably Keep Euro

Greece will probably remain in the euro zone, Italian Prime Minister Mario Monti said on Thursday, but demands made of Greece by its partners had been unrealistic and far reaching economic reform could take decades to achieve. "Anything can happen, but I think the most probable outcome is the one which is most positive for Greece and for all of us," Monti said on an Italian television talk show, when asked if he believed Greece would stay in the currency bloc. Greece's euro zone partners had been wrong to insist on a process of reforms and fiscal adjustment which was too fast for the country to withstand, Monti said. He earlier told a news conference that he did not expect it would be long before European countries were ready to introduce common euro zone bonds. [\[Reuters\]](#)

Europe Manufacturing Shrinks, German Confidence Drops: Economy

European manufacturing and services output dropped in May, German business confidence declined and Britain's first-quarter contraction was deeper than previously estimated as the region's economic slump worsened. A composite index based on a survey of purchasing managers in the services and manufacturing industries in the 17-nation euro area fell to 45.9 from 46.7 in April, London-based Markit Economics said. Germany's business climate index decreased to 106.9 from 109.9 in April and U.K. gross domestic product fell 0.3% in the first quarter instead of 0.2% estimated earlier, reports showed today. [\[Bloomberg\]](#)

China Manufacturing Activity Worsens: HSBC

China's factory activity appeared set for a seventh straight month of contraction in May, according to HSBC data released Thursday, with export orders shrinking to erase one of the bright spots in the previous month's numbers. The preliminary, or "flash," headline reading of the HSBC manufacturing Purchasing Managers' Index dropped to 48.7 in May on a 100-point scale, from a final reading of 49.3 for April. A reading below 50 indicates contraction from the previous month. Export orders were firmly in contraction, reversing from a reading that indicated expansion in April, the survey said. Meanwhile, factory orders extended their weakening, declining at a faster rate than in April, the PMI showed. Among the few bright spots in the PMI, factory output rose to a seven-month high of 50.5 from its level of 49.3 in April. [\[MarketWatch\]](#)

China Banks May Miss Loan Target For 2012, Officials Say

China's biggest banks may fall short of loan targets for the first time in at least seven years as an economic slowdown crimps demand for credit, three bank officials with knowledge of the matter said. A decline in lending in April and May means it's likely the banks' total new loans for 2012 will be about 7 trillion yuan (\$1.1 trillion), less than the government goal of 8 trillion yuan to 8.5 trillion yuan, said one of the officials, declining to be identified because the person isn't authorized to speak publicly. Banks are relying on small- and mid-sized companies for loan growth after demand from the biggest state-owned borrowers dropped, the people said. [\[Bloomberg\]](#)

CORPORATE NEWS

Google [GOOG:US] - Google Tablet Nearly Ready for Launch -CNBC

Google Inc. has a seven-inch tablet device nearly ready for launch, CNBC reported Thursday. The tablet's price point is going to be aimed at competing with Amazon.com Inc.'s Kindle Fire device and perhaps Barnes and Noble Inc.'s Nook, according to CNBC. The Google device's screen resolution is said to be higher than the Kindle Fire's, as well, according to the report. Google shares were down nearly 1% to \$603.42 in Thursday afternoon trading. [\[MarketWatch\]](#)

Royal Dutch Shell [RDSA:US] - Shell Says Considering Options on Bid Target Cove

Royal Dutch Shell said it was considering its options regarding Cove Energy, the explorer it is trying to buy, as it extended the deadline for shareholder acceptances in the face of a higher bid from a Thai firm. The takeover battle for Cove, which has a stake in huge gas finds off the coast of Mozambique, heated up on Wednesday after Shell's \$1.8 billion offer was trumped by a \$1.9 billion bid from Thailand's PTT Exploration and Production. Shell said on Thursday that shareholders would have an extra three weeks to accept its 220 pence per share offer. Noting the competing bid from the Thai firm, the company added: "Shell is currently considering its options and will make a further announcement if appropriate." Shares in Cove closed at 250 pence on Wednesday, higher than the 240 pence offer from the Thai firm, signaling that investors expect Shell to come back with a higher bid. [\[CNBC\]](#)

Tencent [700:HK] - Tencent Plans To Invest \$1 Billion In E-Commerce Unit

Tencent Holdings Ltd., China's biggest Internet company, said it plans to invest \$1 billion in its independently run e-commerce unit to build a "new-generation" business-to-consumer platform. The company also appointed President Lau Chi Ping as the chairman of Tencent E-Commerce Holding Co., according to a statement posted on its website yesterday, citing Chief Executive Officer Ma Huateng. [\[Bloomberg\]](#)

McDonald's [MCD:US] - McDonald's Bonds Tie Higher-Rated IBM Record: Corporate Finance

McDonald's Corp., whose shares have fallen 8 percent this year as sales growth decelerated, is finding more success in the bond market. The world's biggest restaurant chain issued \$400 million of 1.875%, seven-year debt Thursday to equal the coupon higher-rated International Business Machines Corp. paid on \$600 million of similar-maturity bonds May 8. The two-part sale, which also included \$500 million of 0.75%, three-year notes raises a measure of the company's debt load to the most in five years, the data show. [\[Bloomberg\]](#)