

Monday May 28, 2012

Stock Markets Rap (as of May 25)

	Close	Chg	(%)
MSCI World	1,189	-3	-0.2
Dow	12,455	-75	-0.6
Nasdaq	2,838	-2	-0.1
S&P 500	1,318	-3	-0.2
Euro Stoxx	2,162	+5	+0.2
FTSE 100	5,352	+1	+0.0
DAX	6,340	+24	+0.4
CAC	3,048	+10	+0.3
ASX 200	4,029	-27	-0.7
Nikkei	8,580	+17	+0.2
Shanghai	2,334	-17	-0.7
Hang Seng	18,713	+47	+0.3
H Shares	9,539	-2	-0.0

	Close	Chg	(%)
FTSE ASEAN	528	-3	-0.6
Singapore	2,773	-7	-0.2
Thailand	1,133	+7	+0.6
Malaysia	1,551	+3	+0.2
Indonesia	3,903	-82	-2.1
Philippines	4,926	+22	+0.4
Vietnam	437	+10	+2.5
Lao PDR	996	0	0
Cambodia	785	0	0

Currencies Rap (as of May 25)

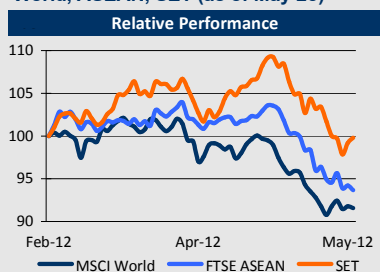
	Last	Chg	(%)
DX	82.4	+0.06	+0.07
USD/EUR	1.2517	-0.01	-0.48
JPY/USD	79.68	+0.3	+0.38
THB/USD	31.67	+0.08	+0.25
VND/USD	20,860	0	0
LAK/USD	8,025.00	+3	+0.04
KHR/USD	4,072.40	-54	-1.31
MMK/USD	842.55	-2.93	-0.35
VND/THB	658.3	-2.14	-0.32
LAK/THB	253.25	-0.73	-0.29
KHR/THB	128.5	-0.5	-0.39
MMK/THB	26.59	-0.18	-0.67

Commodities Rap (as of May 25)

	Close	Chg	(%)
Gold	1,571.20	+11.4	+0.73
Silver	28.39	+0.23	+0.81
Copper	344.8	+1.95	+0.57
WTI	90.86	+0.2	+0.22
Brent	106.83	+0.28	+0.26
BDI	1,034	-24	-2.27

Source: Bloomberg

World, ASEAN, SET (as of May 25)



Source: Bloomberg

MACRO NEWS

- Euro Rises as Greek Pro-Bailout Party Leads in Polls, Easing Exit Concern
- EU Finalizes Bank Reforms; Shifts Burden to Bondholders
- Bankia's Writedowns Cast Doubts On Spain's Bank Estimates
- China Industrial Companies' Profits Decline 2.2% In April
- China Encourages Private Investment In Banking Sector

CORPORATE NEWS

- Apple [AAPL:US] - Apple's Cook Forgoes \$75 Million by Not Taking Dividend
- JPMorgan [JPM:US] - JPMorgan Board to Shake Up Risk Committee: WSJ
- Johnson & Johnson [JNJ:US] - J&J's Blood Thinner Rejected By Panel For Expanded Use

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MACRO NEWS**Euro Rises as Greek Pro-Bailout Party Leads in Polls, Easing Exit Concern**

The euro rose for the first time in five days after opinion polls in Greece showed voters warming to parties supporting the European Union's bailout, easing concern the country will exit the currency bloc. The 17-nation currency rebounded from the lowest since July 2010 after data showed trader bets on a decline in the euro reached a record high. The dollar and yen weakened versus most of their 16 major counterparts on decreased demand for the currencies as a haven from Europe's debt crisis. The euro climbed 0.4% to \$1.2571 as of 8:38 a.m. in Tokyo from the close in New York on May 25, when it touched \$1.2496, the least since July 6, 2010. It added 0.4% to 100.11 yen. The dollar was little changed at 79.64 yen. [\[Bloomberg\]](#)

EU Finalizes Bank Reforms; Shifts Burden to Bondholders

Sweeping reforms to shift the burden of rescuing failing banks from taxpayers to bondholders are to be unveiled by the European Commission, despite fears it will further rattle nervous bank investors. When a bank is deemed to be failing, regulators will win extensive powers to write down non-guaranteed deposits and senior unsecured bondholders, according to draft proposals obtained by the Financial Times. While the broad thrust of EU bank resolution reforms are well known, its publication has been delayed for more than a year over fears the so-called "bail-in" tools would make it even harder and more expensive for banks to raise money. [\[CNBC\]](#)

Bankia's Writedowns Cast Doubts On Spain's Bank Estimates

Spain's two-week effort to overhaul its lenders and estimate of what it will cost the taxpayer may already look out of date. Economy Minister Luis de Guindos said May 11 that a law tightening provisioning rules, his second in three months, would require public funds of less than 15 billion euros (\$19 billion). BFA-Bankia, the bank nationalized the same week, said on May 25 it was taking 8.5 billion euros of provisions on top of those demanded by the two decrees, as it sought a 19 billion- euro state bailout. The country plans to inject public debt instead of cash directly into the Bankia Group to pay for the bank's recapitalization and avoid having to go to market with the instruments. [\[Bloomberg\]](#)

China Industrial Companies' Profits Decline 2.2% In April

Chinese industrial companies' profits fell in April, a government report showed, as the nation's slowing economy curbed demand. Earnings declined 2.2% from a year earlier to 407.6 billion yuan (\$64.2 billion), the National Bureau of Statistics said on its website Sunday. That compared with a 4.5% gain in March. The deceleration in corporate profit growth underscores concerns that the slowdown in the world's second-biggest economy is deepening. China's State Council said on May 23 that downside risks to growth are increasing and the government will intensify "fine-tuning" policies as needed, signaling it may take more aggressive steps to support the nation's expansion. [\[Bloomberg\]](#)

China Encourages Private Investment In Banking Sector

China will encourage greater private investment in banks as it seeks to fuel growth in an economy that's losing steam and to aid small businesses that are short of funds. Qualified companies can buy into lenders through private stock placements or new share subscriptions, equity transfers or mergers and acquisitions, according to guidelines released by the China Banking Regulatory Commission in a statement posted on its website Saturday. The regulator also said it will encourage private investment in trust, financial leasing and auto-financing companies. The rules aim to "encourage and guide private capital to enter the banking sector, and support financing in private investments," according to the statement. The regulator also lowered the minimum shareholding of the main initiator for village banks to 15% from 20%. [\[Bloomberg\]](#)

CORPORATE NEWS**Apple [AAPL:US] - Apple's Cook Forgoes \$75 Million by Not Taking Dividend**

When Apple Inc. announced its plan to start paying a quarterly dividend back in mid-March, the company noted at the time that the restricted stock units held by CEO Tim Cook would not participate in the program, at his request. Late Thursday, the company disclosed in a filing with the Securities and Exchange Commission how much of a payoff Cook left on the table with the move: "At Mr. Cook's request, none of his restricted stock units will participate in dividend equivalents. Assuming a quarterly dividend of \$2.65 per share over the vesting periods of his 1.125 million outstanding restricted stock units, Mr. Cook will forgo approximately \$75 million in dividend equivalent value," the filing read. [\[MarketWatch\]](#)

JPMorgan [JPM:US] - JPMorgan Board to Shake Up Risk Committee: WSJ

The board of JPMorgan Chase & Co is expected to make changes to its risk-policy committee after the bank's trading losses of more than \$2 billion, The Wall Street Journal reported on Friday, citing anonymous sources. The board is expected to add either Timothy Flynn or James Bell to the committee, the Journal said. Flynn and Bell have backgrounds in risk and finance, the report said. It was not clear whether any of the current members of the committee would leave it, the Journal said. [\[CNBC\]](#)

Johnson & Johnson [JNJ:US] - J&J's Blood Thinner Rejected By Panel For Expanded Use

Johnson & Johnson and Bayer AG's blood-thinner Xarelto failed to win the backing of a U.S. advisory panel for broader use to prevent heart attacks and strokes in patients with a common heart ailment. Advisers to the Food and Drug Administration voted 6-4 with one abstention to recommend against approval of Xarelto in patients with acute coronary syndrome. The agency, which isn't required to follow the panel's recommendation, is scheduled to decide by June 29 whether to approve expanded use of the pill. Acute coronary syndrome causes 1.2 million hospitalizations a year, J&J said. The market for treatments may total more than \$1 billion. [\[Bloomberg\]](#)