

Friday January 6, 2012

NEWS UPDATE

Stock Markets Rap (as of Jan 5)

	Close	Chg	(%)
Dow	12,416	-3	-0.0
Nasdaq	2,670	+22	+0.8
S&P 500	1,281	+4	+0.3
Global Dow	1,824	-14	-0.8
VIX	21.48	-0.74	-3.3

	Close	Chg	(%)
FTSE 100	5,624	-44	-0.8
DAX	6,096	-16	-0.3
CAC	3,145	-49	-1.5

	Close	Chg	(%)
ASX 200	4,143	-45	-1.1
Nikkei	8,489	-71	-0.8
Shanghai	2,148	-21	-1.0
HSI	18,813	+86	+0.5
H Shares	10,141	+47	+0.5
FTSE STI	2,713	+2	+0.1
SET	1,037	+1	+0.1
LSX	877	-9	-1.0
Vietnam	341	-8	-2.3

Currencies Rap (as of Jan 5)

	Last	Chg	(%)
DXY	80.92	+0.79	+0.99
THB/USD	31.66	+0.18	+0.57
THB/LAK	254.15	-0.76	-0.30
LAK/USD	8,046.35	+21.85	+0.27
USD/EUR	1.2836	-0.02	-1.37
JPY/USD	76.86	+0.20	+0.26

Commodities Rap (as of Jan 5)

	Close	Chg	(%)
Gold	1,620.10	+7.40	+0.46
Silver	29.30	+0.20	+0.68
WTI	101.81	-1.41	-1.37
Brent	112.74	-0.96	-0.84
BDI	1,426	-126	-8.12

Source: Bloomberg

Spain Sees €50bn of New Bank Provisions

Spain says it expects its banks to set aside up to €50bn in further provisions on their bad property assets as part of a new round of reforms for the country's financial sector. Luis de Guindos, economy minister said on Wednesday it was essential that the banks clean up their balance sheets without imposing a burden on the treasury. The €50bn figure, equivalent to about 4% of Spain's GDP, is higher than private expectations by bankers. [\[Financial Times\]](#)

French Costs Rise but Demand Solid at Debt Sale

French borrowing costs rose slightly when the euro zone's second-largest economy sold debt for the first time this year on Thursday but demand was solid despite concerns the country could lose its AAA credit rating. France sold 7.96 billion euros (\$10.3 billion) of 10- to 30-year bonds at the auction, at the top of its projected range, after receiving total bids for nearly 15 billion euros. The yield on the benchmark October 2021 bond rose slightly to 3.29% to above the 3.18% fixed when it was last auctioned on December 1, but remained in line with yields in the secondary market of around 3.3 %. [\[Reuters\]](#)

U.S. Jobs Picture: Claims Fall, Job Creation Surges; Layoffs Ease

The news is all good for the jobs market so far in 2012: Separate reports Thursday showed a surge in private-sector job creation, a sharp drop in weekly unemployment claims and planned layoffs at their lowest level in six months. Private-sector jobs surged by 325,000, according to ADP and Macroeconomic Advisors, while the government said weekly jobless claims fell 15,000 to 372,000 — still at an elevated level but consistent with recent data showing a consistent if grudging turnaround. Employers announced 41,785 planned job cuts last month, down 1.6% from 42,474 in November, according to the report from consultants Challenger, Gray & Christmas. [\[CNBC\]](#)

Euro Near 15-Month Low Against Dollar Before Reports on Confidence, Sales

The euro traded 0.2% from a 15-month low versus the dollar on speculation declining consumer confidence and spending will make it harder for European leaders to contain the region's sovereign debt crisis. The 17-nation currency was 0.3% from its weakest level in 11 years against the yen as Spain and Italy prepare to sell debt next week after France's borrowing costs rose at an auction yesterday. The dollar is set for a weekly gain versus the yen and euro before a U.S. report forecast to show employers added the most jobs in three months in December. The Dollar Index, which tracks the greenback against the currencies of six major U.S. trading partners, reached a one-year high yesterday. [\[Bloomberg\]](#)

China Vanke Sales Plunge Suggests Tough Year Ahead

China Vanke, the country's largest developer by revenue, said year-on-year sales fell 30% in December, a fifth consecutive month of decline as government measures to calm housing inflation take effect. Evergrande Real Estate, the second-largest mainland developer by value of sales, also reported on Wednesday that December sales more than halved from the same month last year. [\[Reuters\]](#)

ANZ to Sell Sacombank Stake, Build Own Business in Vietnam

Australia & New Zealand Banking Group Ltd. (ANZ) will sell its stake in Vietnam's Saigon Thuong Tin Commercial Joint-Stock Bank, known as Sacombank, as it seeks to develop its ANZ-branded business in the country. ANZ, which aims to get as much as 30% of its profit from the Asia-Pacific area by 2017, has received approval to sell its 9.6% stake to Vietnam Export-Import Commercial Joint Stock Bank, known as Eximbank. The banks plan to complete the deal this month, ANZ said, without giving other details. [\[Bloomberg\]](#)

Standard Chartered Seeks Myanmar Return, Sees Sanctions Ending

Standard Chartered Plc (STAN), the U.K. bank that earns more than two-thirds of its profit in Asia, seeks to return to Myanmar (IGRPMR) once the U.S. and Britain end sanctions against the country, which the lender says may happen this year. "We used to be in Burma for a long time, and we'll be very happy to get back there," Jaspal Bindra, the bank's chief executive officer for Asia, said at a meeting with journalists in Hong Kong today. "If I was a betting man, I would say in 2012 Burma will be off the sanctions list." Like North Korea, the only other Asian market where Standard Chartered doesn't operate, Myanmar remains largely disconnected from international commerce. [\[Bloomberg\]](#)

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