

Monday October 31, 2011

NEWS UPDATE

Stock Markets Rap (as of Oct 28)

	Close	Chg	(%)
Dow	12,231	+23	+0.2
Nasdaq	2,737	-1	-0.1
S&P 500	1,285	+1	+0.0
Global Dow	1,964	+11	+0.6
VIX	24.53	-0.93	-3.7

	Close	Chg	(%)
FTSE 100	5,702	-12	-0.2
DAX	6,346	+8	+0.1
CAC	3,349	-20	-0.6

	Close	Chg	(%)
ASX 200	4,353	+5	+0.1
Nikkei	9,050	+124	+1.4
Shanghai	2,473	+38	+1.6
HSI	20,019	+331	+1.7
H Shares	10,625	+59	+0.6
FTSE STI	2,906	+58	+2.0
SET	973	+13	+1.4
LSX	902	-2	-0.2
Vietnam	422	+7	+1.8

Currencies Rap (as of Oct 28)

	Last	Chg	(%)
DXY	75.07	+0.19	+0.25
THB/USD	30.56	+0.07	+0.23
THB/LAK	262.16	-0.60	-0.23
LAK/USD	8,006.50	-5.00	-0.06
USD/EUR	1.4147	-0.00	-0.30
JPY/USD	75.82	-0.13	-0.17

Commodities Rap (as of Oct 28)

	Close	Chg	(%)
Gold	1,747.20	-0.50	-0.03
Silver	35.29	+0.18	+0.50
WTI	93.32	-0.64	-0.68
Brent	109.91	-2.17	-1.94
BDI	2,018	-73	-3.49

Source: Bloomberg

Portugal, Spain Urge G20 Members to Help Ease Crisis

Spain and Portugal said on Saturday the euro zone's debt crisis is a global problem, calling on the U.S. and other G20 powers to help contain the fallout. Spanish Prime Minister urged the G20 countries least affected by the crisis to provide "urgent stimulus plans" to shield the global economy. Europe's debt crisis looks set to dominate the summit of Group of 20 leading economies in France from Nov 3-4. [\[Reuters\]](#)

Europe Will Not Offer China Concessions for Aid: Juncker

Eurogroup chairman Jean-Claude Juncker said on Sunday it made sense for China to invest its surplus in Europe to help the region overcome its debt crisis, but this would not involve political concessions. The appeal for Chinese help has come under fierce criticism for potentially weakening Europe's negotiating position in political and economic disputes with Beijing. "This will not take place in the form of a tight political negotiation assuming that if China invests, we have to give China something back." Juncker, who is also Luxembourg's prime minister, said Europe did not need China to solve its crisis. [\[Reuters\]](#)

Fitch Says EU Agreement on 50% Greek Bond Haircut Would Be Default Event

"The 50% nominal haircut on the proposed bond exchange would be viewed as a default event under its Distressed Debt Exchange criteria," Fitch said. While the accord is "a necessary step to put the Greek sovereign's public finances on a more sustainable footing," Greece will face "significant challenges" including ratios of government debt to GDP at "well over 100% even in a positive scenario." [\[Bloomberg\]](#)

Sarkozy Under Fire for Seeking China Cash for Europe

France's opposition Socialists have attacked President Nicolas Sarkozy for seeking Chinese help in solving the euro zone debt crisis, tapping into voters' concerns six months before a French presidential election. Party leader Martine Aubry said Europe had been shown to be weak by turning to Beijing, following up on accusations by Socialist presidential candidate Francois Hollande that France had become "double dependent" on Germany and China. [\[Reuters\]](#)

Berlusconi Defiant as EU's Focus Shifts to Italy

Italian Prime Minister Silvio Berlusconi said he alone can deliver the country's promised deficit cuts as European leaders ramp up demands that his government do its part to combat the region's debt crisis. He said the European Central Bank's support will only be maintained if his administration follows through on the pledged measures. The European Union's latest package of measures failed to staunch a rise in Italian borrowing costs, with an Oct. 28 bond sale sending yields to a euro-era record. [\[Bloomberg\]](#)

Thai 'Credibility' at Stake as Factories Soak in Flood Plain

Hana Microelectronics Pcl (HANA) is among the thousands of Thai companies with factories swamped by record floods calling on the government to help ensure it never happens again as waters slowly recede north of Bangkok. "Thailand's credibility is on the line here," said Hana Chief Executive Richard Han, whose Bangkok-based company makes parts used in digital music players and mobile phones. "A complete review of how to protect these industrial estates needs to be conducted and it needs government support." [\[Bloomberg\]](#)

Yen Climbs to Postwar Record Versus Dollar as Traders See No Intervention

The yen rose to a post-World War II record against the dollar as traders speculated Japanese officials are wary of selling the local currency. "The Bank of Japan didn't intervene in currency markets last week and that's been taken by the market as a signal to further strengthen the yen," said Khoon Goh, head of market economics and strategy at ANZ National Bank Ltd. in Wellington. The yen advanced as much as 0.6 percent to a record 75.35 per dollar before trading at 75.73 at 9:51 a.m. in Tokyo. [\[Bloomberg\]](#)

Indonesia Hints at Support for Myanmar ASEAN Chair

Indonesia's foreign minister welcomed signs of political reform in Myanmar during a visit aimed at assessing the military-dominated nation's bid to chair the ASEAN regional bloc. Myanmar, which now has a nominally civilian leadership dominated by former generals, wants to take the chair of the 10-nation Association of Southeast Asian Nations in 2014, when communist Laos was due to take the job. [\[AFP\]](#)

Thanawat Patchimkul

Global Strategist

Email: thanawatp@ktzmico.com

Tel: + 66 2 673 5300

Assisted by

Denruthai Krishnamra