

Economic & Financial News

Research & International Division

3/1/2013

*...One million workers have become redundant in Vietnam...
...Greek debt crisis far from over...*

South East Asia

Singapore's Gross domestic product (GDP) rose 1.1% y-o-y in the three months to December from zero growth in the previous quarter, the Ministry of Trade and Industry said on Wednesday.

Malaysia's local retail industry in the fashion and lifestyle sector will gain a notable boost from the nationwide year-end sale with a modest growth of about 5% in 2012, according to Yen Global Bhd.

Indonesia's Consumer Price Index rose 0.54% in December, bringing annual inflation to a "quite low" level of 4.3%. Inflation rate in 2012 stayed within the targets set by the government and the central bank, the Central Statistics Agency (BPS) reported.

Retail sales in Indonesia grew at a slower pace in November, a survey of Bank Indonesia showed. The November retail sales index was up 17% on an annual basis, slowing from a revised 19.3% in October, led by fashion and accessories, as well as vehicles, spare parts and accessories.

Thailand's Labour Ministry is watching carefully for any increase in the number of employee layoffs in the wake of Tuesday's nationwide implementation of the Bt300 daily minimum wage.

Official reports showed that about one million workers have become redundant, since the national economy, which is on the decrease, cannot create enough jobs in Vietnam.

North East Asia

China's non-manufacturing sector continued to improve in December. The Purchasing Managers Index of the non-manufacturing sector was 56.1% in December, up 0.5 percentage points from November, the China Federation of Logistics and Purchasing said.

Rice consumption in Taiwan has fallen 50% in the past three decades amid the perception that consuming less rice can help people lose weight, according to the Agriculture and Food Agency.

The Japanese economy is facing many hurdles as it struggles to reverse long-term deflation, according to a report from ratings agency Standard & Poor's.

South Korea's trade surplus in 2012 shrank 30.6% to US\$28.6 billion in 2012, as exports were hit by shrinking demand in the key European market. While imports dwindled 0.9 % to \$519.5 billion, the Ministry of Knowledge Economy said.

Middle East and North Africa

Oman will continue spending heavily on job creation with 56,000 jobs for its citizens this year, of which 20,000 will be in the government sector, Finance Minister said.

Dubai's Roads & Transport Authority's chairman said its budget of Dhs6.242 billion will be split roughly evenly between funding operations and capital spending on 100 projects.

Indian Sub-Continent

The New Year may usher in loads of cheers for job seekers in India, as companies are likely to hire up to 1 million employees and dole out pay hikes in the range of 10-15% to high-performers.

The total government revenue has increased by 10% in the first eight months of last year from Rs.574,588 to Rs. 631,984 million compared to the same period in 2011, an official of the Sri Lanka's Finance and Planning Ministry said.

Europe

Germans' upbeat about year ahead due to confidence in labour market. The number of employed in Germany hit 41.5 million in 2012, while unemployment is at its lowest in 20 years.

Italy's outgoing PM Mario Monti pledged to cut labour taxes to fuel growth, shedding his neutral technocrat stance and fired the opening salvo of his campaign for a second term.

Greek debt crisis far from over. After five straight years of recession, the eurozone's weakest link moves into 2013 with an economy set to further contract, unemployment at a record 26%, one in three living on or below the poverty line, and the worst of austerity yet to come.

Eastern Europe

Russia's consolidated budget surplus stood at 1.8 trillion rubles in the January-October period, the ministry said.

Russian government foreign debt rose 14.2% in the period from January to November, the Finance Ministry reported.

North America

The fiscal bill passed by Congress on Jan. 1 increases tax rates on dividends and capital gains for households earning more than \$450,000 to 20% from 15%. A provision of the 2010 health-care law that took effect at the beginning of the year adds another 3.8% to the rate.

Canadians appear less concerned about retirement planning than in years past as they continue to focus on debt reduction as their main financial priority, according to a new study released Wednesday by CIBC.

Australasia

The Australian industry group performance of manufacturing index was unchanged at 44.3 last month but stayed below 50, which indicates a contraction in activity.

Oil & Gas News

Crude oil prices hovered near \$93 per barrel Wednesday in New York, energy prices jumping in reaction to a tax deal announced in Washington.

Gas fell as much as 9%, the biggest intraday drop in more than three years, after Commodity Weather Group LLC said cold weather in most of the U.S. and forecasts of moderating temperatures that may reduce demand for the power-plant fuel.

Commodities News

Gold futures rose to a two-week high as commodities gained after U.S. lawmakers passed a budget accord. Palladium advanced to the costliest in 10 months, and silver jumped the most in eight weeks.

Sugar advanced to an almost one-month high on speculation that demand for commodities will rise after U.S. lawmakers reached a budget deal. Coffee, cotton and cocoa also gained, while orange juice fell.

Currency News

Australia's currency rose against most of its major peers, touching its strongest level in two weeks, as the budget deal spurred demand for riskier assets.

The yen remained lower following a decline versus the euro yesterday before Bank of Japan Deputy Governor Kiyohiko Nishimura speaks tomorrow amid speculation policy makers will boost cash infusions to end deflation.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
2-Jan-13	1,682.85	3.33	112	33.63	1.62	1.98	1.22	1.27	7,886	70.35	2.50	33.61	25.04	3,205.40
3-Jan-13	1,689.09	3.23	112.47	34.82	1.62	2.00	1.22	1.28	7,933	71.47	2.49	33.49	24.96	3,216.80
% Change	0.37	-3.00	0.42		0.43	1.05	-0.11	0.64	0.60	1.59	-0.60	-0.38	-0.33	0.36

Economic & Financial News

Research & International Division

5/1/2013

*...Japan's growing sovereign debt time bomb...
...Vietnam will try to address economic challenges ...*

South East Asia

Bank Negara had kept the overnight monetary policy rate unchanged at 3% contrary to pressures to lower it amid the weakening external sector, said the Malaysian Rating Corp Bhd.

Singapore's last month Purchasing Managers' Index (PMI) dipped 0.2 point from November to 48.6 points. The contraction in the overall PMI was attributed to further decline in new orders, new export orders and production output, said the Singapore Institute of Purchasing & Materials Management.

Indonesia, the world's largest tin and nickel ore producer, has extended the length of raw mineral ore export permits (SPE) from three months to one year starting in January. The extension comes one year before a total ban on unprocessed mineral ore exports begins in 2014.

Thailand lost its status as the world's top rice exporter in 2012 as a controversial scheme to boost farmer incomes saw it overtaken by India and Vietnam, an industry group said on Friday.

Vietnam will try to address economic challenges in 2013 as inflation risks persist, bad loans weigh on banks and rising inventories hurt businesses, Prime Minister Nguyen Tan Dung said.

North East Asia

China's services growth slows in December, a private surveyed showed, even as a pickup in new business added to the likelihood that the economy accelerated for the first time in eight quarters.

Japan's growing sovereign debt time bomb. In recent decades, Japanese governments have piled up debts worth some US\$14.6 trillion. This corresponds to 230% of annual gross domestic product, a debt level that is far higher than Greece's 165%.

Foreign direct investment in Korea surged to a record high in 2012. The total amount of new FDI in South Korea last year rose almost 20% from 2011 to stand at US\$16.2 billion, according to the Ministry of Knowledge Economy, which noted investment from China more than doubled last year.

Middle East and North Africa

Lebanon's budget and treasury deficit widened 48% to U\$2.06 billion in the first nine months of 2012 mainly due to an escalation in expenditure outside debt servicing, according to Lebanese Finance Ministry.

Egypt dipped deeper into its rapidly shrinking currency reserves on Thursday, fighting to slow a sliding pound which is likely to push up inflation and risks reigniting popular unrest.

Indian Sub-Continent

Gross direct tax collections during April-December of the financial year 2012-13 was up by 8.01% and stood at Rs 4,28,278 crore as against Rs 3,96,530 crore in the same period last year," the Indian Finance Ministry said in a statement.

The investment of dollar reserves maintained by the Sri Lanka's Central Bank earned US\$ 220 million in 2012, a return of 4%, Central Bank estimates showed. According to estimates, gross official reserves amounted to US\$ 6.8 billion as at end 2012, enough to finance 4.4 months of imports.

Europe

Euro zone inflation set to fall as price pressures held steady in November, hovering near June's 27-month low, according to an indicator designed to predict cyclical trends.

Spain sees jobless total fall in December. The number of people registered unemployed in Spain fell in December, the Labour Ministry said, a rare glimmer of hope for its recession-hit economy.

Ireland unemployment rate holds steady at 14.6% in December, unchanged from November, as the number of people claiming jobless benefits dropped.

Eastern Europe

Russia's modest economic growth in 2012 was due to 2012's poor harvest resulting from a drought and a decline in the demand for energy, PM Dmitry Medvedev said.

Russia's retail turnover fell 0.6% in November from October's levels, including seasonal and calendar factors, the Economic Development Ministry reported.

North America

U.S. employers added 155,000 jobs in December, a steady gain that shows hiring held up during tense fiscal negotiations in Washington. The job growth wasn't enough to push down the unemployment rate, which stayed at 7.8% last month, according to the Labor Department.

Canada created 40,000 full-time jobs in December, bumping the unemployment rate down a notch to 7.1%-its lowest level in four years, the government statistics agency says.

Australasia

Australia's services sector continued to contract last month even after the central bank lowered interest rates, a performance gauge by an industry group published today showed. Performance of Services Index fell 3.9 points in December from a month earlier to 43.2 points.

Christchurch retail activity has risen strongly for a second consecutive quarter. Total retail activity in the recovering city increased 2.1% in the September 2012 quarter, on the back of a 2.5% jump in the previous quarter, Statistics New Zealand said.

Oil & Gas News

Oil fluctuated in New York after U.S. employers added more workers than expected in December and the Federal Reserve signaled it may wind down stimulus measures in world's biggest economy.

Commodities News

Gold traders expect prices to rebound from the longest weekly losing streak in eight years as mounting concern that U.S. lawmakers are doing too little to control the budget deficit spurs demand for a protection of wealth.

Copper pared declines on the London Metal Exchange after U.S. jobs expanded in December. The metal for delivery in three months fell 0.9% to \$8,092.25 a metric ton.

Currency News

The People's Bank of China weakened the reference rate by 0.07%, the most since Nov. 28, to 6.2897 per dollar. The yuan is allowed to trade as much as 1% on either side of the daily fixing.

The Australian dollar has fallen 1.1% in the past 12 months according to Bloomberg Correlation-Weighted Currency indexes, a set of gauges that track 10 developed market currencies.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
3-Jan-13	1,689.09	3.23	112.47	34.82	1.62	2.00	1.22	1.28	7,933	71.47	2.49	33.49	24.96	3,216.80
5-Jan-13	1,656.10	3.29	111.31	33.83	1.60	1.98	1.23	1.28	7,868	71.38	2.48	33.24	24.76	3,225.22
% Change	-1.99	1.86	-1.03		-1.24	-1.02	0.72	0.30	-0.82	-0.13	-0.47	-0.73	-0.77	0.26

Economic & Financial News

Research & International Division

8/1/2013

*...Saudi Arabia unveiled an expansionary budget...
...South Korea's labour productivity decline larger than OECD countries...*

South East Asia

The Republic of Singapore remains an attractive investment destination for multinational companies, but its role as a host for corporate regional headquarters is increasingly being undermined by concerns over rising costs, soaring property prices and labour shortages, according to the Asia Business Outlook.

Standard Chartered Bank (StanChart) expects the Malaysian economy to grow by 4.7% this year, driven largely by domestic consumption including private and public investments.

Palm oil exports from Indonesia, the world's biggest producer of the edible oil, may rise by as much as 9% this year, a top industry association official said on Monday.

Philippines' inflation rose slightly in December to 2.9% from 2.8% the previous month. This is the sixth time in 2012 that the inflation settled below 3%, the low-end of the government's target range and brings the full-year average to 3.2%.

The Ministry of Finance of Vietnam has recommended abolition of the environmental protection tax on plastic bags and a refund of last year's payments as part of measures to help the beleaguered business community.

Many provinces from the Northeast to the South of Thailand are feeling the pinch of the government's new wage policy which has begun to attract workers from neighbouring countries seeking jobs in Thailand.

North East Asia

China's economic growth will likely exceed 8% this year on the back of stimulus measures, recovering slightly from last year's slower growth, a Chinese financial daily said Monday.

Taiwan's exports posted negative growth for 2012 despite rising 9% in December, according to Ministry of Finance statistics released Monday. Taiwan's total exports total down 2.3% from a year earlier. Imports in 2012 fell 3.8%.

Prime Minister Shinzo Abe has called on the Bank of Japan (BOJ) to share a 2% inflation target with the government, double the bank's current price goal, to show its determination to beat deflation.

South Korea's labour productivity declined 0.4% in the July-September period of last year from three months earlier, the second-largest drop among the 22 OECD member countries after Norway, which suffered a 1.3% drop, according to the data compiled by the OECD.

Middle East and North Africa

Saudi Arabia unveiled an expansionary budget for 2013 with public spending of USD219 billion is stepping on the gas to meet rising infrastructure needs, Jadwa Investment said.

Indian Sub-Continent

India is targeting total rice procurement of 40 million tons of rice in the year 2012-13 (October to September), up about 14.3% from around 35 million tons procured in 2011-12.

Prime Minister Manmohan Singh has said the government must raise diesel, kerosene and cooking gas prices in a phased manner because coal, petroleum products and natural gas rates in the country are well below international prices.

Europe

Euro zone factory prices fell 0.2% m-o-m in November, due to a fall in energy costs, the EU's statistics office Eurostat said.

The U.K. economy will have a "modest" recovery this year and business confidence is strengthening, according to the British Chambers of Commerce. Measures of domestic and export orders at both manufacturers and services companies rose, it said.

UK car sales rose 5.3% in 2012 to 2.04 million - the highest level since 2008, according to the SMMT car industry body.

Eastern Europe

Russia's broad monetary base rose 1.4% in November, the Central Bank of Russia reported.

Russia's trade surplus rose 0.5% to \$180 billion in the January–November period, the Ministry said.

North America

President Obama said on the fiscal cliff deal to raise taxes on the wealthiest Americans, while preventing a middle-class tax increase that could have thrown the economy back into recession.

Health-care spending in the U.S. grew at less than half the pre-recession level for the third straight year, as employers shifted more costs to strapped workers and state governments limited payouts for the poor.

Australasia

Australians spent \$12.6 billion on online shopping in the year to November with a surge in the final month as shoppers left adequate time for Christmas deliveries, said the National Bank of Australia.

Oil & Gas News

Oil prices turned lower in Asian trade Monday as weak energy demand and concerns over more fiscal battles in Washington tempered news of growth in the US jobs market.

Commodities News

Gold will become much precious in the coming days as the India Government is making gold imports much expensive on expectations that the import will slow down.

Copper gained for the first time in four days as rising orders to remove the metal from the London Metal Exchange warehouses in Asia fueled speculation that demand in China is recovering.

Currency News

The New Zealand dollar remained higher against the Australian currency, following a two-day advance, after data showed consumer demand rose in the smaller nation.

The yen has had a very sharp depreciation and it must be due for some kind of consolidation," said Derek Mumford, a Sydney-based director at Rochford Capital, a currency risk- management company.

The Canadian Dollar rose for a second day against its U.S. counterpart after a measure of business activity expanded more than forecast in December, adding to signals of faster economic growth.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
5-Jan-13	1,656.10	3.29	111.31	33.83	1.60	1.98	1.23	1.28	7,868	71.38	2.48	33.24	24.76	3,225.22
8-Jan-13	1,648.95	3.26	111.25	34.13	1.61	1.98	1.23	1.29	7,902	71.59	2.47	33.22	24.74	3,202.15
% Change	-0.43	-0.91	-0.05		0.27	-0.03	0.09	0.47	0.43	0.29	-0.17	-0.07	-0.09	-0.72

Economic & Financial News

Research & International Division

9/1/2012

*...Hundreds dismissed due to wage hike in Thailand...
... Ireland confident of reaching debt deal...*

South East Asia

The Agriculture National Key Economic Area involving 17 Entry Point Projects (EPP) has contributed a total of RM19.08 billion to gross national income (GNI) last year, according to Agriculture and Agro-based Industry Minister.

Singapore has a shortage of foreign labour coupled with low productivity in the construction sector could delay the completion of projects such as the building of new flats.

Indonesia will continue to suffer trade deficit due to problems in the export, consumption and investment. The trade deficit which reached US\$1.33 billion in the first 11 months of last year is a long term phenomenon, the Economics, Industry, Trade (Econit) said.

The Philippine economy could grow "near 7%" this year, within the higher end of the official government target.

Twenty-five out of Vietnam's 80 export markets recorded a turnover of more than US\$1 billion in 2012, in which 17 markets a turnover of more than US\$2 billion, and nine markets a turnover exceeding US\$3 billion, the General Statistics Office reported.

About 275 workers had been sacked in the first four days of the year, since the government's blanket enforcement of the 300-baht daily minimum wage took effect nationwide on Jan 1, Labour Minister Padermchai Sasomsap said.

North East Asia

China has invested more than 10 billion yuan (US\$1.6 billion) in its jumbo jet project that established headquarters and assembly lines in Shanghai last year, city officials said.

Japan's government is finalising an emergency economic stimulus package of up to Y10 trillion (\$113 billion) that includes public works spending of more than Y5 trillion, the Yomiuri Shimbun said.

South Korea's economy continues to face uncertainty and destabilising factors mainly stemming from the eurozone debt problems, sluggish corporate investment and rising volatility in exchange rates, the finance ministry said.

Middle East and North Africa

The unemployment rate in Jordan rose during the fourth quarter of 2012 to 12.5% compared with 12.1% during the same quarter in 2011, according to Department of Statistics.

Qatar said it would lend Egypt's government an additional \$2 billion and grant it an extra \$500 million outright, extending a lifeline as the government battles to contain a currency crisis.

Indian Sub-Continent

India's bulk minerals exports dropped 50.48% to \$1,688.44 million in the April-November period this fiscal from \$3409.28 million in the corresponding period last financial year, the Capexil said.

More than 54% of outstanding Sri Lanka's government debt is payable after 15 years, Deputy Finance Minister Dr. Sarath Amunugama said, adding that the Debt to GDP ratio could be reduced by inducing higher growth and gradual reduction of the deficit.

Europe

The euro zone unemployment rate hit a new all-time high of 11.8% in November, official figures have shown. The rate for the European Union as a whole in November was unchanged at 10.7%.

The Irish government is confident of reaching an agreement with its creditors to reduce the mammoth debt burden incurred during its rescue of the banking sector.

Spain plans to reduce its borrowing from the markets in 2013 as it hailed a relaxation in rates with the Treasury estimating its gross financing needs at €215-230 billion (\$280-300 billion) in 2013, after borrowing a total 249.6 billion in 2012.

Eastern Europe

Russia's capital investments fell 2.1% in November, the Economy Ministry reported.

North America

More than 5000 Americans have signed a petition, lodged at the White House, for the Treasury Secretary to mint a \$US1 trillion platinum coin. It could be used to repay outstanding government debt (US\$16.4 trillion) held by the Federal Reserve.

Australasia

Australia's trade balanced remained in deficit for the 10th straight month in November but is expected to stabilise in the period ahead amid strong imports and exports growth. The Australian Bureau of Statistics said that the trade deficit was \$2.637 billion in November.

Investment in New Zealand dairy farming will step up this year after the sector attracted strong interest in 2012. The successful launch of the \$525 million Fonterra Shareholders Fund last month highlighted the attractions of dairying, MyFarm director Andrew Watters said.

Oil & Gas News

U.S. gasoline supplies rose 7.9 million barrels last week, the API said. They are projected to climb 2.5 million barrels in the Energy Department report, according to Bloomberg.

Commodities News

Gold futures gained the most a week as demand increased in China, the world's second-biggest buyer.

China, the world's biggest supplier of rare earths, set the first of two production quotas for 2013 at 46,900 metric tons of the ore, according to Ministry of Land and Resources.

Currency News

The pound fell toward the weakest level in a month against the dollar after an industry report showed U.K. retail sales slowed in December, adding to signs Britain's economy is lagging behind U.S. growth.

Indonesia's rupiah weakened by the most in six months on concern the government's failure to meet its spending target last year will hamper economic growth and damp demand for local assets.

The yen remained higher after a two-day advance amid speculation recent losses related to monetary easing in Japan were overdone and as Asian shares extended a global decline.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
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9-Jan-13	1,661.34	3.18	111.71	35.13	1.61	1.98	1.23	1.29	7,926	71.26	2.47	33.25	24.76	3,213.97
% Change	0.75	-2.45	0.41		0.39	0.22	-0.15	-0.09	0.30	-0.46	0.07	0.10	0.08	0.37

Economic & Financial News

Research & International Division

10/1/2013

*...Philippines will pursue a balanced growth policy...
...Russia's Reserves Fund Falls...*

South East Asia

Malaysia's foreign reserves hit a record US\$139.7bil at end-2012 and the momentum is expected to continue in 2013, albeit slower, according to CIMB Investment Bank Bhd economist Lee Heng Guie.

The Monetary Authority of Singapore has issued guidelines to provide market participants a better understanding of short-selling and the need for true and accurate disclosure, to meet new global regulatory, risk management and capital standards.

Indonesia expects an increase in oil and gas investment this year after approving as many as 274 work plans and budgets from contractors. US\$26.2 billion in investments was anticipated in 2013.

Philippines will pursue a balanced growth policy that would harness the services sector as the country's largest contributor to the economy at present, as well as the industry sector, the Socioeconomic Report 2010 to 2012 said.

Loans in Vietnam's banking system rose an estimated 8.91% in 2012 from a year earlier, and are projected to accelerate 12% growth this year as the country's inflation has slowed.

Thailand's central bank held interest rates at 2.75% citing a better-than-expected performance in the nation's economy last year.

North East Asia

China's economic performance in December is seen to be mixed, while inflation last month may continue to rebound mildly to 2.2% due to higher food prices at the year end, said the Industrial Bank Co.

Sales tax refunds and the number of claims by foreign shoppers in Taiwan rose last year as visitor arrivals from abroad continued to increase, according to the Ministry of Finance's Customs Administration.

Japan's budgetary spending for fiscal 2012 is set to top ¥100 trillion for the second straight year, government sources said Wednesday amid concerns over the country's fiscal health.

Seoul's price of electricity used by ordinary households will be increased by 2% starting from Monday, including high-voltage industrial, educational purposes and farming

will be increased by 4.4%, 3.5% and 3%, respectively, the Ministry of Knowledge Economy said.

Middle East and North Africa

At the end of November, the Dubai Statistics Centre (DSC) issued data on the economy's performance for the first half of the year, showing that GDP had risen by 4.1% to \$44bn, due to strong results from the tourism sector with 13% growth in 2012.

Egypt's GDP growth was 2% in 2012, according to IMF. The rate is respectable, given the recent political turmoil and the difficult global economic situation in the eurozone, and rising prices of oil imports, which have put a squeeze on the economy.

Indian Sub-Continent

Net profit of private corporate sector in the first half of 2012-13 (April-September) was Rs 91,800 crore, up 4.3 per cent from the year-ago period, the Reserve Bank of India's data showed today.

The average inflation rate fell down to 8.74% in 2012 while it was 10.70% in 2011, according to Bangladesh Bureau of Statistic.

Europe

The eurozone's recession likely sharpened at Q4 2012 but it will begin to rebound in Q2 2013, agencies consisting of Ifo, INSEE and Istat said in a joint statement.

The banking sector "needs to change" after it became "too arrogant", the head of the investment bank division of Swiss lender UBS told British lawmakers.

Renegotiation of UK's relationship with Europe could risk its exit from the EU, with "damaging" consequences for the economy and businesses, British business figures warned PM David Cameron.

Eastern Europe

Russia's CPI stood at 0.5% in December and 6.6% for 2012, according to adjusted data released by the Federal State Statistics Service on Wednesday.

Russia's Reserve Fund, which protects the budget against a fall in oil prices, fell by 1.1% to 1.886 trillion rubles in December, from 1.907 trillion rubles in November, the Finance Ministry said on Wednesday.

North America

Almost all of the Pentagon's nearly 800,000 civilian employees would likely have to be placed on unpaid leave for a month this year if automatic defense spending cuts go into effect in March, a top defense budget analyst said on Wednesday.

Australasia

Australia residential building approvals rose 2.9% to 13,307 units in November, the Australian Bureau of Statistics (ABS) said.

The annual deficit widened to \$1.46 billion from \$1.33 billion in the 12 months through October in the same period a year earlier, according to Statistics New Zealand.

Oil & Gas News

Global oil prices have weakened, erasing gains seen earlier in the day on news of a sharp drop in demand in top crude consumer the United States.

Natural gas futures dropped to a 15-week low in New York on speculation that unusually mild weather next week will curtail demand for the heating fuel.

Commodities News

Gold declined for a second day as the dollar's strength sapped demand for an alternative investment, countering signs of rising demand from China.

U.S. corn supplies, the world's biggest, are dropping at the fastest pace in 17 years as drought damage exceeds government forecasts and five months of declining prices spurs demand from livestock producers.

Currency News

The yuan touched the strongest level against the US dollar in 19 years in intraday trading.

The euro may advance versus the yen to the strongest level in almost 21 months even as it approaches a key level of resistance.

The pound dropped below \$1.60 for the first time in five weeks on speculation Bank of England officials meeting this week will signal they may introduce additional stimulus as the economy struggles to recover.

Economic & Financial News

Research & International Division

12/1/2013

*...U.S. Trade Deficit Balloons...
...Russia's Reserves Fund Falls...*

South East Asia

Malaysia's overall media advertising expenditure rose 6.3% to RM11.37 billion in the 12 months ending December 2012, up from RM10.69 billion in the same period in 2011, according to Nielsen Malaysia.

New measures include tighter eligibility for loans to buy HDB flats, Permanent Residents (PRs) who own a HDB flat will be disallowed from subletting their whole flat, and they must sell their HDB flat within six months of purchasing a private residential property in Singapore.

Indonesia taken to the World Trade Organisation (WTO) following a complaint made by the United States over Indonesia's rules for imports of horticultural products, animal products and animals, the WTO said.

The Philippines is expected to grow by 6% this year, buoyed mainly by strong public and private spending, according to the research arm of the Metropolitan Bank & Trust. Co. (Metrobank).

Viet Nam's rapidly expanding service sector shows that the country's economy is undergoing a broad structural transformation, said deputy head of the General Statistics Office. Preliminary results of the 2012 census revealed that of the country had 212,400 service enterprises.

Thailand's Commerce Ministry warned manufacturers not to raise their product prices in the wake of nationwide implementation of the 300-baht daily minimum wage.

North East Asia

China's trade surplus rose sharply last month. Exports last month soared 14.1% from a year earlier, the fastest pace in seven months and nearly five times the 2.9% growth in November, the General Administration of Customs said.

The Japanese Cabinet approved a fresh stimulus package of more than 20 trillion yen, aiming to lift the economy out of recession and create 600,000 new jobs. Prime Minister Shinzo Abe announced where he intended to add 2% to Japan's real economic growth.

South Korea government is concerned about a slowdown in the growth of jobs. In September of last year, there were 680,000 more jobs than a year earlier, but that fell to 390,000 in October and 350,000 in November, Ministry of Strategy and Finance reported.

Middle East and North Africa

As Egypt's fiscal crisis grows more acute, so does demand for investment vitally needed to generate jobs. Poised to receive a \$4.8 billion IMF loan that the government anticipates will help pull the economy out of an impending fiscal crisis.

A law in the making would bring the social security system for Qatari and other GCC nationals working in Qatar on par with global standards, the Minister of Economy and Finance has said. Qatari retirees are entitled to attractive monthly pensions and added with perks.

Indian Sub-Continent

India's exports continued the downhill journey declining for the eighth month in a row, registering a drop of 1.92% in December 2012 at \$24.8 billion. This has led to widening of trade deficit to \$17.6 billion, said the Commerce Secretary.

Sri Lanka's equities market could see growth this year after declining in 2011 and 2012 on poor macroeconomic fundamentals. Authorities had ignored a balance of payments problem in 2011, taking belated measures last year, which caused more pain.

Europe

The eurozone's recession likely sharpened at Q4 2012 but it will begin to rebound in Q2 2013, agencies consisting of Ifo, INSEE and Istat said in a joint statement.

The banking sector "needs to change" after it became "too arrogant", the head of the investment bank division of Swiss lender UBS told British lawmakers.

Renegotiation of UK's relationship with Europe could risk its exit from the EU, with "damaging" consequences for the economy and businesses, British business figures warned PM David Cameron.

Eastern Europe

Russia's CPI stood at 0.5% in December and 6.6% for 2012, according to adjusted data released by the Federal State Statistics Service on Wednesday.

Russia's Reserve Fund, which protects the budget against a fall in oil prices, fell by 1.1% to 1.886 trillion

rubles in December, from 1.907 trillion rubles in November, the Finance Ministry said on Wednesday.

North America

The US trade deficit expanded to \$US48.7 billion, up from a revised \$US42.1 billion in October. November US exports were \$US1.7 billion more than October exports, according to Department of Commerce data.

US jobless claims increased by 4000 last week, according to government data. Seasonally adjusted initial claims for unemployment insurance in the week ending January 5 rose to 371,000 from the previous week's revised figure of 367,000.

Australasia

The National Bank of Australia predicts the Reserve Bank of Australia will cut the cash rate to an all-time low of 2.25% by September this year.

New Zealand's trade deficit has grown and may widen further, as imports for the Canterbury rebuild and rising dairy prices both come into play. Statistics New Zealand data released yesterday showed the November trade balance was a deficit of \$700m.

Oil & Gas News

Crude oil for February delivery fell 26% to \$93.56 a barrel on the New York Mercantile Exchange. Trading

volume was 12% above the 100-day average.

Natural gas for February delivery rose 13.4 cents to settle at \$3.327 per million British thermal units on the New York Mercantile Exchange.

Commodities News

Gold futures for February delivery dropped 1% to settle at \$1,660.60 an ounce in New York. Yesterday's decline is the biggest for a most-active contract since January 4.

About 41.820 million acres (16.9 million hectares) of wheat were seeded for a crop that will be harvested in May and June, up 1.2% from a year earlier, the U.S. Department of Agriculture said today in a report.

Currency News

The ringgit advanced against the US dollar on Friday to 3.0195, underpinned by this week's trade data and industrial output numbers.

The pound depreciated 0.8% to 82.74 pence per euro, after reaching 82.87, the weakest level since April 4.

The Australian dollar lost 0.1% to \$1.0584 as of in Sydney after earlier rising to \$1.0599, matching the high reached yesterday.

Economic & Financial News

Research & International Division

15/1/2013

*...Tax office to maintain focus on booming sectors this year...
...Eastern Europe Seeks Growth Drivers as Austerity Hurts Demand...*

South East Asia

Malaysia, the world's No.2 palm oil producer, will set export tax for the crude grade at zero percent in February, unchanged from January, a government minister said on Monday.

The Philippines' Bureau of Internal Revenue has set a 16.4% growth target in its individual income tax collection for 2013 to P258.14 billion from last year's P221.77 billion, as it continues to intensify its drive against tax evaders.

Indonesia will maintain its focus on booming sectors such as manufacturing, mining, plantations and financial services to achieve its tax target for the year 2013. The government's tax revenue target for 2013 stands at Rp 1,031.8 trillion (US\$107 billion).

Vietnam may start buying non-performing loans in the first quarter of this year, as deteriorating asset quality threatens to further strain the economy. Non-performing loans accounted for 8.82% of the banking system's total loans at end-September.

Thailand's baht climbed to a 16-month high on speculation the central bank will allow gains to counter inflation. Government bonds rose for a second day.

North East Asia

China, the world's second-largest oil consumer, imported 271 million tonnes of crude oil last year, a rise of 6.8% year on year, as demand remained high despite an economic slowdown, data from the General Administration of Customs showed.

About 60% of the loans extended under a government scheme to assist the unemployed have not been repaid on schedule as of the end of last March, according to the Health, Labour and Welfare Ministry. The ministry assumes the borrowers had difficulty finding jobs due to the economic slump in Japan.

The total amount of new FDI pledged to Seoul last year came to US\$5.81 billion, up 41.3% from 2011, according to the Seoul Metropolitan Government. The sharp increase is attributed to an active investment by the Japanese who increased their investment by 166.6%.

Middle East and North Africa

Kuwait government spending climbed to KD 6.9 billion in the 8 months to November, equivalent to one-third of the amount budgeted for the entire year. The biggest driver was the 'wages & salaries' component.

The consumer price index in Jordan is increased by 4.8% in 2012 compared with an increase by 4.4 in 2011, according to report issued by the Department of Statistics on Monday.

Indian Sub-Continent

India's annual consumer price inflation accelerated to 10.56% in December from the previous month, government data showed on Monday. Food prices for consumers rose 13.04% in December from 11.81% in November.

Bangladesh's trade deficit narrowed down to US\$3.494 billion, a 22% decline, in first five months of the current fiscal because of healthy growth of export and decline in imports, which economists fear act as a drag on future growth, according to official statistics.

Europe

British PM David Cameron will deliver a major speech on January 18 in the Netherlands setting out how he wants to renegotiate his country's relationship with the EU, his official spokesman has stated.

Eastern European policy makers will seek new growth drivers to spur economic growth as austerity measures squeeze domestic demand, the euro area's debt crisis slows exports and western banks withdraw funding.

Eastern Europe

Russia's unemployment increased 4.2% in December, the Ministry said.

Russia's net capital outflow in Q3 stood at \$9.4 billion, totalling \$56.8 billion for the year 2012, the Central Bank of Russia reported.

North America

The US Treasury Department said that it will not produce platinum coins as a way of generating \$1 trillion in revenue over raising the US debt ceiling.

US leaders agreed at this month to extend tax cuts for all American families earning less than US\$450,000 (\$552,000) a year to avoid a portion of a "fiscal cliff" of policies that Mr Bernanke had warned could tip the economy into recession.

Australasia

Australians may be in for a tough 2013, with the latest official employment figures expected median forecast for the unemployment rate to increase 0.2% points to 5.4% in December, said the Australian Bureau of Statistics.

New Zealand commodity prices rose for a fifth straight month in December, led by a surge in pelt prices and gains for aluminium and beef. The ANZ Commodity Price Index rose 1% in to be 7% up since July last year, the ANZ said.

Oil & Gas News

Oil prices have jumped on a weaker US dollar and after a much-watched US oil pipeline expansion project came into service.

Commodities News

Sugar output in southern Guangxi province in China, the world's second-biggest consumer after India, may fall as much as 6% after cold and cloudy weather reduced yield, according to Wanda Futures Co.

Shipments of American corn tumbled to a seven-year low of 2.84 million metric tons last year, from 6.02 million tons in 2011, according to data on the Korea Customs Service's website today.

Currency News

The yen rose against all of its 16 major peers after comments by Japan's economy minister stoked speculation the nation won't try to spur further weakness in its currency.

The Canadian dollar fell against its Australian and New Zealand counterparts as comments from the Chinese securities regulator indicated the possibility of more foreign investment in Chinese firms.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
12-Jan-13	1,662.98	3.33	110.64	33.23	1.62	1.98	1.22	1.30	7,891	72.73	2.47	33.14	24.73	3,216.50
15-Jan-13	1,680.40	3.37	111.8	33.18	1.64	1.98	1.23	1.29	7,887	73.09	2.46	33.15	24.70	3,188.42
% Change	1.04	1.20	1.05		1.23	0.18	0.16	-0.05	-0.05	0.49	-0.27	0.03	-0.12	-0.87

Economic & Financial News

Research & International Division

16/1/2013

*...India Banks System Face Worsening Asset Quality...
...Japan's Economy Remains Weak...*

South East Asia

The franchise industry in Malaysia is expected to contribute RM23.6 billion to the country's GDP this year, up from RM22.5 billion last year, Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Ismail Sabri Yaakob announced.

Personal remittances from overseas Filipino workers (OFWs) rose 7.6% y-o-y to \$2.1 billion in November 2012, Bangko Sentral ng Pilipinas (BSP) announced. This brought cumulative cash transfers in January to November to \$21.6 billion, higher by 6.1% than the figures posted in the same period last year.

Indonesian government will change the palm oil export tax structure although Malaysia has been lowering its CPO export tax to zero percent," Trade Minister Gita Wirjawan said.

Thai exports of electrical appliances are expected to touch Bt759 billion, up about 4.5% from last year's figure of Bt726.33 billion, according to the Federation of Thai Industries.

Prices of raw shrimp are increasing sharply due to short supply. Tiger prawn prices in the Mekong Delta, Vietnam were up by VND10,000 (US\$0.48) per kilo against last week, to the highest price within a year.

North East Asia

Foreign direct investment in China fell 3.7% in 2012 to \$US111.72 billion, the Commerce Ministry has said. Investment from the European Union declined 3.8% to \$US6.11 billion. But investment from the United States rose 4.5% to \$US3.12 billion, while investment from Japan increased 16.3% to \$7.38 billion.

Japan's economy remains weak as the central bank prepares to decide whether to add to stimulus for the fourth time in five months, while exports and production are decreasing as the global slowdown continues, the Bank of Japan Gov. Masaaki Shirakawa said.

Wages were increased by 11.7% on average per year in the 1990s, just 1.1 percentage points lower than the annual growth in corporate profits. But since 2000, wages have increased only 7.2% a year on average, Bank of Korea said.

Middle East and North Africa

Bab Rizq Jameel (BRJ) created 78,249 jobs in Saudi Arabia and the Arab world in 2012, its most successful year since it started the program with an overall of 266,587 jobs since 2003.

The total value of export and re-export by Dubai Chamber of Commerce and Industry members reached Dh268 billion in 2012, Hamad Bu Amim, Director General of Dubai Chamber said yesterday.

Indian Sub-Continent

Indian economic growth may rebound in 2013 while falling short of the government's 8% target, as inflation risks limit the extent interest rates can be lowered to spur consumption and investment, said the Prime Minister.

India's financial system has been made vulnerable by a deterioration in bank assets and a lack of capital as the economy slowed, according to the International Monetary Fund.

Europe

The German economy grew by 0.7% in 2012, a sharp slowdown on the previous year, the Federal Statistics office Destatis said.

Output from eurozone factories fell by 0.3% in November, according to the latest official figures from EU body Eurostat.

Eastern Europe

Russia's oil exports fell 1% to 239.6 million tonnes in 2012, the Prime reported.

Russian ruble real effective rate increased 1.5% in December, 5.7% for the year 2012, the Central Bank of Russia said.

North America

The World Bank has cut its 2013 global growth outlook, blaming a slower-than-expected recovery in developed

nations. The bank said it expected world growth to be 2.4% this year, down on the 3% forecast in June.

US retail sales rose in December as Americans spent more on cars and home furnishings. Sales totalled \$415.7bn (£259bn) in the month, up 0.5% on the previous month, the Commerce Department said.

Australasia

Australia's consumer confidence rose by just 0.6% in January from a month earlier to 100.6 points, said the Westpac Banking and Melbourne Institute.

Personal finance commitments rose to \$7.448 billion in November, from an upwardly revised \$7.378 billion in October, the Australian Bureau of Statistics has said.

Oil & Gas News

Oil traded near the lowest level in almost a week in New York after U.S. crude stockpiles increased and the World Bank cut its economic growth forecasts.

Commodities News

Gold advanced for a third day toward a two-week high as expectations that global policy makers will need to stimulate growth boosted demand for a store of value.

Rubber slumped more than two months as the Japanese currency advanced and crude oil traded near a one-week low. Rubber for delivery in June dropped as much as 3% to \$3,430 a metric ton.

Currency News

The euro's 8% gain against the U.S. dollar in the past six months is posing a fresh threat to the European economy just as it shows signs of escaping the debt crisis.

The Australian dollar fell for a second day against the yen after data showed consumer confidence was little changed from a two-month low.

China's yuan fell, retreating from a 19-year high, after the central bank cut its reference rate by the most in four months.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
15-Jan-13	1,680.40	3.37	111.8	33.18	1.64	1.98	1.23	1.29	7,887	73.09	2.46	33.15	24.70	3,188.42
16-Jan-13	1,682.45	3.42	110.57	32.33	1.64	1.97	1.22	1.29	7,954	72.70	2.45	33.14	24.57	3,206.86
% Change	0.12	1.48	-1.10		-0.42	-0.56	-0.13	-0.28	0.85	-0.53	-0.22	-0.04	-0.50	0.58

...Public Sector Projects to Boost Singapore's Construction Demand In 2013... ...Dutch economy is heavily dependent on exports...

South East Asia

Malaysia government has set up a special committee to find jobs for 50,000 foreign workers at petrol stations who are expected to be retrenched due to minimum wage policy, said the Human Resource Minister.

Public sector projects are expected to contribute about S\$14-S\$17 billion, of the industry's total demand in 2013, up from S\$9.3 billion last year. This is driven by an increase in construction of accommodation and infrastructure in Singapore, the Building Construction Authority said.

Philippine factory output in November 2012 slightly moved up at a slower growth rate of 9.6%, as measured by Volume of Production index (VoPi), according to the results of the Monthly Integrated Survey of Selected Industries released by the National Statistics Office.

Anti-tobacco activists in Indonesia have called on the government to set aside a higher percentage of tobacco taxation to pay for tobacco control and health campaigns.

About 100,000 tourists from China and Hong Kong are expected to visit Thailand during the Chinese New Year next month and they would generate approximately 4.2 billion baht in tourism revenue, Tourism Council of Thailand (TCT) said.

Vietnam's footwear industry is aiming for export turnover of US\$8 billion this year, according to the Ministry of Industry and Trade.

North East Asia

China's non-financial outbound direct investment in 2012 increased 28.6% year-on-year to \$77.22 billion, Shen Danyang, said the Ministry of Commerce.

Taiwan's legislature approved the 2013 government budget after cutting proposed spending by 2%. Total government spending will NT\$1.9 trillion, incurring a deficit of NT\$174 billion, Economic Minister said.

Japan's debt burden is becoming more serious as the government takes extra steps to stimulate growth. The nation's debt burden at 237% of GDP last year, will lead to a surge in government bond yields, according to IMF.

South Korea will step up its crackdown on offshore tax evasion in line with the incoming government's pursuit of regularising the underground economy to find hidden assets and expand its tax base, SKorea customs agency reported.

Middle East and North Africa

Qatar's GDP grew by around 3.9% in the third quarter of 2012, helped by a surge in manufacturing and other non-hydrocarbon sectors, according to official data.

Oman's government is to review policies on hiring of foreign workers, like some other Gulf states, may try to shift more jobs from expatriates to its own citizens.

Indian Sub-Continent

Bangladeshi trade deficit narrowed in the first five months of fiscal 2012-13 by 22% on the back of falling imports. Imports fell by 5.25% in November, while exports increased by 3.96%, National Board of Revenue said.

In the wake of Sri Lanka's industry sector showing a strong 7.3% growth in Q3-2012, the country is mulling a dedicated park for life sciences development.

Europe

Dutch economy is heavily dependent on exports and therefore vulnerable to shocks from its eurozone partners, said the Standard & Poor.

The IMF agreed to disburse 3.2 billion euros (\$4.3 billion) to Greece after the country made new budget cuts, received more favorable aid terms from European nations and conducted a bond buyback.

Eastern Europe

Russia's narrow monetary base grew 11.3% to 8 trillion rubles in 2012, the Prime reported.

Russia's trade surplus fell 1.4% to \$195.4 billion in 2012, the Central Bank of Russia said.

North America

The U.S. economy ended 2012 on a surprisingly sound note as factory output climbed and low inflation lifted consumers' purchasing power. Manufacturing output climbed 0.8% in December, the Federal Reserve said.

Canadian retail spending rose 3.5% more in the fourth quarter of 2012 compared with 2011, Moneris Solutions Corp reported.

Australasia

Consumer confidence is picking up, especially in Auckland. The Confidence measure rose to 118.3 in January from 114.7 in December, ANZ said.

The average house rents increased by 17.5% in Perth last year, from \$400 to \$470 a week, pleasing investors and giving hope of renewed construction activity to the housing industry, Australian Property Monitors said.

Oil & Gas News

Total petroleum consumption increased 1.1% to 18 million barrels a day in the seven days ended Jan. 11, the

Energy Department report showed. Gasoline demand climbed 3.9% to 8.32 million barrels a day.

Commodities News

Gold futures fell from a one-week high amid concern that demand is easing while global economic growth slows.

Sugar output in India is set to decline in the year from October as domestic prices fall on cheaper imports and dry weather curbs planting, the Indian Sugar Mills Association said.

Currency News

The yen snapped a two-day gain against the dollar and euro as investors weighed the likelihood of new monetary easing measures by the Bank of Japan next week.

The pound dropped to a seven-week low against the dollar as the World Bank cut its global growth forecast for this year, spurring demand for the safest assets.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
16-Jan-13	1,682.45	3.42	110.57	32.33	1.64	1.97	1.22	1.29	7,954	72.70	2.45	33.14	24.57	3,206.86
17-Jan-13	1,679.91	3.44	109.74	31.90	1.63	1.97	1.22	1.29	7,932	71.98	2.46	33.17	24.43	3,210.09
% Change	-0.15	0.58	-0.75		-0.50	-0.06	0.02	0.25	-0.28	-0.99	0.30	0.10	-0.59	0.10

Economic & Financial News

Research & International Division

19/1/2013

*...US Housing Rebounded in December...
...Record High Rice Exports from Vietnam...*

South East Asia

Malaysia's inflation is expected to rise to 2.5% this year from a projected 1.7% in 2012 due to expectations of capital inflow from the manufacturing sector, said the Malaysian Institute of Economic Research.

Singapore's economy will again see sluggish growth in at least the first half of 2013 due to persistent weakness in the macroeconomic environment, but the situation may improve in the second half of the year.

Thailand's central bank raised its economic growth forecast for this year to 4.9% from 4.7% while keeping its inflation projection unchanged despite a big wage rise.

The Philippines' money supply growth accelerated in November to P4.9 trillion as a result of the two successive actions of monetary authorities during the period.

Indonesia experienced soaring prices of basic foodstuffs in the past week due to extreme weather, marked by storms and floods across the country. In addition, crops are rotting and many fishermen cannot take to the sea due to high waves.

Rice exports from Vietnam are set to remain near record levels this year. Shipments may be close to the all-time high of 7.7 million metric tons delivered in 2012.

North East Asia

China grew by 7.9% in Q4 2012, up from the 7.4% recorded in Q3.

Japan's core machinery orders rose for a second straight month in November in a sign that companies may gradually increase capital spending.

Korea's growth would likely remain weak for some time due to slow recovery in advanced economies such as Europe which is still struggling from a fiscal crisis, as well as the U.S where uncertainties persist over its fiscal soundness.

Middle East and North Africa

UAE's GDP is expected to continue growing at 4% in 2013. The minister of economy remarked that different economic sectors in the UAE perform well in 2012, which contributed to the sustainable growth.

Abu Dhabi is pushing forward with a \$90bn five-year spending spree on housing, schools, infrastructure and leisure projects, becoming the latest Gulf monarchy to unveil big new spending on its citizens since the "Arab spring" uprisings.

Egypt's annual inflation rate rose to 4.66% in December 2012 from 4.25% in November.

Indian Sub-Continent

Bangladesh is seeking a \$1 billion loan deal known as a state export-credit agreement, from Russia to finance arms exports.

UN report projects growth for India amidst a string of varying growth numbers being projected by multilateral institutions marking a recovery from 5.5% in 2012 to 6.1% in 2013.

Europe

Italy needs 9 billion Euros in additional budget measures in 2013 to meet its deficit targets as the worsening recession hurts tax revenue and fuels unemployment costs.

IMF says Greece will need more money as risks to Greece's economic reform plan remained high and that European nations will need to provide more funds and debt relief to the country.

Eastern Europe

Russia-oriented investment funds have lost \$64 million, a development that comes just a week after the same funds had experienced a significant influx of money.

Russia's current account surplus fell 18% to \$81.3 billion in 2012, the Central Bank of Russia said.

Russia's foreign debt rose by \$83.4 billion to \$624 billion in 2012, the central bank reported.

North America

Republicans proposed a three-month increase to the U.S debt ceiling as they lean toward breaking a protracted fiscal impasse, but warned any long-term deal

would require Congress to pass a budget that cuts spending.

Construction of new US homes rebounded to an annual pace of 954,000 units in December, capping a year of strong recovery in the industry.

New U.S jobless claims dropped last week to the lowest level in five years as the ailing jobs market slowly improves.

Australasia

N.Z consumer prices unexpectedly fell by 0.2% last quarter amid a sluggish economy and cheaper imports, giving the central bank scope to prolong a period of record-low interest rates. The local currency slumped.

Reserve Bank to cut interest rates early this year after the manufacturing sector contracted last month for the tenth month in a row, as called on by Australian business and union leaders.

Oil & Gas News

Oil capped the longest weekly winning streak in 14 months in New York as House Republicans planned a vote next week on a three-month extension of the U.S borrowing authority.

Natural gas rose to six-week high in New York, capping a second straight weekly gain, as forecast for frigid weather signalled increased heating-fuel demand.

Commodities News

Soybeans fell for second day on speculation that rain will improve the yield potential of crops in Brazil, reducing demand for supplies from the U.S, the world's biggest grower and exporter.

Wheat rose, capping the biggest weekly gain since July, on signs of improved export demand and as lingering drought threatens this year's harvest in the U.S, the world's largest exporter.

Currency News

The euro fell versus the dollar after a European Central Bank official said the ECB doesn't have a view whether banks should repay funds when the possibility comes up, damping bets short-term interest rates will rise.

Mexico's peso fell the most in four weeks after central bankers signalled that a further slowdown in inflation could prompt them to lower interest rates.

The Canadian dollar fell the most in six months after data from China suggested demand for commodities may not increase apace with general economic growth.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
17-Jan-13	1,679.91	3.44	109.74	31.90	1.63	1.97	1.22	1.29	7,932	71.98	2.46	33.17	24.43	3,210.09
19-Jan-13	1,684.25	3.57	111.89	31.34	1.64	1.96	1.23	1.29	7,930	73.42	2.46	33.12	24.32	3,211.22
% Change	0.26	3.64	1.92		0.69	-0.55	0.02	-0.44	-0.02	1.97	-0.10	-0.14	-0.44	0.04

*...India Raises Gold Import Tax to Cut Deficit...
... Mexico Seeks to Limit Amount Local Governments May Borrow...*

South East Asia

Singapore will increase spending on population-growth measures by 25%. An annual budget of S\$2 billion will for measures including state-funded childcare leave, healthcare costs and financial support for housing to married couples, the government said in a statement yesterday.

Indonesia's FDI rose by 23% in the final quarter to 56.8 trillion rupiah (3.7 billion pounds), taking full year FDI up 26% to around \$23 billion (14.5 billion pounds), the country's investment board said.

The Philippines' total approved foreign direct investments in Q3 2012 decreased to P17.7 billion, or 36.7% lower than the P28 billion recorded in the same period last year, according to the National Statistical Coordination Board (NSCB).

Revenue from plastic exports is expected to rise 11-13.5 % to hit US\$2 billion in 2013, according to the Viet Nam Plastics Association (VPA). Export earnings in 2012 reached \$1.98 billion, an increase of 42.2% over 2011.

Thailand's banking industry remained healthy as expected in 2012, with average net profit growth of 30.06% year-on-year totalling 163.13 billion baht (about US\$5.48 billion).

North East Asia

China's CPI may go up from 2.6% in 2012 to 4%, said Yu Bin, the director of macroeconomic research at the State Council Development Research Center.

Hong Kong's Composite CPI rose by 4.1% year on year in 2012, the city's Census and Statistics Department

Taiwan's export orders climbed for a fourth month in December. An indicator of shipments in the next one to three months, rose 8.5% from a year earlier after an 11.1% gain reported earlier for November, the Ministry of Economic Affairs said.

Japan's drive to revive growth may boost Southeast Asian nations as rising demand in the world's No. 3 economy spurs orders and Japanese companies take advantage of cheap funding to invest in the region.

The number of South Korean farmers making over 100 million won (\$94,000) annually has increased for four straight years, according to Ministry for Food, Agriculture, Forestry and Fisheries.

Middle East and North Africa

The export and re-export sector in Dubai with other GCC countries rose by 51% in 2012. Saudi Arabia proved to be the largest export market for Dubai, a study released yesterday by Dubai Chamber of Commerce and Industry said.

Egypt's foreign reserves have risen to \$15.5 billion, helped by a deposit by Qatar to support the economy, its finance minister said, although they are still close to critical levels after being run down to defend Egypt's currency.

Indian Sub-Continent

About 80% of India's current-account deficit, the broadest measure of trade, tracking goods, services and investment income, is due to gold imports, according to the Reserve Bank of India.

About 21% hike in passenger fares with an aim to mop up additional revenue of Rs 6,600 crore in a year, Indian Railway Minister had announced.

Europe

The worst of the economic slowdown in central and Eastern Europe may be over, with growth set for a modest pick-up in 2013, according to the European Bank for Reconstruction and Development.

Britain's financial services companies will cut a further 18,000 jobs over the next three months, according to a report by the Confederation of Business Industry and PricewaterhouseCoopers.

Eastern Europe

Russia's gold reserves increased 8.5% to 958 tonnes in 2012, the Central Bank of Russia said.

North America

Alberta (Canada) will issue more debt and dip into savings to overcome reduced revenue tied to the price gap between the oil it produces and world crude prices, said the Finance Minister.

Local Mexican governments have limited independent revenue sources, relying instead on transfers from the federal government to cover close to 90% of their budgets.

Australasia

New Zealand homes became less affordable than Australia in 2012 as constrained land supply and government levies, combined with low borrowing costs, and pushed prices higher, according to a survey.

Underlying inflation, which excludes the most volatile price movements, is expected to be at 0.65% for the quarter, said the Royal Bank of Australia.

Oil & Gas News

Oil traded near a four-month high in New York as Japan's central bank said it will expand asset purchases to

lift the world's third-biggest crude consumer out of its third recession in five years. Brent prices advanced.

Commodities News

Iron ore may tumble 21% by the year-end as global supply increases, undermining a rally that pushed the price of the steel-making raw material to the highest level in 15 months, according to Bank of America Corp.

Palm oil inventories will drop 16% to 2.2 million metric tons by March, the most since 2010, after tariffs were reduced to zero this month, according to the median of six analyst and trader estimates compiled by Bloomberg.

Currency News

The Singapore dollar strengthened 5.8% in the first three quarters of 2012, the best performance in Asia, as investors sought the relative safety of Singapore's AAA rated assets.

The Australian and New Zealand dollars rose against their U.S. counterpart after the Bank of Japan (8301) said it would expand monetary stimulus, boosting prospects for global growth.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
19-Jan-13	1,684.25	3.57	111.89	31.34	1.64	1.96	1.23	1.29	7,930	73.42	2.46	33.12	24.32	3,211.22
22-Jan-13	1,693.69	3.63	110.61	30.47	1.64	1.95	1.23	1.29	7,915	72.94	2.46	33.09	24.15	3,223.15
% Change	0.56	1.65	-1.16		-0.16	-0.42	0.30	0.32	-0.20	-0.66	-0.05	-0.12	-0.71	0.37

Economic & Financial News

Research & International Division

23/1/2013

*...Indonesia Govt Targets Quick Completion of Underground Water Canal...
...S. Korea to Expand Support for Exporters Facing Currency Volatility...*

South East Asia

The Malaysian Government is removing the duty exemptions for 18 grades of steel imports with effect from Feb 1, 2012 as it revamps the domestic iron and steel industry, Minister of International Trade and Industry said.

The Indonesian government has allocated Rp 700 billion (US\$72.8 million) from the state budget to construct an underground water canal in Jakarta to counter floods in the capital.

The Philippines government's finances have improved, Fitch Ratings said. Fitch maintains long-term foreign and local currency ratings of "BB+" and "BBB-," respectively, for the Philippines, a notch below investment grade.

Thailand will gear itself in the 2014 fiscal year towards upgrading from being a middle-income country to one where equality, environmental concern and fiscal discipline are to the fore, along with a workforce that is ready for investment, Prime Minister of Thai said.

Vietnam must accept "low" economic growth while it restructures its economy and should aim for annual expansion of at least 5%, according to President Truong Tan Sang.

North East Asia

China's fiscal revenues grew 12.8% year-on-year to 11.7 trillion yuan (\$1.9 trillion) in 2012, figures from the Ministry of Finance showed.

Hong Kong's Composite CPI rose by 4.1% y-o-y in 2012, the city's Census and Statistics Department said.

Macao's Composite CPI for 2012 rose 6.11% y-o-y, according to the figures released by the city's Statistics and Census Service.

The government of Japan plans to set aside 4.5 trillion yen (\$50.11 billion) for fiscal 2013, for rebuilding from the March 2011 disaster, adding 3 trillion yen on top of the current five-year framework for that purpose, the Nikkei reported.

South Korea will strengthen its policy support and risk management help for exporters struggling to cope with

tough competition caused by the rise of the country's local currency, the top economic policymaker said.

Middle East and North Africa

Saudi banks perform better in 2012, with an increase of net profits by 12% to around SR28.6bn due to lower provisioning and an upturn in domestic business.

Iran has ended supplies of subsidized gasoline for cars with engines of 1,800cc and bigger. Iranians with cars pay 4,000 rials (33 cents) a liter for a monthly allowance of 60 liters and 7,000 rials a liter for larger volumes.

Indian Sub-Continent

India's inflation on wholesale prices declined to a three-year low of 7.18% in December. However, retail inflation rose for the third successive month in December at 10.56%.

Sri Lanka's tourist arrivals rose 25.4% to a record high in December last year compared to the same period in 2011, the data released by the Sri Lanka Tourism Development Authority (SLTDA) today showed.

Europe

UK's public sector net borrowing climbed to £15.4 billion in December, the Office for National Statistics (ONS) said.

Germany's statistics office estimates the economy may have shrunk as much as 0.5% in the final quarter of 2012.

The UK's inflation-targeting regime may be reviewed as well as the government measures used to strengthen the economy to ensure a "gentle recovery", the Bank of England Governor Mervyn King said.

Eastern Europe

Russia's oil and gas reserves rose by 681 million tonnes and 816 billion cubic meter, respectively, in 2012, the ministry said.

North America

Sales of U.S. existing homes dropped in December by 1% to a 4.94 million annual rate last month, figures from the National Association of Realtors showed.

Canadian retail sales rose 0.2% to C\$39.4 billion after a revised 0.5% gain in October, led by record car purchases, Office Statistics Canada said.

Mexico's jobless rate fell by 4.96% in December, easing fears of a sharp economic slowdown in Latin America, the national statistics agency said.

Australasia

Australia's annual inflation rate rose to 2.2% over the year to December from 2% in September, the Australian Bureau of Statistics said today.

Investment returns from New Zealand's main savings vehicle to fund public pension entitlements, came in at 19.17% in the 12 months to end of 2012, according to fund's guardian report.

Oil & Gas News

World oil markets are tightening as Chinese fuel demand increases and OPEC supplies fall, draining inventories and could put extra pressure on prices.

Iran's gas production (excluding flared and recycled gas) in 2011 was 153.3bcm (some 420 mcm/d), according to BP's annual statistics.

Commodities News

Rubber production is set to outpace consumption by 179,000 metric tons this year and 153,000 tons in 2014, said senior economist Lekshmi Nair.

Wheat dropped to the lowest level in more than a week on speculation that rains may bring some relief to drought-stricken crops in the U.S.

Currency News

Thailand's baht dropped by the most in more than two weeks after a technical indicator signalled a possible rebound in the U.S. dollar

The ruble strengthened 0.2% to 40.2150 against the euro and increased 0.2% against Bank Rossii's target dollar-euro basket to 34.7205.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
22-Jan-13	1,693.69	3.63	110.61	30.47	1.64	1.95	1.23	1.29	7,915	72.94	2.46	33.09	24.15	3,223.15
23-Jan-13	1,692.29	3.59	112.29	31.28	1.64	1.95	1.23	1.29	7,854	73.21	2.47	33.07	24.22	3,230.41
% Change	-0.08	-1.11	1.50		-0.02	-0.17	-0.06	0.05	-0.78	0.37	0.59	-0.04	0.31	0.22

Economic & Financial News

Research & International Division

26/1/2013

*... France Needs Time to Overtun Rampant Jobless Rate...
... New Zealand Govt's Underlying Budget Deficit Better Than Forecast...*

South East Asia

Singapore has attracted \$16 billion in fixed asset investments (FAI) in 2012. FAI refers to capital investment in facilities, equipment and machinery, according to Economic Development Board.

Philippine merchandise imports grew by 2.2% to \$5.1 billion in November 2012 from the \$5 billion recorded a year ago, the National Economic and Development Authority said.

Indonesia's economic stability is at stake if it does not raise the price of subsidized fuel this year, a team of researchers from the DBS Bank say.

The striking of the right balance between economic growth and financial stability has been cited as a key challenge in handling Thailand's monetary policy in 2013, Governor of the Bank of Thailand said.

Vietnam's annual inflation rose to 7.07% in January, while prices increased at 1.25% in December, General Statistics Office reported.

North East Asia

Foreign trade surged 15.5% y-o-y in 2012 to \$21.94 billion in Hunan province, contrasting with the 6.2 percent growth of China's foreign trade in 2012, according to the province's customs department.

Japan's economy will likely grow 2.5% in 2013/14 fiscal year starting in April, based on expectations that Prime Minister Shinzo Abe's ambitious fiscal and monetary policies will boost domestic demand and a rebounding overseas economy will help exports.

South Korean banks have lowered their growth target for household lending this year, as record level household debt is feared to crimp the economy amid the incoming government's aggressive move to stem its rise, the financial regulator said.

Middle East and North Africa

Qatar's fixed exchange rate has been advantageous; although its currency is currently "under-valued" in terms of real effective exchange rate but with projected rise in inflation, the under-valuation is set to narrow over the medium term, according to the IMF.

The gross output of economic activities in Abu Dhabi grew 29.9 per cent in 2011, exceeding Dh1 trillion for the first time, latest figures released by Statistics Centre Abu Dhabi showed.

Indian Sub-Continent

The overseas capital inflows are helping to contain the expanding current account deficit (CAD). India's CAD-GDP ratio reached a historical high at 5.4%, said the Reserve Bank of India.

The Bangladesh Bank (BB) asked banks to bring down the interest rate spread below 5% from the existing 5.41% by March this year, said the BB governor.

Europe

Britain's economy contracted by 0.3% in the last three months of 2012, raising the possibility it might fall back into recession, the Office for National Statistics.

The French government is spending 2.3 billion euros (3 billion U.S. dollars) to create 100,000 jobs in the public sector and 50,000 in the private sector by 2014, to be compensated by removing tax exemptions from taxes on overtime work.

The EU showed a trade surplus of 28.8 billion euros (\$A36.6 billion) for the third quarter of 2012, with a big increase in the contribution from trade in services compared to the level 12 months ago, official data showed.

Eastern Europe

Consumer prices in Russia rose 6.6% in 2012, exceeding almost three times the average E.U. inflation of 2.3%, the Federal State Statistics Service said Monday.

North America

Orders for durable goods climbed more than forecast in December, showing U.S. manufacturing rebounded following a mid-year slump. Bookings for goods meant to last at least three years rose 4.6%, the Bloomberg said.

The Federal Reserve's ultra-loose monetary policy is a root cause of the "currency wars" that some see as a

looming threat to the world economy, but don't expect the U.S. central bank to signal a shift back to normal any time soon.

Australasia

Resurgent economic growth overseas and lower interest rates at home will not be enough to revive Australia's economy once the resource boom begins to wane later this year, a new report argues.

The services sector is treading water, with the latest New Zealand Business Performance of Services Index falling 2.7 points to 51.5 in December from its November levels, said the senior economist of BNZ.

Oil & Gas News

There has been no decisive break in the first few weeks into Q1, 2013, above \$112.80 and \$108-111 remains a magnetic attraction for brent crude oil.

Global oil prices have advanced, buoyed by a weakening US dollar, upbeat German economic data and gains on European stock markets, dealers said.

Commodities News

Coal is the mainstay of India's energy and 55% of primary energy supply and 70% of power generation in the country are coal based.

Net copper imports into China will likely remain elevated in the first half of 2013. This may result in copper prices approaching USD9,000/t in Q2 in our view." Deutsche Bank said in a report.

Currency News

Australian dollar will continue to sap farm and manufacturing exports and hold national income growth to \$56 billion this year, below its average \$80bn annual increase.

The yen slid against the dollar in the longest weekly losing streak on record suggesting the currency has further to fall.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
23-Jan-13	1,692.29	3.59	112.29	31.28	1.64	1.95	1.23	1.29	7,854	73.21	2.47	33.07	24.22	3,230.41
26-Jan-13	1,658.65	3.44	113.28	32.93	1.64	1.94	1.23	1.29	7,865	73.51	2.48	33.06	24.27	3,269.31
% Change	-2.03	-4.36	0.87		0.50	-0.21	0.24	-0.59	0.14	0.41	0.32	-0.02	0.21	1.19

Economic & Financial News

Research & International Division

29/1/2013

*... Rate Cut 'May Not Tame Baht'...
...U.S Federal Reserves Waits for Job Market to Perk Up...*

South East Asia

Singapore has attracted \$16 billion in fixed asset investments in 2012; capital investment in facilities, equipment and machinery, according to Economic Development Board.

Malaysia's CPI is expected to increase by between 2% and 2.5% this year, mainly because of the implementation of minimum wage policy and subsidy rationalisation programme, said Hong Leong Research.

Philippines' inflation for 2013 and 2014 will settle at the lower half of the government-set target range of 3% to 5%, Bangko Sentral ng Pilipinas said.

Indonesia will raise taxes on palm oil exports in February in the first increase in nine months, potentially curbing shipments from the largest producer. The duty will be raised to 9% from 7.5% in January.

The Bank of Thailand prefers macro-prudential measures to a cut in interest rates or capital controls, as a way of keeping the baht's appreciation under control.

Vietnam's export turnover in January 2013 is estimated at US\$10.1 billion, a y-o-y increase of 43.2%, according to the General Statistics Office.

North East Asia

Foreign trade surged 15.5% y-o-y in 2012 to \$21.94 billion in Hunan province, contrasting with the 6.2% growth of China's foreign trade in 2012, according to the province's customs department.

Japan's economy will likely grow 2.5% in 2013/14 fiscal year starting in April, based on expectations that PM Shinzo Abe's ambitious fiscal and monetary policies will boost domestic demand and a rebounding overseas economy will help exports.

South Korean banks have lowered their growth target for household lending this year, as record level household debt is feared to crimp the economy amid the incoming government's aggressive move to stem its rise.

Taiwan's economic monitoring index rose to 23 points and turned "green" in December 2012, signaling the economy was experiencing steady growth, the Cabinet-level Council for Economic Planning and Development said Monday.

The unemployment rate for local residents in Macau stood at 2.6% last year, down 0.6 percentage point from the previous year, the Statistics and Census Bureau said.

Middle East and North Africa

Qatar's fixed exchange rate has been advantageous; although its currency is currently "under-valued" in terms of real effective exchange rate but with projected rise in inflation, the under-valuation is set to narrow over the medium term, according to the IMF.

The gross output of economic activities in Abu Dhabi grew 29.9% in 2011, exceeding Dh1 trillion for the first time, latest figures released by Statistics Centre Abu Dhabi showed.

Indian Sub-Continent

The overseas capital inflows are helping to contain the expanding current account deficit (CAD). India's CAD-GDP ratio reached a historical high at 5.4%, said the Reserve Bank of India.

The Bangladesh Bank (BB) asked banks to bring down the interest rate spread below 5% from the existing 5.41% by March this year, said the BB governor.

Sri Lanka per capita income would reach the US \$ 4,000 mark in two years, said Sri Lanka's Central Bank governor.

Europe

The worst is over for Greece, Greece's Finance Minister said and was adamant that growth will come in 2013, even if the economy contracts in 2013 by an estimated 4.5%.

Spain's targets for cutting its budget deficit may be eased, EU budget enforcer Olli Rehn signalled.

Euro zone bank loans to the private sector declined by 0.7% in December compared with the same month in 2011 after shrinking by 0.8% the previous month, the ECB said in a statement.

Eastern Europe

Consumer prices in Russia rose 6.6% in 2012, exceeding almost three times the average E.U. inflation of 2.3%, the Federal State Statistics Service said Monday.

North America

Orders for durable goods climbed more than forecast in December, showing U.S. manufacturing rebounded following a mid-year slump. Bookings for goods meant to last at least three years rose 4.6%, the Bloomberg said.

The Federal Reserve's ultra-loose monetary policy is a root cause of the "currency wars" that some see as a looming threat to the world economy. It expects to keep short-term interest rates exceptionally low until the U.S. unemployment rate falls to 6.5%, inflation permitting.

Australasia

Resurgent economic growth overseas and lower interest rates at home will not be enough to revive Australia's economy once the resource boom begins to wane later this year, a new report argues.

New Zealand Business Performance of Services Index falling 2.7 points to 51.5 in December from its November levels, said the Bank of New Zealand.

Oil & Gas News

OPEC's oil reduced in output by 465,000 barrels a day in December to 30.4 million a day, the lowest level since October 2011, led by a reduction in Saudi Arabia, the group said in a Jan. 16 report.

Commodities News

Gold climbed, snapping the longest losing streak since October, before the U.S. Federal Reserve begins a two-day policy meeting today that will probably press on with stimulus to bolster the world's largest recovery.

Wheat declined for the first time in three days on speculation that rains forecast for the U.S. Great Plains will probably bring relief to crops affected by limited moisture.

Currency News

Australian dollar will continue to sap farm and manufacturing exports and hold national income growth to \$56 billion this year, below its average \$80bn annual increase.

Indonesia's central bank stepped up intervention in the past two weeks to support the rupiah after an offshore fixing for the currency sank to the biggest discount to the onshore spot rate in almost 16 months.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
26-Jan-13	1,658.65	3.44	113.28	32.93	1.64	1.94	1.23	1.29	7,865	73.51	2.48	33.06	24.27	3,269.31
29-Jan-13	1,662.65	3.24	113.55	35.05	1.66	1.95	1.24	1.29	7,885	73.75	2.46	32.93	24.24	3,270.52
% Change	0.24	-6.17	0.24		1.06	0.23	0.34	0.17	0.25	0.32	-0.65	-0.39	-0.14	0.04

Economic & Financial News

Research & International Division

30/1/2013

*...Bank Negara Malaysia is Likely to Keep Key Interest Rate At 3%...
...PM of Australia Warned Businesses Not to Expect \$A Relief From Govt...*

South East Asia

Bank Negara Malaysia is expected to maintain the benchmark overnight policy rate (OPR) steady at 3% on Jan 31 for the 10th time since May 2011.

Indonesia aims to raise 1.5 trillion rupiah (RM477 million) from a sukuk auction on February 5 to finance its budget deficit, the debt office at the finance ministry said today.

The Philippine GDP likely exceeded 6 % in full-year 2012, according to the National Economic and Development Authority (NEDA).

Thai government has no plan to use measures to control foreign direct investment (FDI) inflow and outflow to curb the persistent baht appreciation, Finance Minister Kittiratt Na-Ranong said.

Vietnam attracted nearly US\$281.5 million from the foreign direct investment in the first month of the year, an increase of 74% year-on-year, the Vietnam General Statistics Office.

Cambodia attracts US\$2.28 billion foreign investment projects in 2012, according to Council for the Development of Cambodia.

North East Asia

Chinese banks saw their total assets rise 17.7% y-o-y to 131.27 trillion yuan (20.9 trillion U.S. dollars) at the end of 2012, the latest official data showed.

In 2012, the value of agricultural products shipped from the mainland to Hong Kong and Macao totaled \$6.76 billion, up 14.1% y-o-y, according to the General Administration of Customs.

Japan's cabinet has endorsed ¥92.6 trillion general budget for the coming fiscal year. The budget is aimed at boosting growth through more public works spending and increases defence outlay.

South Korea's outdoor sportswear market grew significantly last year despite the economic downturn, with major brands competing fiercely for a bigger slice of the nearly 5 trillion won market.

Middle East and North Africa

The Lebanese financial system continues to show resilience, according to the vice governor of the Central Bank, who said foreign reserves have reached \$36 billion.

Qatar is investing US\$10bn into Malaysia, with half the money to be funneled into petrochemical projects, according to a Malaysian newspaper.

Indian Sub-Continent

Reserve Bank of India reduced its policy interest rate by a widely expected 25 basis points on Tuesday, taking comfort from cooling inflation to make the first rate cut in nine months.

The Bangladeshi government has increased registration and renewal fees for import and export ranging from 76% to 275% in its new import policy.

Europe

Consumer confidence in Germany appears to be stabilising or recovering slightly, market research company GfK in a statement said.

U.K. economic growth is likely to improve to between 2% and 2.5% a year within 18 months, as the pound strengthened from a five-month low against the dollar, Bank of England policy maker David Miles said.

Spain's retail sales during the Christmas period in December fell by 10.7% y-o-y as it continues to suffer from a deep recession and high unemployment, the National Statistics Institute said.

Eastern Europe

Russian companies laid off 94,000 people more than they hired in 2012, the Federal State Statistics Service reported on Tuesday.

North America

U.S. consumer confidence plummeted in January to the lowest level in more than a year, according to a report by the Conference Board, which saw the index drop to 58.6 from 66.7 in December, falling short of economists' expectations of 64.

Mexico's federal government and officials have signed an agreement to build a high-speed rail system, costing around US\$1.95 to US\$2.5 billion, Communications and Transportation Secretary said.

Australasia

PM Julia Gillard added pressure on the central bank to cut rates in a speech to be delivered today, saying that managing the strong Australian dollar was beyond the control of the government.

The trade accounts improved last month, with exports exceeding imports by \$486 million. It still left the balance for the year at \$1.2 billion in deficit, as imports outstripped exports by 2.6%, the Bank of New Zealand said.

Oil & Gas News

Oil traded near the highest level in four months before a Federal Reserve policy statement that may signal the central bank will keep adding economic stimulus in the U.S., the world's biggest crude user.

Commodities News

Iron ore is poised to decline through the end of March as China, the world's largest user, has a week-long holiday next month and mills buy more domestic supplies, Australia & New Zealand Banking Group Ltd said.

Platinum was poised for the best monthly gain in a year as gold headed for a fourth decline after data from the U.S. to China added to signs of a recovery, paring demand for haven assets. Palladium advanced to a 16-month high.

Currency News

The New Zealand dollar fell late in the day ahead of tomorrow's Reserve Bank of New Zealand (RBNZ) review of the official cash rate, current set at 2.5 %.

The euro strengthened above \$1.35 for the first time since December 2011 before a report forecast to show economic confidence in the region improved this month.

Date	Gold	Henry Hub (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
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30-Jan-13	1,666.65	3.23	114.2	35.36	1.66	1.94	1.24	1.29	7,886	73.51	2.49	32.96	24.13	3,282.04
% Change	0.24	-0.31	0.57		0.17	-0.18	0.19	0.26	0.02	-0.32	0.89	0.09	-0.47	0.35