

Economic & Financial News

Research & International Division

1/4/2015

*... Japan imported less crude oil last month ...
... Spanish retail sales rose in February ...*

South East Asia

Singapore's public housing flat resale price in Q1 2015 dropped 1% over the previous quarter. The resale price index (RPI) for public housing flats slipped to 135.6 in Q1, down from 137.0 in the previous quarter.

Private home prices in Singapore in the first quarter of 2015 declined 1.1%. Prices of apartments in downtown area dropped by 0.6%, lower than the 0.9% decline in the previous quarter. Landed home prices also slid 1.1%, compared with a 1.3% decrease in the previous quarter.

North East Asia

Chinese manufacturing business activity rebounded slightly in March to expansion territory. The manufacturing purchasing managers' index (PMI) posted a reading of 50.1 in March, up from 49.9 in the previous month.

Japan imported less crude oil last month, down for the fourth consecutive month. Imports of crude oil fell by 7.5% y-o-y, totalling 102.34 million barrels of which oil from the Middle East accounted for 82.4%, up 0.3 percentage point.

Japanese manufacturing activity expanded slowly in March compared to the previous month as domestic orders contracted for the first time in almost a year. The final Markit/JMMA Japan Manufacturing PMI was 50.3, just below the preliminary reading of 50.4 and below 51.6 in February.

South Korea's trade surplus reached a new monthly high in March despite a fall in exports as imports shrank at a faster rate. The country's overall exports came to USD46.99 billion last month, down 4.2% from the same month last year.

South Korea's consumer prices gained at the slowest pace in nearly 16 years in March, signalling that the economy remains gripped by flaccid private consumption. The consumer price index inched up 0.4% in March from a year earlier, compared with a 0.5% on-year gain in February.

Indian Sub-Continent

India's external debt as of end-December 2014 rose 3.5% to USD461.9 billion, from the level of end-March 2014. The country's external debt-to-GDP ratio marginally improved to 23.2% at end-December 2014 from 23.7% in end-March 2014. The increase in external debt during the period was due to a rise in long-term debt.

Middle East and North Africa

Egypt's M2 money supply at the end of February was up 15.5% from a year earlier. M2 money supply stood at EGP1.6374 trillion (USD214.6 billion) at the end of February 2015, compared to 1.4176 at the end of February 2014.

Western Europe

The annual inflation in the eurozone is expected to rise to -0.1% in March, and the seasonally-adjusted unemployment rate declined to 11.3% in February. Among the main components of eurozone inflation, the service industry is expected to have the highest annual rate in March, at 1%, followed by food, alcohol and tobacco.

Italy's unemployment rate rose slightly in February after December's big drop and another fall in January, climbing to 12.7% last month. The rate is 0.1 of a percentage point higher than January and 0.2 of a percentage point up on the same time in 2014. The number of unemployed people rose 23,000 in February in Italy.

UK revised up its quarterly economic growth estimate for Q4 2014 from 0.5% to 0.6%. For the whole year in 2014, British GDP was estimated to have increased by 2.8% when compared with 2013, revised up 0.2 percentage points from previous estimate. It was also the fastest growth since 2006.

Spanish retail sales rose for the seventh straight month in February, a fresh indication that Spain's traditional economic motor of domestic demand is kicking back in after hitting low levels in a protracted economic crisis. Retail sales rose 2.7% on a calendar-adjusted basis in February, following a revised 4% increase in January.

North America

Canada's GDP in January fell by 0.1% m-o-m, a considerable reversal from December's 0.3% growth. The downturn, the second negative reading in the past three months as the economy feels the pinch from the severe drop in prices for oil.

South America

Brazil's central government posted a primary budget deficit in February of BRL7.358 billion (USD2.28 billion). The central government account, which covers federal ministries, the central bank and social security, posted a primary surplus of BRL10.405 billion in January.

Oil & Gas News

Oil prices edge lower as Iran talks extend beyond deadline. Brent crude for May delivery LCOc1 was down 31 cents at USD54.80 a barrel by 3.23 a.m. ET, after settling down USD1.18 on Tuesday. US crude for May delivery CLc1 was trading 33 cents lower at USD47.27 a barrel, having settled down USD1.08.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|-------|------|------|----------|-------|--------|-----------|-----------|-----------|
| 31-Mar-15 | 1,180.11 | 2.63 | 55.68 | 21.17 | 1.49 | 2.04 | 1.37 | 0.94 | 9512.03 | 86.72 | 2.70 | 32.59 | 23.72 | 3,448.37 |
| 01-Apr-15 | 1,185.15 | 2.65 | 54.9 | 20.72 | 1.49 | 2.04 | 1.38 | 0.95 | 9507.51 | 87.36 | 2.70 | 32.49 | 23.64 | 3,441.52 |
| % Change | 0.43 | 0.76 | -1.40 | | -0.42 | -0.37 | 0.13 | 1.21 | -0.05 | 0.73 | 0.08 | -0.32 | -0.35 | -0.20 |

Economic & Financial News

Research & International Division

2/4/2015

*... Malaysians start paying GST ...
... Hanoi's budget collection increases by 10.6% ...*

South East Asia

Indonesia's CPI accelerated at faster pace in March compared with that in February as the energy prices picked up. The annual growth of CPI in March reached 6.38%, rising from 6.3% in February. The main reason for the increase was higher fuel prices.

Indonesian government will expand the coverage of tax allowances and shorten the process in order to access facilities in a bid to boost investment and spur growth in Southeast Asia's largest economy. The coverage of the tax allowances will be expanded to 144 business sectors.

Malaysia implemented a 6% consumption tax aimed at plugging a leaky tax-collection system and addressing a widening fiscal deficit. The government said the Goods and Services Tax (GST) will help address an inadequate revenue-collection system under which income tax is currently paid by only an estimated 11% of registered companies and 14.8% of employees.

Philippine government's debt inched up to PHP5.757 trillion at the end of February. The figure as of end-February this year increased by 0.1% from end-January's PHP5.752 trillion, and was 3% higher than the PHP5.592 trillion recorded at end-February last year.

Thailand's inflation in March fell to a five-and-a-half-year low at negative 0.57% y-o-y due to slumping oil prices. It was also the third straight month drop in the inflation rate. The CPI in February was minus 0.52%.

Thai government spending will be the key to Thailand's economic growth in the second half of this year after weak export performance due to a drop in global trade. Thailand's export in February declined by 6.14% to USD17.22 billion. As at March 27, 2015, about 29.7% of the government's investment budget of THB449.47 billion had been disbursed.

Hanoi will collect an estimated VND46.3 billion (USD2.17 million) for the state budget in the Q1 of this year, a 10.6% increase over the same period last year. The figure, the highest since 2012, represents 27% of the year target. Meanwhile, the local budget revenue reached VND16.2 billion (USD760,000), meeting 28.7% of the year's target.

Vietnam's HSBC Purchasing Managers' Index (PMI) posted 50.7 in March, down from 51.7 in February, but still signalled a strengthening of business conditions in the sector.

North East Asia

Macau's casino revenue fell in March for the tenth straight month as China's corruption crackdown took a continuing toll on the city. The city saw its second-worst monthly decline of 39% for March compared to the same month last year. Gross revenue from gambling for March this year was MOP21.49 billion (USD2.69 billion).

The contribution of exports to South Korea's economic growth fell to a five-year low in 2014 as outbound shipments were hurt by a slower global recovery. South Korea's 3.3% economic growth last year, 1.5 percentage points resulted from overseas shipments of goods and services.

Indian Sub-Continent

The India government unveiled a new 5-year plan Foreign Trade Policy for lifting India's exports that seeks to make the country a bigger player in global trade by doubling overseas sales to USD900 billion by 2019-20 while giving a boost to the Make in India initiative.

India's petrol price was cut by INR0.49 a litre, diesel by INR1.21 and jet fuel (ATF) by 2%, but rates of non-subsidised LPG were hiked by Rs 11 per cylinder.

Sri Lanka's inflation for March hit an all-time low level of 0.1% while its annualised average followed suit as well to record 2.5%.

Middle East and North Africa

Egypt's external debt declined to reach USD41.3 billion by the end of December 2014 marking a 10.3% decrease. December's figures compare to June 2014 where the debt's amount was USD46.1 billion. The decrease was the result of repaying facilities and loans causing debt to fall by USD3.1 billion.

Iraq's oil exports increased in March to 2.980 million barrels per day (bpd), compared to 2.597 million bpd in February, despite several days of bad weather in the country's southern ports. Iraq exported a total of 92.401 million barrels over the 31 days of March and brought in USD4.457 billion in revenue.

Prices of diesel oil will drop in Morocco starting April 1, 2015, while those of premium gasoline will increase. The prices of diesel oil will decline by 29 cents per litre to reach MAD8.67/litre, while the price of premium gasoline will increase by 4 cents to reach MAD10.35/litre.

Morocco's external debt rose by 18.3% to stand at MAD277.7 billion in 2014 compared to MAD234.7 billion in 2013. With this increase, external debt equalled 30.3% of GDP in 2014 against 26.9% in 2013.

The value of UAE' foreign direct outflows stood at USD67 billion (AED245.9 billion) in 2014. Most of these investments are related to various businesses in energy, real estate, telecommunication, ports development and management, hospitality, infrastructure, banking and financial services as well as industrial sectors.

Eastern Europe

Russia's economy unexpectedly grew in the Q4 before the full effect of the country's currency crisis took hold. GDP expanded 0.4% from a year earlier after a revised 0.9% gain in the previous three months. Full-year GDP rose 0.6% in 2014.

Russia's weekly consumer price inflation accelerated in late March. Consumer prices rose 0.3% in the week to March 30 after increasing by 0.2% a week in the four preceding weeks. Fuelled by a rapid drop in the ruble, annual inflation has been hitting double-digit readings in the past few months, which prompted the central bank to tighten its monetary policy.

Russian manufacturers reported deteriorating conditions for a fourth month, with output, employment and new orders falling as the economy enters its first recession in six years. The HSBC PMI fell to 48.1 in March from 49.7 the previous month.

Western Europe

France car sales in March stood at 196,572 units across the country, up by 9.3% from the same month of 2014. Sales of the country's domestic brands rebounded by 7.8% after offering 107,896 units over the period while sales of foreign brands jumped by 11.1% to 88,676 vehicles compared to last year's data.

Germany's total debt increased slightly in 2014, but because the economy grew, its proportion of overall output fell. Germany amounted to approximately EUR2.168 trillion (USD2.3 trillion). The debt level thus increased by EUR2 billion on the year.

Italian manufacturing activity grew at the fastest rate in 11 months in March, adding to signs that the economy is recovering after a long downturn. The Markit/ADACI PMI rose to 53.3 from 51.9 in February.

North America

Mexico expects to cut government spending next year by 4.3% as revenue slumps because of a plunge in oil prices and flagging crude production. The government plans to trim the 2016 budget by MXN135 billion (USD8.9 billion) from the spending level planned in 2015.

South America

Argentina's monthly tax income for March totalled ARS105.4 billion, an increase of 33.9% on the same period last year. In the Q1 of 2015 revenues reached ARS329.42 billion, up 31.7% from the first three months of the previous year.

Brazil had a trade surplus of USD458 million in March as exports jumped. The country had posted deficits in the first two months of the year. Exports rose in March to USD17 billion, from USD12.1 billion in February and imports rose to USD16.5 billion in March from USD15 billion in the previous month.

Brazilian industrial production decreased by 0.9% in February in relation to January, when it had registered a positive variation of 0.3% after two months of declines.

Commodity News

Gold rallied 2% yesterday as the dollar retreated after a downbeat US jobs report raised expectations that the Federal Reserve could be more cautious in tightening monetary policy. Spot gold rose 2.2% to a session high of USD1,208.90 an ounce, and was trading up 1.8% at USD1,204.90 at 2:12 p.m. EDT (1812 GMT).

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|-----------|-----------|------------------------------|--------------------|--------------------|-------|-------|-------|------|----------|-------|--------|-----------|-----------|-----------|
| 01-Apr-15 | 1,185.15 | 2.65 | 54.9 | 20.72 | 1.49 | 2.04 | 1.38 | 0.95 | 9507.51 | 87.36 | 2.70 | 32.49 | 23.64 | 3,441.52 |
| 02-Apr-15 | 1,203.90 | 2.60 | 56.87 | 21.87 | 1.47 | 2.03 | 1.37 | 0.96 | 9531.98 | 87.45 | 2.70 | 32.63 | 23.77 | 3,450.54 |
| % Change | 1.58 | -1.89 | 3.59 | | -0.90 | -0.15 | -0.67 | 0.57 | 0.26 | 0.10 | -0.16 | 0.45 | 0.55 | 0.26 |

Economic & Financial News

Research & International Division

4/4/2015

*... Malaysia's exports fell in February ...
... US trade deficit plunged in February ...*

South East Asia

The number of foreign tourist arrivals in Indonesia in February grew 11.95% y-o-y amid a global economic slowdown. The number reached 787,700 in February, higher than 702,700 in the same month of the previous year. The increase was mainly contributed by Chinese tourists.

Malaysia's exports in February fell 9.7% y-o-y, the biggest drop since September 2009, due to a continued slump in oil prices and a weakening Chinese economy that cut the value of commodity shipments. Imports were up 0.4% y-o-y due to an increase in electrical and electronic products, as well as metal products. The trade surplus for the month narrowed to MYR4.5 billion (USD1.23 billion), from MYR9.01 billion (USD2.46 billion) in January.

Myanmar's trade deficit in the fiscal year ending March 31 jumped 88%, driven by rapid economic expansion in the formerly military-ruled country. Myanmar imported more than USD16 billion of goods in fiscal 2014/15 and exports totalled more than USD11 billion, leaving a deficit of more than USD4.9 billion. The previous year's deficit was at USD2.6 billion. The government will attempt to close the deficit by spending USD900 million over the next five years to boost the export capacity of domestic firms.

The Philippines' level of crude oil importation last year swelled 15.3% y-o-y to 64.938 million barrels from the 2013 volume of 56.343 million barrels. The bulk of crude oil imports at 51% level had been from the Middle East.

North East Asia

China's HSBC/Markit Services PMI inched higher in March to 52.3, compared with February's 52. China's services sector expanded in March even as growth in employment and new business fell to their lowest in at least eight months.

South Korea's foreign reserves grew for two straight months due to an increase in investment returns that offset a reduction in conversion value of non-dollar assets such as the euro. Foreign reserves reached USD362.75 billion as of end-March, up USD0.38 billion from a month earlier.

South Korea continued its current account surplus for the 36th straight month in February. The surplus reached around USD6.5 billion, up over 40% y-o-y. Both exports and imports dropped from the previous year, but inbound shipments shrank at a faster rate due to falling global oil prices. Exports of goods were down more than 15%, while imports plunged 20%.

Middle East and North Africa

Online sales in Iran last year (ending March 21, 2015) registered growth of 229%. In 2014, the value of online purchases in the world stood at USD1.4 trillion.

Jordan's GDP in 2014 grew by 3.1%. Last year's growth rate was higher than 2013, when the economy expanded by 2.8%. The Kingdom's GDP grew by 3.3% during Q4 2014. Most sectors recorded growth during the fourth quarter of last year.

Saudi Arabia exported nearly 696 million barrels of crude oil in the first three months of the current year with proceeds amounting to SAR136 billion. Domestic consumption during the same period reached nearly 200 million barrels, or 22% of the total output.

Rising food costs pushed Turkey's consumer prices sharply higher in March, which may encourage the central bank to resist political pressure for aggressive rate cuts in the run-up to elections in June. Consumer prices jumped 1.19% m-o-m.

Food imports into Yemen are grinding to a halt as the conflict puts fragile supply chains under growing strain and commercial suppliers stay away, after a week into Saudi-led air strikes in Yemen. Yemen imports more than 90% of its food, including the lion's share of its wheat and all its rice, to feed a population of about 25 million.

Western Europe

French food prices in 2014 fell 1.1%, with the trend seen growing in early 2015 amid deflationary pressures and after retailer moves to combine their buying power to pressure suppliers. Food sales fell by 0.8% last year to EUR157.6 billion (USD171 billion).

New car registrations in Germany increased in March, the most in three and a half years, helped by an extra sales day and a robust economy. Passenger-car sales in the region's biggest market jumped 9% last month to 323,100 autos, expanding Q1 registrations by more than 6%.

North America

The sharp retreat in hiring last month to the slowest pace in more than a year reflects lost economic momentum in the US. The Labor Department reported just 126,000 new jobs were added in March. The unemployment rate held steady at 5.5% and, in a sign that the job market is getting tighter, workers' average wages rose at a faster pace last month.

The US trade deficit plunged in February as exports fell but imports dropped even more. The deficit plummeted 16.9% to USD35.4 billion, from USD42.7 billion in January. The sharp decline reflected a USD10.2 billion drop in imports since January to USD221.7 billion, likely due to cheaper oil prices and a since-resolved West Coast ports dispute. Exports tumbled USD3 billion to USD186.2 billion. They fell because a strengthening dollar has made American-made goods more expensive abroad.

South America

Vehicle sales in Brazil declined in March, as the country's poor economic activity continued to weigh on consumer confidence. Sales of cars and light vehicles, trucks and buses fell 2.54% y-o-y in March to 234,681 units.

Oil & Gas News

Brent oil on Thursday fell nearly 4% after tentative nuclear deal for Iran. North Sea Brent crude futures, the more widely-used global benchmark for oil, settled down USD2.15, or 3.8%, at USD54.95 a barrel, almost USD1 above the session low.

Commodity News

The US dollar on Friday tumbled after a significantly weaker-than-expected US jobs report that will increase speculation over whether the US Federal Reserve will hold off on tightening monetary policy for longer than expected. The euro immediately spiked to a 1% gain following the report, touching a one week high of USD1.10050 on the EBS trading platform.

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| 02-Apr-15 | 1,203.90 | 2.60 | 56.87 | 21.87 | 1.47 | 2.03 | 1.37 | 0.96 | 9531.98 | 87.45 | 2.70 | 32.63 | 23.77 | 3,450.54 |
| 04-Apr-15 | 1,206.91 | 2.71 | 54.95 | 20.28 | 1.47 | 2.02 | 1.36 | 0.97 | 9544.72 | 87.82 | 2.70 | 32.66 | 23.81 | 3,453.75 |
| % Change | 0.25 | 4.23 | -3.38 | -0.45 | -0.51 | -0.33 | 1.07 | 0.13 | 0.42 | 0.27 | 0.09 | 0.18 | 0.09 | |

Economic & Financial News

Research & International Division

7/4/2015

*... Russia's consumer inflation accelerated further in March ...
... Oil prices fall as Goldman says prices have to remain low for months ...*

South East Asia

Myanmar has aimed to increase the tax-to-GDP ratio to 10% this year. The country has the lowest tax-to-GDP ratio in ASEAN, at 8% in 2014-15, though it has improved markedly from 3.7% three years ago.

The Malaysia government has allocated MYR3.6 billion for this year's BR1M (1Malaysia People's Aid) to 7 million recipients consisting of 4.7 million households and 2.3 million individuals. However, more than 6,000 Malaysians have abused the BR1M by making fraudulent claims for the cash aid that cost the government more than MYR3 million between 2012 and 2014.

North East Asia

Hong Kong's property market could reach a turning point in the second half of the year, with about 15,000 units due for delivery. Home prices have risen more than 146% since late 2008.

Sales of imported cars in Japan fell sharply in fiscal 2014 that ended last month, compared with the preceding year, mainly due to the increase in the consumption tax rate last April. The number of imported vehicles produced by foreign carmakers and newly registered in Japan stood at 281,766, down 6.7% from 302,018 of the preceding year.

South Korea's national debt rose by KRW39 trillion (USD35.9 billion) in 2014 from a year earlier as the government engaged in expansionary spending to prop up the weak economy. The size of debt is equal to 33.9% of the nation's GDP last year, up from 32.5% tallied for 2013.

South Korea's car exports shrank during the Q1 of this year, affected by the economic slump in emerging markets and intensifying global competition. During the January-March period, South Korea's five carmakers exported a combined 735,635 vehicles, down 6.6% from the same period a year earlier.

Car sales in Taiwan rose 35.9% in March from the previous month. About 33,900 cars were sold in Taiwan in March, compared with 24,933 cars in February, when the one-week Lunar New Year holiday resulted in a reduction in the number of business days. While the March sales increased by a monthly 35.9%, they registered a drop of about 1.2% y-o-y.

Australasia

The Australian Industry Group's Performance of Services Index declined by 1.5 points in March but, at 50.2, remained just above the key 50-point level that separates expansion from contraction.

Indian Sub-Continent

The HSBC India Services Business Activity Index eased to 53.0 in March from 53.9 in February, indicative of a moderate rate of expansion that was slightly weaker than in the prior month. Services sector growth eased marginally due to rise in input costs during March, but new business orders showed improvement and staffing levels of the companies also increased.

Middle East and North Africa

Algeria's GDP was at DZD17.7 billion (about USD221 billion) in 2014 against DZD16.6 billion (USD196 billion) in 2013. The Algerian economic growth rose by 4.1% in 2014 compared to the previous year against 2.8% in 2013. The growth of non-hydrocarbon GDP decreased to 5.1% in 2014 against 7.1% in 2013.

About 17% increase in automotive sales in January and February 2015 in Egypt, compared to the same time last year. Sales in those two months were 46,700 cars, as opposed to 39,900 units in the same period in 2014. Imported cars sales outperformed their locally assembled counterparts, as the former sold 24,800 cars while the latter sold 21,800 cars.

The Qatari economy continued its strong performance, growing by 6.2% in 2014. Growth was driven by the non-hydrocarbon sector, which sustained its double-digit growth. The strong growth data are evidence to the resilience of the Qatari economy and its ability to withstand the decline in oil prices thanks to its strong macroeconomic fundamentals. The non-hydrocarbon sector was the engine of growth in 2014, growing by 11.5% on large investment spending.

Growth in Saudi Arabia's non-oil private sector accelerated to a six-month high in March, indicating the kingdom's economy continues to comfortably ride out low oil prices. The seasonally adjusted SABB HSBC Saudi Arabia PMI rose to 60.1 points last month from 58.5 points in February.

Tunisia's trade balance deficit dropped by 25.4% in the Q1 of 2015, the equivalent of TND836.1 million to TND2,444 from TND3,280.3 in the same period in 2014.

Tunisian inflation rate remained steady in March compared to February, standing at 5.7% up from 5.5% in January due to the steady pace of increase in prices.

Business activity growth in the UAE's non-oil private sector slowed to a 17-month low in March as expansion of both output and new orders eased. The seasonally adjusted HSBC UAE PMI fell to 56.3 points last month from 58.1 in February.

Eastern Europe

Russian oil production hit the latest in a line of post-Soviet highs in March, feeding higher exports that added to a global glut keeping crude prices low and hurting its economy. Crude oil exports are seen rising by up to 3 million tonnes (mt) in 2015 and to 280 million tonnes per year by 2035 from 224 million tonnes in 2014.

Russia's consumer inflation accelerated further in March, spurred by a rapid growth in food prices. Annual consumer price inflation rate rose to 16.9% in March from 16.7% in February. Food prices remained the key driver of the headline inflation figure, rising 23% on the year. Inflation in Russia has been fuelled by a rapid weakening of the ruble, which has made imports more expensive.

Western Europe

The British government will raise the income tax free allowance to GBP12,500 (or USD18,600) by 2020. Effective on April 6, Briton's income tax personal allowance has been increased to GBP10,600 from the GBP10,000 of the previous fiscal year 2014-15. The personal allowance will be gradually increased to GBP10,800 and GBP11,000 in 2016-17 and 2017-18 respectively.

A proposed increase in Italy's value-added tax could cut as much as 0.7% off the Italian GDP. A VAT increase from 2016 to 2018 has been proposed as a "safeguard" against an increase in the budget deficit. The government's budget bill would raise the basic VAT to 25.5% by 2018 from the current 22% and increase the lower 10% tax level to 13% during that period.

Spain's economy is finally showing signs of a stable and sustainable recovery with a far fewer out-of-work people are out looking for a job in the last 13 years. The 60,214 fewer jobseekers marked a 1.3% drop in the overall unemployment rate over the previous month. Compared to one year ago, 343,927 fewer people were actively seeking employment - a fall of 7.2%. Spain's overall unemployment rate at the end of 2014 was 23.7%.

Spain's consumer confidence rose by 1.4 points in March to 100.4 points placing the Consumer Confidence Indicator (CCI) over 100 points, indicating a positive perception of Spain's economic situation.

North America

US Non-Manufacturing Index (NMI) registered 56.5% last month, 0.4 percentage point lower than February's reading, the Institute for Supply Management (ISM) said. The new orders component of the index went up 1.1 percentage points to 57.8%.

South America

Chile's economy grew 2% in February, compared to the same month in 2014. In January, the economy grew at a 2.7% y-o-y. The main drivers of growth in February were retail sales and services, which made up for a drop in mining activity.

Oil & Gas News

Oil prices fall as Goldman says prices have to remain low for months. Brent May crude had dropped almost half a dollar to USD57.65 a barrel by 0017 GMT. US May crude was down 39 cents at USD51.76.

Commodity News

Gold steadied below a seven-week high reached the session before as the dollar regained momentum, although uncertainty about the timing of a US interest rate hike kept bullion above USD1,200 an ounce. Spot gold was flat at USD1,213.40 an ounce, after hitting a session high of USD1,224.10 on Monday, its loftiest since Feb. 17.

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|-----------|-----------|------------------------------|--------------------|--------------------|------|-------|-------|------|----------|-------|--------|-----------|-----------|-----------|
| 04-Apr-15 | 1,206.91 | 2.71 | 54.95 | 20.28 | 1.47 | 2.02 | 1.36 | 0.97 | 9544.72 | 87.82 | 2.70 | 32.66 | 23.81 | 3,453.75 |
| 07-Apr-15 | 1,213.76 | 2.66 | 57.64 | 21.67 | 1.49 | 2.02 | 1.35 | 0.97 | 9573.04 | 88.02 | 2.68 | 32.83 | 24.00 | 3,468.22 |
| % Change | 0.57 | -1.85 | 4.90 | | 1.19 | -0.23 | -0.81 | 0.14 | 0.30 | 0.23 | -0.83 | 0.53 | 0.81 | 0.42 |

Economic & Financial News

Research & International Division

8/4/2015

*... Sri Lanka's tourist arrivals rose in March ...
... US consumers increased borrowing to a record high in February ...*

South East Asia

Bank Negara's international reserves stood at RM389.7 billion (USD105.1 billion) as at March 31, 2015. The central bank said the current reserves position was sufficient to finance 8.1 months of retained imports and was 1.1 times the short-term external debt.

Myanmar to expand its textile and garment industry under the country's new national export strategy, with the sector's export earning targeted at USD2 billion for the 2015-16 fiscal year. With foreign investment accounting for 90%, the sector created 100,000 job opportunities in 2014-15.

The Philippines' economic shock absorber might have thinned slightly in March, but it remained more than enough based on international benchmarks. The dollar reserves held by the central bank declined last month as the government settled maturing overseas obligations and due to a stronger dollar. At the end of March, the country's gross international reserves slipped to USD80.4 billion, from USD80.8 billion in February.

Thailand expects GDP to expand by 3.5% this year, as the rebound of tourism and the expected increase in private and public spending in the second half should be able to compensate for the slump in exports. Exports, which account for 70% of GDP, contracted by 6.14% m-o-m to USD17.23 billion in February.

North East Asia

China's outstanding external debt at end-2014 rose 2.5 y-o-y, totalling USD895.5 billion. Of the total debt, outstanding short-term external debt due within one year amounted to USD621.1 billion, up 0.4% y-o-y. Medium- and long-term outstanding external debt reached USD274.4 billion dollars, an increase of 7.5% y-o-y.

China's total production of 10 major non-ferrous metals rose while output of crude steel dipped in the first two months of this year. Combined output of major non-ferrous metals grew 6.8% y-o-y to reach 7.7 million tonnes in the first two months. Meanwhile, the total profit of the non-ferrous metal industry edged up 1.8% y-o-y to CNY20.6 billion (USD3.36 billion).

Japan's current account surplus more than doubled in February, with lower oil prices helping narrow trade deficits and a weaker yen boosting repatriated returns on foreign investment. Japan logged a surplus of JPY1.44 trillion (USD12 billion), up 140.5% y-o-y, as the nation posted a surplus for the eighth straight month. In February, Japan's deficit in merchandise trade shrank by 75% thanks to solid exports and lower oil bills.

Australasia

Australia's retail recovery was stronger in February, with sales rising a seasonally adjusted 0.7% in February. Local people spent more than AUD24.06 billion (USD18.27 billion) in February. Retail spending continues to get stronger in Australia with a 0.1% rise in November, a 0.2% jump in December and 0.5% in January.

Australia's central bank left interest rates on hold at 2.25% for the second successive month, but kept the door open for further cuts as the economy continues to struggle.

Indian Sub-Continent

Bangladesh's annual inflation rate picked up in March for a second straight month as political unrest disrupted supply chains and pushed food prices higher, despite a drop in global commodity prices. Consumer prices in March rose 6.27% y-o-y, accelerating from 6.14% in February, when inflation picked up for the first time since August.

India's central bank keeps its key policy rates and the reserve ratios unchanged. The repurchase rate and reserve repurchase rate have also been maintained at 7.5% and 6.5% respectively while the cash reserve ratio and the statutory liquidity ratio have been left untouched at 4% and 21.5%.

India's steel production rose by 7.9% to 88.12 million tonnes last fiscal compared with the previous year. Despite increase in steel output, imports have surged by 71% to record 9.32 million tonnes in 2014-15 fiscal. However, exports of the commodity dipped by 8.1% to 5.5 million tonnes during the period under review.

Sri Lanka's tourist arrivals in March rose 18% y-o-y. The month recorded 157,051 tourists arriving in the country compared to the 133,048 arrived in March 2014.

Middle East and North Africa

Egypt's international foreign reserves registered USD15.29 billion in March, compared to USD15.45 billion the preceding month. In December, reserves recorded USD15.3 billion and climbed to USD15.42 billion in January.

Eastern Europe

Russia imports in Q1 fell by 35.6% as international sanctions and the low value of the ruble isolate the country from global markets. Imports totalled USD37.9 billion against USD59.1 billion the year before.

Russia's rising number of unemployed facing stiffer competition for fewer jobs as companies slash their hiring plans amid an economic crisis. Registered unemployment is up 12% since the start of the year, while the number of job vacancies has fallen 13.6%.

Western Europe

British central bank noted that Britain's record current account deficit could trigger "deterioration in market sentiment" towards the country if its economic recovery falters. British current account deficit increased to GBP22.8 billion in Q3 2014, equal to around 6% of GDP, before shrinking to GBP22 billion in Q4.

British services PMI increased in March to 58.9, from 56.7 in February. The rate of expansion accelerated to a seven-month high, driven by a stronger rise in new business.

Industrial producer prices in February rose by 0.5% m-o-m in the 19-member euro area, and 0.6% m-o-m in the 28-member European Union (EU). On an annual basis, industrial producer prices decreased 2.8% in the euro area and 3.4% in the EU. The annual decrease was mainly attributed to falls of energy sector, intermediate goods, and non-durable consumer foods.

French private-sector business activity expanded again in March, but the pace of expansion slowed from February. The composite Markit PMI index of activity across both services and manufacturing dipped to 51.5, from a February reading of 52.2.

Germany's private sector grew at its fastest pace in eight months in March thanks to a surge in new orders, rounding off what looks set to have been a strong Q1 for Europe's largest economy. Markit's final composite PMI rose to 55.4 in March, from 53.8 in February.

Germany owes Greece about EUR278.7 billion in reparations for WWII, Greek finance ministry said, addressing a special parliamentary committee set up to seek the routes of Greece's current debt crisis. Germany owes today at least EUR10.3 billion euros for the forced loan granted to Nazi forces at the time and EUR268.4 billion for damages in infrastructure and compensations to individuals.

The Italian budget deficit was 3% of GDP in 2014, 0.1% more than in 2013, while the overall tax ratio rose by 0.1% y-o-y to 43.5% of GDP. In Q4, the tax-to-GDP ratio reached 50.3%, up 0.1% y-o-y, while the ratio of total government revenue-to-GDP reached 55.3%, up 0.5% y-o-y.

Spain's exports prices in February increased by 0.4% y-o-y. This was the first rise in prices since February 2013 after two years of falls. It highlighted that the sectors that contributed the most to the rise were energy, non-durable consumer goods and intermediate goods. Imports of industrial products fell 5.5% y-o-y in February.

The value of Switzerland's foreign-currency reserves in March rose to CHF522.3 billion (USD545.7 billion), from CHF509.3 billion in February, reflecting valuation gains and possible intervention. The CHF13 billion rise in March's reserves comes after the Swiss central bank's decision to scrap its cap for the franc.

North America

US consumers increased their borrowing to a record high in February, driven by a large jump in auto and student loans. Consumer borrowing expanded USD15.5 billion in February, following a USD10.8 billion gain in January. The February increase pushed borrowing to a fresh record of USD3.34 trillion.

US job openings in February surged 3.4% to 5.1 million, a clear sign that companies are willing to boost their staffs. The figure follows a disappointing jobs report, that employers added only 126,000 jobs in March.

South America

The Brazilian government could freeze up to BRL80 billion (USD25.56 billion) in planned spending this year to reach its fiscal savings target. A stagnant economy and dwindling tax revenues have complicated President Dilma Rousseff's efforts to balance the government's accounts.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|------|------|------|----------|-------|--------|-----------|-----------|-----------|
| 07-Apr-15 | 1,213.76 | 2.66 | 57.64 | 21.67 | 1.49 | 2.02 | 1.35 | 0.97 | 9573.04 | 88.02 | 2.68 | 32.83 | 24.00 | 3,468.22 |
| 08-Apr-15 | 1,208.36 | 2.65 | 58.48 | 22.07 | 1.48 | 2.02 | 1.36 | 0.97 | 9570.29 | 88.19 | 2.68 | 32.83 | 23.97 | 3,458.46 |
| % Change | -0.44 | -0.38 | 1.46 | | -0.07 | 0.20 | 0.35 | 0.01 | -0.03 | 0.19 | -0.03 | -0.02 | -0.15 | -0.28 |

Economic & Financial News

Research & International Division

9/4/2015

*... German industrial production rises in February ...
... Saudi oil production hits highest level despite oversupply ...*

South East Asia

Cambodia's y-o-y rice exports for the first three months of 2015 increased by 77%. Exports in January through March totalled 149,464 tons, compared to 84,331 tons in 2014. A sharp increase in rice exported to China was largely responsible for the spike.

Indonesia's foreign exchange (forex) reserves recorded the biggest monthly drop in almost two years, as the central bank was forced to intervene heavily in the currency market due to escalating pressure on the rupiah. Bank Indonesia's forex reserves had fallen USD3.9 billion month to-month to hit USD111.6 billion by the end of March.

Malaysia launched the Perumahan Penjawat Awam 1Malaysia (PPA1M) scheme that aims to build 100,000 affordable houses nationwide. The government has initiated many housing schemes to meet the needs of its people, including one specifically for civil servants.

Malaysia's wholesale and retail sector is expected to grow this year despite the implementation of Goods and Services Tax (GST). The stronger contribution from the sector would be supported by the expected higher tourist arrivals as well as continued demand from the locals. Total sales for the sector in 2014 rose to MYR951.2 billion from MYR881 million in 2013.

Singapore's prices of Housing and Development Board resale flats continued to fall. There was a 0.8% drop in prices last month compared to February. The decline was 0.8% in non-mature estates and 0.9% in mature estates. Compared to March last year, prices are down 6.6%. Meanwhile, transaction volume rose 17.5%, from 1,148 flats in February to 1,349 flats last month.

North East Asia

China released rules to further relax foreign exchange controls for foreign-invested enterprises to broaden the scope of foreign investment. Starting from June 1, 2015, foreign-invested enterprises can make settlement of foreign exchange capital without submitting proof of use of funds in advance.

China's new-car sales growth eased slightly in the Q1 amid a slowing economy. Foreign and domestic auto makers sold 5.3 million passenger vehicles in the first three months of this year, up 9% from a year earlier. That compares with a 10% increase in the year-earlier period.

Macau's imports of handbags and wallets dropped 26.5% y-o-y to MOP526 million in the first two months of the year. Gold jewellery imports decreased 30.9% to MOP1.4 billion in January and February. Watch imports fell 6.4% to MOP1.2 billion. However, mobile phone imports leapt 54.3% to MOP2.03 billion. Total exports fell 0.1% to MOP1.6 billion. Imports rose 4.3% to MOP15.1 billion, resulting in a trade balance deficit of MOP13.5 billion.

South Korea's central bank chose to leave its benchmark interest rate unchanged for April, following a surprise 25 basis point reduction to 1.75% in the previous month.

South Korea's exports of ICT products dropped slightly in March from a year earlier due partly to a plunge in shipments of key products, including smartphones. Outbound shipments of ICT products came to USD14.46 billion last month, down 3.4% from the same month last year.

South Korea's exports of industrial parts and materials reached a new high for the Q1. Outbound shipments of industrial parts and materials amounted to USD66.7 billion in the three months ended March 31, up 3% from the same period last year.

South Korea's home transactions grew significantly from a year earlier last month, signaling a possible recovery from a prolonged slump in the property market. The number of home transactions came to 111,869 in March, up 24.4% from the same month last year.

Indian Sub-Continent

Bangladesh's garment exports rose 3.2% in the first nine months of the current fiscal year. Ready-made garment exports reached USD18.62 billion in the period from July to March, up from USD18.05 billion a year earlier, thanks to increasing apparel exports to major markets.

Middle East and North Africa

Egypt's tourism revenue jumped by 113.6% to USD4.01 billion during July-February 2014/2015, compared to EGP1.9 billion during July-February 2013/2014. Around 6.8 million tourists visited Egypt in the first eight months of 2014/15, a 41% increase on the same period last year.

Kuwait's inflation edged up to 2.9% in February as core inflation continued its gradual climb. Headline inflation was just a tick higher compared to January's 2.8%, as inflation in most components was either flat or remained mostly steady. Lower food inflation and the stronger dinar continue to keep the overall inflation rate in check.

Morocco's economy grew 4.4% in the Q1 of 2015 from a year ago, after slowing to 1.8% growth in the final three months of 2014, amid higher agricultural output. Agricultural output rose by 12.5% in the Q1 this year, including 8.8% in the cereal production.

Inflation rate in Oman increased by 0.68% in March compared to the rate recorded during the same period last year, while it logged a 0.11% decrease compared to the rate recorded in February 2015.

The number of job seekers in Oman has registered a 2.6% average annual growth over the 2003-2010 period, totalling 146,385 people and forming 11.75% of the nation's workforce. As much as 98.92% of these job seekers are Omani citizens.

Saudi Arabia's oil production has hit a record-high level despite a crude oversupply on the market and low oil prices. The Saudi oil output reached 10.3 million barrels per day in March. That is up 450,000 bpd from February and comes at a time of increasing competition for market share and as oil prices continue to drop.

Sudan's inflation rate was 23.2% in March, edging up from 23% in February. Prices soared in Sudan after South Sudan seceded in 2011, taking with it three-quarters of the country's oil output. Fuel subsidy cuts introduced in 2013 also pushed up inflation, but their effects have since begun to ease.

Eastern Europe

Russia's car market shrank 42.5% this March as carmakers struggled with ruble devaluation, oncoming recession and a saturated market. March sales of new cars and light commercial vehicles were 139,850 vehicles, down from 103,482 vehicles in March last year. Last month the market fell 38% y-o-y.

Western Europe

The Bank of France raised its Q1 growth estimate for the French economy back to 0.4%, citing growth in industrial production and stronger foreign demand.

French firms will benefit from bigger tax rebates on their investments as part of reforms to boost business activity. The government will allocate a total EUR2.5 billion over five years for tax rebates to boost investment. A key measure will be allowing firms to write down 140% of the value of the industrial investments they will make between now and April 2016.

German industrial production rose in February amid a jump in investment-goods output that signalled growth in Europe's largest economy is gaining strength. Output was up 0.2% in February after a revised 0.4% drop in January. Exports climbed 1.5% in February, while imports were up 1.8% on the month.

South America

Prices in Brasil spurted 1.32% in March, the biggest monthly jump in 12 years, lifting inflation in Latin America's largest economy to 8.13% on an annualised basis. The monthly rise was the highest since February 2003, confirming an inflationary trend that continues to run well ahead of the government's target ceiling of 6.5%.

Housing prices in Colombia rose 9.47% on average in 2014. The significant increases in price per square meter, with apartments seeing an 8.63% increase and houses 16.85%.

Peru's central bank will hold its benchmark interest rate at 3.25% to avoid stoking seasonal inflation risks at a time of anaemic economic growth. Consumer prices in Peru rose 0.76% in March, pushing the annual rate to 3.02%, fractionally above the upper limit of the central bank's 1% to 3% target range, after torrential rains and landslides squeezed food supplies.

Oil & Gas News

Oil prices rose more than a percent, clawing back part of the 6% slump in the previous session that was triggered by a shock jump in U.S. crude inventories and record Saudi output. Brent crude LCOc1 was up 73 cents at USD56.28 a barrel by 2.48 a.m. EDT, while US crude CLc1 rose 75 cents to USD51.17 a barrel. Both benchmarks dropped around USD3.50.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|-------|------|-------|----------|-------|--------|-----------|-----------|-----------|
| 08-Apr-15 | 1,208.36 | 2.65 | 58.48 | 22.07 | 1.48 | 2.02 | 1.36 | 0.97 | 9570.29 | 88.19 | 2.68 | 32.83 | 23.97 | 3,458.46 |
| 09-Apr-15 | 1,195.94 | 2.64 | 56.3 | 21.33 | 1.47 | 2.01 | 1.36 | 0.96 | 9565.72 | 88.39 | 2.68 | 32.82 | 23.96 | 3,453.70 |
| % Change | -1.03 | -0.38 | -3.73 | | -0.77 | -0.30 | 0.15 | -0.87 | -0.05 | 0.23 | 0.11 | -0.01 | -0.04 | -0.14 |

Economic & Financial News

Research & International Division

11/4/2015

*... Canada unemployment rate holds at 6.8% in March ...
... China slashes taxes, fees to shore up growth ...*

South East Asia

Malaysia's Industrial Production Index (IPI) grew 5.2% in February compared with the same month a year ago, driven by growth in the indices of manufacturing, mining and electricity components. Manufacturing rose 4%, mining increased by 9.2% and electricity went up by 1.9%. It also said the IPI in January 2015 remained unchanged at 7% y-o-y.

Foreign direct investment (FDI) in Myanmar grew sharply during the 2014-2015 fiscal year and reached a record USD8 billion, a more than doubling of FDI compared to the year before, which said the oil and gas sector was the main driver of growth.

The value of projects approved in the Philippines by the Board of Investments (BOI) jumped 17% y-o-y in the Q1 of 2015 to reach PHP54.6 billion. When fully operational, the 59 projects were expected to employ 18,174 people.

The steep rise in Thailand's household debt has eased after skyrocketing during 2011-13 following the then government's populist policies. In the Q4 of last year, household debt stayed at 85.9% of the country's GDP and bad debt stood at 3.1%.

The traditional Thai New Year Festival is expected to draw 500,000 foreign tourists and generate income of THB14.5 billion. International arrivals to Thailand during April 1-4 were 337,490, up 37.8% from the same period last year.

North East Asia

China's retail prices for gasoline will increase by CNY120 (USD19.6) per tonne and diesel by CNY115. The adjustment means the benchmark retail price of gasoline will increase CNY0.09 per liter and that for diesel up by CNY0.1. China has cut oil prices once and raised prices twice since February, tracking changes in international crude oil prices.

China's producer prices slid 4.6% y-o-y in March, the 37th consecutive month of declines, adding to disinflationary pressure. The drop in the producer price index (PPI) narrowed from February's 4.8% decline.

China's CPI grew 1.4% y-o-y in March. The reading remained the same as in February, up from a 0.8% gain in January, the lowest level in more than five years. On a monthly basis, consumer prices in March edged down 0.5% from February.

The Chinese government announced a package of relief measures to stimulate businesses and prop up the real economy against increasing downward pressure. The State Council decided to cut industrial electricity prices and resource taxes on iron ore as well as a six-month campaign to eliminate "capricious" official fees for firms. The price of power consumption for industrial and commercial purposes will be cut by about CNY1.8 (USD0.3) per 100 kWh. The resource tax on iron ore will be reduced from 80% of the tax payment base to 40%.

Growth in Hong Kong housing prices is set to lose momentum as tighter mortgage rules hit the secondary market. That comes despite a private home price index compiled by the Rating and Valuation Department rising for the 11th consecutive month in February up 2.3% from January to a new peak. Flats sold at an average HKD10,474 per sellable square foot in March, up 0.5% from February.

Japan would likely need to contribute as much as about USD3 billion (JPY360 billion) to join the Chinese-led Asian Infrastructure Investment Bank (AIIB). The government concluded that it is more reasonable to continue working outside of the organisation to achieve transparency in governance and other goals, as it would not be possible to exert influence proportionate to such a contribution amount.

South Korea does not intervene in the foreign exchange market to artificially keep its currency weak, stressing that Seoul only engages in smoothing operations to counter volatility. The government does not have a set goal when it comes to exchange rates, responding to yet another US request for cutbacks in South Korea's currency interventions.

South Korea's import of steel products increased in March from a year earlier, buoyed by growing demand from the local construction industry. The inbound shipment of steel products reached 2.01 million tons last month, up 4.1% from the previous year. The country's steel imports fell in January and February, posting a 3.8% and 7.3% on-year decline.

Indian Sub-Continent

India's industrial output expanded at its fastest pace in three months in February on the back of growth in manufacturing and power. Industrial production grew 5% from a year earlier, accelerating from a 2.8% increase in January. Manufacturing output, which contributes about 75% to industrial output, rose 5.2% from a year earlier.

India's central bank cannot control food inflation, but cautioned that the effect of higher prices on wage inflation should be kept in check, Reserve Bank of India (RBI) Governor said. India's consumer inflation edged up in February for the third straight month, mainly driven by food prices. The RBI has cut rates twice this year, by a total 50 basis points, to bolster the economy, but kept the rates on hold in its latest policy review this week.

Car sales rose in India by 4.99% in 2014-15 after falling for two consecutive fiscals, as lower fuel prices led to reduction in the overall cost of ownership. Domestic car sales in FY15 stood at 18,76,017 units as compared to 17,86,826 units in the previous fiscal.

Middle East and North Africa

Egypt's core annual inflation rate quickened to 7.21% in March from 7.15% the previous month. Inflation spiked in Egypt after the government slashed subsidies last summer, pushing up fuel prices by up to 78%.

Turkey's current account deficit (CAD) for the month of February dropped 4.2% compared with the previous year, declining from USD3.34 to USD3.2 billion. The decrease coincided with a drop in imports during the month of February.

Eastern Europe

Russia saw a net capital outflow of USD32.6 billion by companies and banks in the Q1 of 2015. The surplus on Russia's current account amounted to USD23.5 billion in the Q1, with the trade surplus at USD40.3 billion.

The Ukrainian National Bank expects country's inflation rate for 2015 to be over 30%. The country's annual inflation rate reached 24.9% in December 2014.

Western Europe

British industrial output edged up by 0.1% in February 2015 compared with February 2014. Two of the main sectors saw output increase in February, with manufacturing output being the largest contributor, expanding by 1.1%. Compared with the output in January, however, total production output in Britain grew by 0.1% in February.

Britain's trade deficit with the rest of the world widened sharply in February, in the latest sign that economic growth may have moderated in the Q1 of the year. The deficit on goods and services was GBP2.9 billion in February, up from GBP1.5 billion in January.

The Bank of England voted to keep its main interest rate at 0.5%, opting for stability in its last meeting before next month's British general election. As well as keeping the rate at a record-low level, policymakers decided to maintain the level of quantitative easing (QE) cash stimulus at GBP375 billion.

France's central state budget deficit narrowed in the first two months of the year compared with the same period in 2014. Central state budget deficit was EUR23.4 billion at the end of February compared with EUR25.7 billion at the end of February 2014. Central state spending fell by EUR600 million to EUR64.2 billion and revenues rose EUR1.1 billion to EUR47.9 billion.

Switzerland's official jobless rate fell in March to 3.4% from 3.5% in the previous month, driven by a drop in foreign unemployment. The percentage of foreigners registered as out of work tumbled to 6.7% from seven percent, while the rate for Swiss citizens remained unchanged at 2.3%.

North America

American wholesale inventories rose for two months in a row while sales remained weak. Inventories at the wholesale level went up 0.3% in February from the prior month to USD574 billion, while sales at the wholesale level declined 0.2% to USD444.2 billion. Sales of durable goods dropped 2.4%, while sales of nondurable goods went up 1.9%.

Canada's unemployment rate remained unchanged at 6.8% in March, despite the creation of 29,000 new mostly part-time jobs. Overall there were more people working in retail and wholesale trade, transportation and warehousing, educational services and natural resources in March. The number of public sector workers increased and also employment among women aged 55 and older edged up.

Mexican industrial production rose in February after two months of contractions, as manufacturing, mining and utilities picked up. Industrial output increased 0.2% in February from January, after shrinking a revised 0.1% the prior month.

South America

Argentina's government is extending its price control program aimed at curbing high inflation. The program will continue for three more months, until July 7. The controls affect 476 supermarket items. They include staples like milk, bread and meat as well as other items like canned goods and cleaning products. Inflation ran at nearly 24% last year.

The number of tourists arriving in Argentina grew 9.7% in February compared to the same month last year. A total of 190,300 foreign visitors have arrived in Argentina in February and spent USD195.8 million in the second month of the year, a 0.5% hike compared to 2014.

Brazil's unemployment rate rose to 7.4% in the three-month period ended in February. The figure rose from 6.8% in the three-month period ended in January.

Venezuela inflation seen pushing 200% as rationing deepens, which already has the world's fastest inflation rate at a reported 69% in December as it struggles to respond to falling oil prices. The 50% drop in oil prices in the past year has buffeted Venezuela's economy and forced it to reduce imports.

Oil & Gas News

Natural gas slumps to lowest since June 2012 on mild weather. Natural gas for May delivery fell 1.7 cents to USD2.511 per million British thermal units on the New York Mercantile Exchange, the lowest settlement since June 15, 2012.

Oil rises and posts weekly gain as Iran tensions support. Brent May crude LCOc1 rose USD1.30 to settle at USD57.87 a barrel, finishing above its 50-day moving average of USD57.61.

Commodity News

Gold futures halted a three-day losing run but the precious metal's upside was capped by a stronger dollar. Gold for June delivery on Comex rose 0.9% to finish at USD1,204.60 an ounce for a weekly gain of 0.3%.

Tin for three-month delivery has sunk to five-year lows below USD17,000-per ton this month on the London Metal Exchange (LME). The soldering and packaging metal is the worst performer among the core LME base metals so far this year having notched up a 16% decline.

Currency News

The Russian ruble fell sharply Friday afternoon, having surged to fresh 2015 highs in the morning, after the central bank said it was increasing the rate at which it lends foreign currency to banks in weekly repo auctions. At 8:30 p.m. in Moscow the ruble was 2.5% down against the dollar at about 53.1.

The rupiah is the worst-performing currency in emerging Asia this year and has been trading around its weakest level since August 1998. It stood at 12,896 per dollar at 1011 GMT on Thursday. Foreign exchange reserves dropped almost USD4 billion in March as Bank Indonesia defended the rupiah.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|-------|------|-------|----------|-------|--------|-----------|-----------|-----------|
| 09-Apr-15 | 1,195.94 | 2.64 | 56.3 | 21.33 | 1.47 | 2.01 | 1.36 | 0.96 | 9565.72 | 88.39 | 2.68 | 32.82 | 23.96 | 3,453.70 |
| 11-Apr-15 | 1,207.59 | 2.51 | 57.87 | 23.06 | 1.45 | 2.00 | 1.36 | 0.96 | 9507.51 | 88.72 | 2.68 | 32.75 | 23.95 | 3,472.38 |
| % Change | 0.97 | -4.92 | 2.79 | | -1.47 | -0.75 | 0.01 | -0.65 | -0.61 | 0.36 | 0.03 | -0.23 | -0.05 | 0.54 |

Economic & Financial News

Research & International Division

14/4/2015

*... Brunei car sales increased by 20% m-o-m in March ...
... China's foreign trade volume dipped by 6% y-o-y in Q1 2015...*

South East Asia

Brunei car sales increased by 20% m-o-m in March as the automotive market regains pace from a slow start in the year. A total of 1,455 passenger and commercial vehicles were sold in March, 246 units more than in February.

Indonesia's coal output dropped by 21% in Q1 2015 as low prices for the commodity forced mining companies to reduce activities to cut production costs. The total output for Q1 amounted to 97 million tons, down from 124 million tons in the same period last year.

More than 81% of the 2015 Philippines national budget (PHP2.1 trillion) has been released as of the end of the Q1. The national budget for this year amounts to PHP2.6 trillion.

Philippines oil firms reduced the prices of their gasoline products by PHP0.20 per liter. However, diesel and kerosene prices were unchanged. The latest adjustment lowered the year-to-date net increase of gasoline to PHP0.52 per liter. Net rollbacks of diesel and kerosene were retained at PHP1.19 per liter and PHP2 per liter, respectively.

Singapore economy grew by 2.1% y-o-y in Q1 2015 based on advance estimates. The same rate of growth was achieved in the previous quarter. On a q-o-q seasonally-adjusted annualised basis, the economy expanded at a slower pace of 1.1% compared to the 4.9% in the previous quarter.

Singapore's manufacturing sector contracted by 3.4% y-o-y in Q1 2015 due to a fall in output in the transport engineering, electronics and precision engineering clusters. Growth driven by a pick-up in private sector construction helped the construction sector expand by 3.3% y-o-y in Q1, an improvement from the 0.7% growth recorded in the preceding quarter.

Singapore's resale prices of non-landed private homes dipped by 0.2% m-o-m in March. On a y-o-y basis, resale prices dropped 3.9% from March 2014. Compared with the recent peak in January 2014, prices have declined 6.2%.

North East Asia

China's central bank cut its guidance on the benchmark 7-day reverse repurchase (repo) agreement for the fifth time since the Chinese New Year in February. The 10-basis-point cut brings the central bank's new guidance rate to 3.35%.

China's foreign trade volume dipped by 6% y-o-y in Q1 2015 to CNY5.5 trillion (USD902.3billion). Exports rose by 4.9% y-o-y to CNY3.2 trillion, while imports shrank by 17.3% to CNY2.4 trillion. Trade surplus exploded 6.1 times to CNY755.3 billion in the first three months.

China's coal output declined 3.5% y-o-y to 850 million tons in Q1 2015. The sales volume of coal shrank 4.7% to 800 million tons in Q1 while total losses of 90 major coal enterprises hit CNY13.1 billion (USD2.1 billion). China imported 32.0 million tons of coal in the Q1, down 45.3% from a year ago.

Japan's core machinery orders fell for a second straight month in February in a sign that business investment remains soft. The 0.4% monthly fall in core machinery orders.

Japan's wholesale prices in Japan fell 2.1% y-o-y in March. The index of prices for corporate goods slid for the fifth straight month to 100.6 against the 2010 base of 100, following a revised 2.4% decrease in February. Including the effect of last April's 3-percentage-point consumption tax hike to 8%, the country's wholesale prices rose 0.7% y-o-y to 103.5.

South Korea's import prices continued to extend their fall in March on weaker oil prices, but the pace of its decline slightly slowed. In local currency terms, import prices dropped 17.1% on-year last month, slightly slowing from a revised 17.8% on-year fall in February.

The number of manufacturing jobs in South Korea surged to a 17-year high in February, fueled by industrial restructuring and aggressive job seeking by baby boomers. Slightly over 4.4 million people were hired by manufacturing companies as of February this year, up 3.7%, or 159,000, from a year earlier.

South Korea's corporate tax revenue rose nearly 11% y-o-y last year as of end-March, which means corporate tax revenue could rise by KRW5 trillion (USD4.6 billion) to KRW6 trillion (USD5.5 billion) in 2015. Last year, the country collected KRW42.7 trillion in corporate taxes, KRW1.2 trillion less than expected, due to an economic slowdown in 2013, when it posted an on-year growth rate of 3%.

Taiwan's national treasury collected TWD162.2 billion (USD5.2 billion) in tax revenue last month, up 16.4% from a year earlier, as companies and individuals recorded income gains amid improved economic conditions.

Indian Sub-Continent

India's consumer inflation fell slightly in March, raising the prospect of a further cut in interest rates. Retail inflation declined to a lower than expected 5.17% in March from 5.37% in February, when unseasonal rains pushed up food prices.

Middle East and North Africa

Egypt's trade deficit narrowed to EGP19.5 billion in January, from EGP24.5 a year earlier. The decline in the trade deficit is due to a 21.2% decrease in imports' value, to stand at EGP31.5 billion this year, as opposed to EGP40.0 billion in 2014. The drop in imported goods' prices involved petroleum products, steel, wheat and wood.

Turkish Public Workers' Labor Union has set the hunger threshold in Turkey to TRY1,603, nearly double the national minimum wage of TRY950. Purchasing power for retirees and civil servants is quickly eroding. Unions have continually increased what they consider to be the poverty and hunger thresholds as rising prices of food have dealt a blow to household budgets.

Eastern Europe

Russia cut expensive imports from its World Cup construction plans. The government responded by issuing an order to modify the state procurement contracts for five new stadiums. The contracts concerned are worth more than RUB10 billion (USD190 million) out of a total budget of RUB637.6 billion (USD12.1 billion) for the 2018 World Cup.

Western Europe

Italian industrial production rose in February, after a contraction in January. Industrial output advanced 0.6% on the month in seasonally adjusted terms. The rise was led by a 3.6% increase in energy goods and a 1.1% rise in investment goods.

Portuguese consumer prices rose 1.9% in March after dipping 0.1% in February, as clothing and footwear prices jumped after the end of seasonal discounts and transport costs rose with higher oil prices.

North America

US budget deficit expanded slightly in fiscal first half, with the March imbalance up USD16 billion over a year ago. The March deficit came to USD52.9 billion compared to a deficit of USD36.9 billion in March 2014. Through the first six months of the budget year, the deficit totaled USD439.5 billion, 6.3% higher than last year's six-month deficit of USD413.3 billion.

South America

Net foreign investment in Colombia fell 25% in Q1 2015 from the same period a year earlier as funds injected into the oil and financial sectors dropped sharply. The net figure was USD4.5 billion for Q1, down from USD5.95 billion in the year-before quarter. FDI slipped 10% from 2014 to USD3.3 billion from the year before.

Oil & Gas News

Oil prices rise on expected dip in US shale output. Front-month Brent crude futures LCOc1 were trading up 52 cents a USD58.45 a barrel by 0332 GMT (7.32 a.m. ET), while U.S. crude CLc1 had risen 63 cents to USD52.54.

Currency News

Ringgit halts three-day decline as Singapore Dollar rallies. The ringgit strengthened 0.2% to 3.7015 a dollar as of 10:18 a.m. in Kuala Lumpur.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|------|------|------|----------|-------|--------|-----------|-----------|-----------|
| 11-Apr-15 | 1,207.59 | 2.51 | 57.87 | 23.06 | 1.45 | 2.00 | 1.36 | 0.96 | 9507.51 | 88.72 | 2.68 | 32.75 | 23.95 | 3,472.38 |
| 14-Apr-15 | 1,194.11 | 2.52 | 58.35 | 23.15 | 1.45 | 2.00 | 1.37 | 0.96 | 9462.53 | 87.98 | 2.70 | 32.60 | 23.81 | 3,493.82 |
| % Change | -1.12 | 0.40 | 0.83 | | -0.05 | 0.03 | 0.74 | 0.71 | -0.47 | -0.83 | 0.70 | -0.44 | -0.59 | 0.62 |

Economic & Financial News

Research & International Division

15/4/2015

... Egypt to import USD3.55 billion worth of LNG in FY2015-2016 ...
... Brazilian retail sales tumbled in February ...

South East Asia

Bank Indonesia (BI) decided again to maintain its benchmark interest rate at 7.5%, seeking to balance concerns over a weakening currency and slowing growth. BI also maintained its deposit facility and lending facility rates at 5.5% and 8%, respectively.

North East Asia

Foreign exchange reserves held by China slid by the most on record during Q1, fueling speculation the central bank sold holdings to support the yuan as money flowed out of the world's second-largest economy. Reserves dropped USD113 billion to USD3.73 trillion, the third straight quarterly decline. Yuan positions on the People's Bank of China's balance sheet declined by a record CNY252.1 billion (USD40.6 billion).

China's annual economic growth likely slowed to a six-year low of 7% in Q1 as demand at home and abroad faltered, fanning expectations that authorities will have to roll out more policy stimulus to avert a sharper slowdown.

China's new yuan loans hit CNY3.68 trillion in Q1. The volume increased by 602 billion yuan from the same period last year. March saw a total CNY1.18 trillion (USD193 billion) lent, down CNY66.1 billion from the same period last year.

South Korea's jobless rate fell to 4% in March, but unemployment among young South Koreans continued to rise. The overall rate was down from the 4.6% registered in February, the highest in five years, but slightly up on the 3.9% figure in March 2014.

South Korea posted a trade surplus in March, the 38th month in a row, as imports dropped faster than exports. The country's trade surplus reached USD8.4 billion last month, up from USD7.7 billion in February and USD3.5 billion a year earlier. Exports fell 4.3% on-year to USD47 billion in March, while imports nosedived 15.3% to USD38.6 billion. South Korea's trade account has been in the black since February 2012.

Indian Sub-Continent

India continues to be the leading nation in remittances, pulling in USD70 billion from its global migrant workforce in 2014, the World Bank said. Remittances to the developing world are expected to reach USD440 billion in 2015, an increase of 0.9% over the previous year.

Middle East and North Africa

The IMF forecast a 2.6% economic growth for Algeria in 2015, before rising to 3.9% in 2016, against 4.1% in 2014. The IMF said that Algeria's current account balance will remain negative to stand at -15.7% of GDP in 2015 and at -13.2% in 2016 (against -4.3% in 2014).

Egypt will import around USD3.55 billion worth of liquefied natural gas (LNG) in the FY 2015-2016. Egypt moved closer to easing its chronic power shortages this month with the arrival of a floating import terminal marking the start of imports of super-cooled LNG. Egypt has exported LNG in the past, but the new terminal will allow the country to begin imports.

Egypt's government begins its annual purchase of local wheat, which this year will total 3.7 million tonnes at a cost of EGP10 billion. The purchase will ensure wheat reserves are sufficient to last until the end of September. The world's largest wheat importer needs around 9.5 million tonnes of wheat to produce subsidised bread, the main staple food for Egyptians.

Morocco's central bank has revised the Moroccan dirham's currency peg after the weakening of the euro against the US dollar. It doubled the US dollar weighting to 40% while it cut by a quarter the weighting of the euro to 60%. Morocco has a managed float exchange-rate system.

Saudi insurance premiums hit SAR112 billion in 5 years. The subscribed premiums in the Saudi insurance market were the highest in 2014, at SAR30.5 billion compared to SAR25.2 billion in 2013, a rise of 21%.

The labour market in the UAE has increased in 2014 by 10% of employment compared to 2013, and the total number of labourers reached 4,417,000, a rate not seen in the market in 44 years. The business sector followed with about 1,050,000 workers and 24% of total employment, then the industrial sector with about 500,000 workers and 12%. The three sectors combined account for about 70% of total employment in private sector establishments registered with the Ministry of Labour.

Western Europe

British inflation rate remained at zero in March, the lowest reading since records began. Britain's CPI grew by 0% in the year to March 2015, with food and non-alcoholic beverages and transport costs' drop offsetting the rise in the costs of education, restaurant and hotels, and alcohol and tobacco. British consumer prices edged up by 0.2% in March 2015 from the previous month, and the core annual inflation rate rose 1% on an annual basis.

British house price growth slowed to 7.2% in the year to February 2015, down from 8.4% in the year to January 2015. The average price of British houses, which is not seasonally adjusted, was GBP268,000 in February, higher than the prior year's GBP253,000, but lower than the previous month's GBP270,000. The largest annual increase was in East England at 10.7%, followed by London (9.4%) and the South East England (7.8%).

Eurozone business investment rate stable at 21.9% in Q4 2014, compared with the previous quarter. The seasonally adjusted business profit share in the eurozone was registered at 38.7% in Q4 2014, compared with 39.1% in Q3 2014.

Eurozone household saving rate up to 13% in Q4 2014, up from 12.8% of the previous quarter. The seasonally adjusted household investment rate in the eurozone was 8.2% in Q4 2014, stable compared with the previous quarter.

Germany's finance ministry expects growth of 1.6% in Europe's biggest economy next year, up from an expected 1.5% this year, said the government's Stability Programme report for 2015. Germany's overall debt will fall to below 70% of GDP in 2016, one year earlier than previously planned.

North America

Americans increased their spending on autos, furniture, clothing and building materials in March, which caused overall retail sales to rise for the first time in four months. Retail sales jumped 0.9% last month, after declining 0.5% decline in February. Warmer weather fueled a 2.7% increase in auto sales and a 2.1% boost in building materials, possible signs that the lagging manufacturing and construction sectors might also recover from a winter slump.

South America

Brazilian retail sales tumbled in February at the steepest annual rate since 2003 as rising inflation and interest rates dented consumer confidence, adding to signals of a sharp economic slowdown at the start of the year. Sales volumes fell 3.1% from February 2014. February 2015 sales slipped a seasonally adjusted 0.1% from January, below a median forecast for 0.3% growth.

Oil & Gas News

Oil rises for 5th day as Iran joins call for OPEC production cut. Brent for May settlement climbed as much as 53 cents, or 0.9%, to USD58.96 a barrel on the London-based ICE Futures Europe exchange. It rose 50 cents to USD58.43 on Tuesday.

Commodity News

Gold slips as dollar bounces back from US retail sales data hit. Spot gold was down 0.1% at USD1,191.80 an ounce by 0301 GMT, after touching its lowest in two weeks at USD1,183.68 on Tuesday.

The tin price is in trouble again. On the London Metal Exchange (LME), tin for three-month delivery has sunk to five-year lows below USD17,000-per tonne this month. The soldering and packaging metal is the worst performer among the core LME base metals so far this year having notched up a 16% decline.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|-------|------|------|----------|-------|--------|-----------|-----------|-----------|
| 14-Apr-15 | 1,194.11 | 2.52 | 58.35 | 23.15 | 1.45 | 2.00 | 1.37 | 0.96 | 9462.53 | 87.98 | 2.70 | 32.60 | 23.81 | 3,493.82 |
| 15-Apr-15 | 1,191.28 | 2.52 | 58.89 | 23.37 | 1.44 | 2.00 | 1.36 | 0.96 | 9517.46 | 87.90 | 2.72 | 32.78 | 23.85 | 3,535.06 |
| % Change | -0.24 | 0.00 | 0.93 | -0.65 | -0.01 | -0.35 | 0.26 | 0.58 | -0.09 | 0.52 | 0.54 | 0.20 | 1.18 | |

Economic & Financial News

Research & International Division

16/4/2015

*... Central bank of Hong Kong has been battling to keep the currency peg stable ...
... Germany is working on a plan to keep Greece in the euro area ...*

South East Asia

Indonesia's trade surplus increased to USD1.13 billion in March from USD738 million in February as exports rose faster than imports from a month earlier. The country's exports reached USD13.71 billion in March, falling 9.75% from a year earlier, but rising 12.63% from a month earlier. Imports fell 13.39% on year to \$12.58 billion, but expanded 9.29% from a month earlier.

Philippine cash remittance went up 4.2% in February to USD1.88 billion in February from the same period last year on sustained demand for Filipino workers abroad. This brought the two-month tally to USD3.69 billion or 2.4% higher than the USD3.60 billion recorded in the same period in 2014.

Singapore's retail sales increased 15.8% in February on a y-o-y basis, mainly due to retail sales of food and beverages, department stores and supermarkets over the Chinese New Year. Retail sales increased 14.8% compared with a year ago except motor vehicles. The total retail sales value in February was estimated at SGD3.4 billion, higher than SGD3 billion in February in 2014.

Singapore's rental price for public housing units edged up 0.1% m-o-m in March, reversing decline in prices for the first time since August 2014. The rental price for public housing units in March fell 3.5% on a year-on-year basis. Compared with rental price at peaking point in August 2013, the rental price in March were 5.8% lower.

North East Asia

China's consumers appeared increasingly reluctant to spend in March. Retail sales grew 10.2% in March from a year earlier to CNY2.27 trillion (USD370 billion). The pace slowed from 10.7% in the January-February period and an annual 12% in 2014, dragging down aggregate growth in the Q1 to 10.6%. Online retail sales of goods and services remained robust in Q1 despite growth declining from an annual 49.7% in 2014 to 41.3%.

China's fixed asset investment rose 13.5% from a year earlier to CNY7.75 trillion (USD1.26 trillion) in the Q1 of 2015. The pace of increase slowed further from the 13.9% growth registered in the January-February period this year and 17.6% growth in the Q1 last year.

China's Q1 industrial output slowed 6.4% y-o-y, down from 8.7% growth a year ago. The start of the year saw other lackluster economic indicators, indicating a bumpy ride ahead for the world's second largest economy. After more than a decade of double-digit growth, annual industrial growth slowed to 9.7% in 2013, and then to 8.3% last year. In March, the growth rate dipped to 5.6%, the lowest monthly level since December 2008.

Chinese household income rises 9.4% in Q1 to average per capita of CNY6,087 (USD992.30), recording 8.1% growth after inflation. The household income growth rate for 2014 was 8%. Per-capita disposable income for urban people hit CNY8,572, up 8.3%. The growth rate was 7% in real terms.

The Hong Kong Monetary Authority (HKMA) has been battling to keep the currency peg stable. HKMA had injected a combined HKD30 billion and bought USD4.4 billion worth of US dollars in the past week to weaken the Hong Kong dollar. The HKMA has to intervene in the currency because there's a lot of money flowing in from mainland China as well as from Europe and the US to invest in the stock market in Hong Kong, which reached record high turnover last week.

Indian Sub-Continent

India's wholesale price index (WPI) based inflation fell to a 65-week low of (-)2.33% in March. The inflation number for March is lower than the -2.1% reported in February 2015, recording a y-o-y disinflation for the fifth consecutive month on the back of falling oil and global commodity prices. The CPI declined to 5.2% in March 2015 from 5.4% in February 2015.

Middle East and North Africa

Iran's annual inflation rate hits 14.8% for the past Iranian calendar year (which ended on March 20). Iranian government will implement anti-recession programs until a single-digit inflation rate is achieved.

Saudi's inflation was at 2% in March, showing inflation at its lowest level since at least September 2012, down from 2.1% in February and 2.6% in January. Prices of housing and utilities increased 2.2% from a year earlier in March, while food and beverages rose 1.7%. A strengthening US dollar also played a part in adding to downward pressure on import costs and inflation.

Turkey's unemployment rate rose from 10.9% in December to 11.3% in January, the highest since April 2010. The labour participation rate was at 50%, with 28.7 million employed as of January and 3.25 million people out of work. In January, there were 454,000 more unemployed people than the previous month.

Eastern Europe

Poland's consumer prices fell 1.5% in annual terms in March, dragged down by fuel prices that fell 14.8% in annual terms. Prices rose 0.2% in March from the previous month, the first monthly increase since November last year.

Russia's y-o-y inflation fell slightly last week, reversing months of sharp rises driven by the ruble's steep devaluation and a ban on some Western food imports. Prices rose 0.1% between April 7 and April 13, bringing y-o-y inflation down 0.1 percentage point to 16.8%.

Ukraine will reduce natural gas consumption by 6.1% this year to 40 billion cubic meters. Ukraine's gas consumption would decline this year as a result of the introduction of energy-saving technologies, alternative fuels and economic slowdown.

Western Europe

An increase in exports and stable imports helped the eurozone widen its trade surplus in February, although by slightly less than expected, as a weaker euro helped soften the continued fall in sales to Russia. Exports to the rest of the world rose 4% and imports were unchanged, taking the bloc's trade surplus to EUR20.3 billion versus EUR14.4 billion euros in February 2014.

France's CPI rose 0.7% in March from February, after rising 0.7% on the month in February, as the country exited the regulated sales season, prices of fresh produce rose and fuel prices slightly rebounded, although it recorded a 0.1% decline compared with a year earlier.

France unveiled a EUR9 billion savings plan over two years as it battles to reduce its budget deficit to below European Union limits. France confirmed its budget deficit would be below the limit of 3% of GDP in 2017. These results show France's ability to clean up its public finances. Some EUR4 billion will be trimmed from the budget this year. The government also expects to save EUR1.2 billion in 2015 thanks to lower servicing costs on public debt. It is planning another EUR5 billion in savings next year.

The German government will bring down overall public debt in the coming years as robust economic growth and record employment enables it to keep its finances in the black. Germany aims to cut overall debt to 61.5% of economic output by 2019 from 74.7% last year. Germany's debt ratio has long exceeded that EU ceiling of 60% of GDP, reaching a record 80.3% in 2010.

Germany is working on a plan to keep Greece in the euro area if a failure by the Greek government to make creditor payments triggers a halt to European Central Bank (ECB) funding. The plan would allow Greek banks to maintain a cash lifeline to the ECB. Greece would have to display cooperation and readiness to implement reforms to qualify.

Greece has the highest tax wedges (43.4%) for one-earner families with two children at the average wage among the 34 countries of the OECD. The average for OECD countries is 26.9%. Greek government is struggling to secure cash for government operations as the 19-country euro area demands that it stick to its bailout obligations in return for funds to keep the nation afloat.

Ireland's trade surplus slipped by 1% to EUR3.8 billion in February, although another strong export performance is anticipated for 2015, as a whole. The report showed a 3% or EUR238 million monthly rise in export value to just over EUR8.5 billion for February.

North America

The Bank of Canada kept its key interest rate unchanged and said damage from an oil-price shock may already be fading. The benchmark rate on overnight loans between commercial banks at 0.75% for a second straight meeting after a surprise January cut.

Canadian average resale home prices jumped nearly 10% in March, driven almost entirely by insatiable demand for single-family homes in Toronto and Vancouver. The average price for a resale home across the country hit CAD439,144 last month, up 9.4% from a year earlier.

Canada's manufacturing sales fell 1.7% to CAD50.0 billion in February due to a drop in motor vehicle sales and reduced production of aerospace products and parts. It adds manufacturing sales are down 6.8% since their most recent high of CAD53.7 billion in July 2014. Sales of motor vehicles fell 14.9% to CAD4.2 billion in February, the lowest level since December 2012.

South America

Brazilian economic activity picked up in February, ending two consecutive months of declines. The Brazilian central bank's economic activity index, or IBC-Br, increased 0.36% in February from January on a seasonally adjusted basis.

Oil & Gas News

Oil trades near 2015 high on signs US shale boom is easing. Brent for June settlement was 61 cents lower at USD62.71 a barrel on the London-based ICE Futures Europe exchange.

Commodity News

Copper's London price for three-month delivery has recovered from its January swoon to five-year lows down at USD5,340 per tonne. But the recovery lost momentum at a late-march high of USD6,295 and prices are once again heading south.

Gold bugs back as USD1200 an ounce reclaimed. Gold for June delivery added 0.7% to settle at USD1,201.30 an ounce on the Comex.

Currency News

Ringgit leads Asian currency gains as Fed bets send dollar lower. The ringgit rose 0.9% to 3.6737 versus the greenback as of 10:13 a.m. in Kuala Lumpur.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|------|------|-------|------|----------|-------|--------|-----------|-----------|-----------|
| 15-Apr-15 | 1,191.28 | 2.52 | 58.89 | 23.37 | 1.44 | 2.00 | 1.36 | 0.96 | 9517.46 | 87.90 | 2.72 | 32.78 | 23.85 | 3,535.06 |
| 16-Apr-15 | 1,205.77 | 2.60 | 62.7 | 24.12 | 1.45 | 2.01 | 1.36 | 0.97 | 9522.90 | 87.78 | 2.73 | 32.69 | 23.81 | 3,534.21 |
| % Change | 1.22 | 3.17 | 6.47 | | 0.56 | 0.59 | -0.02 | 0.20 | 0.06 | -0.14 | 0.46 | -0.26 | -0.16 | -0.02 |

Economic & Financial News

Research & International Division

18/4/2015

*... Higher US gas prices spark modest inflation in March ...
... Chinese government spending of public funds will be reduced by 11.7% ...*

South East Asia

Brunei's unemployment drops 0.9% in February recorded at 14,814 which was lower than the previous month at 14,950 unemployed people in January. The JPKE said in its latest report that 800 people have either found jobs or "are not interested to seek employment". A total of 664 new jobseekers were also registered for the month.

Indonesia's central bank expected the current account deficit to narrow to 1.6% of GDP in the Q1 of 2015, from 2.81% in the Q4 of 2014. The outlook improves from previous estimate of near 2% of GDP. Indonesia had a USD1.13 billion trade surplus in March, the biggest monthly surplus since December 2013. The surplus in the Q1 amounted to USD2.43 billion, the biggest in three years.

Palm oil shipments from Indonesia jumped in March by the most for the month in at least seven years as China led a surge in imports of the cooking oil used in food and fuel. Exports climbed 13.6% to 2.03 million metric tons from February, which started publishing the data in 2008.

Malaysian vehicle sales jumped to 67,314 units in March, which was an increase of 33.6% from February ahead of the implementation of the Goods and Services Tax (GST) on April 1. This was the second highest monthly sales since July 2013 where sales volume had then surged to 68,451 units.

Singapore's non-oil domestic exports rose by 18.5% on a year-on-year basis in March, in contrast to the 9.7% decrease in February. The country's trade promotion agency said that the increase was due to the expansion in both electronic and non-electronic non-oil domestic exports (NODX).

North East Asia

The revenue of China's logistics sector rose 6.9% y-o-y in 2014, driven by the online retail sales boom. The total revenue topped CNY7.1 trillion (USD1.16 trillion) last year. The total value of goods carried by logistics firms last year rose 7.9% annually to CNY213.5 trillion. The slower rise was due to the weaker GDP growth of 7.3% in 2014.

China March home prices fall 6.1% y-o-y. New home prices in Beijing fell 3.7% last month from a year earlier, versus the previous month's drop of 3.6%. They rose 0.3 per cent between February and March. Shanghai's home prices were down 5% last month from a year ago, versus a 4.7% fall in February. They were flat from February.

Chinese government spending of public funds will be reduced by 11.7% this year to promote frugality. Around CNY6.316 billion (USD1.03 billion) had been allocated to cover expenses related by government vehicles, officials' overseas trips and official receptions.

Consumer confidence in Japan improved in March for the fourth straight month. The consumer confidence index stood at 41.7, up 0.8 points from the figure for the previous month. The improvements are attributed to pay raises offered by many companies in wage negotiations as well as the improving job market.

The highest rate of property tax in Taipei will be 3.6%, with the measures affecting about 13% of the city's homes. More than 140,000 houses in Taipei are to be taxed at a significantly higher rate starting next month, as the Taipei City Government has raised property taxes on owners of luxury homes or multiple houses, in a continuing bid to curb speculation.

Australasia

Australia's unemployment rate dipped to 6.1% in March. The figure was down from a revised 6.2% in February, as 37,664 positions were created. Full-time roles increased by 31,516 while part-time jobs rose 6,148. The participation rate, which measures the proportion of adults in work or looking for work, strengthened from a seasonally adjusted 64.7% to 64.8.

Indian Sub-Continent

India's trade deficit in March was the highest in four months, at USD11.79 billion, as exports continued to fall, underscoring risks for growth prospects. A plunge in global prices of crude oil, by nearly half since last June, has slashed the import bill, making for a less worrisome trade deficit, despite a drop in exports in recent months.

Pakistan has received FDI of USD710.1 million in the first nine months of fiscal 2014-15, which is only 0.1 percent more than the FDI received during the same months of the preceding fiscal year. However in March, FDI stood at USD94.7 million compared to USD69 million the country received in the corresponding month of the previous fiscal year.

Middle East and North Africa

Dubai March inflation falls to 4%, food prices tumble. Housing and utility costs, which account for almost 44% of consumer expenses, jumped 7.4% y-o-y in March, slowing from a 7.6% gain in February.

Western Europe

Eurozone annual inflation was minus 0.1% in March 2015, up from minus 0.3% in February. Eurozone's annual inflation was 0.5% in March 2014. EU annual inflation was also minus 0.1% in March 2015, up from -0.3% in February. The lowest annual rates were registered in Greece, Cyprus, Poland, Bulgaria and Lithuania, while the highest annual rates were recorded in Austria, Romania and Sweden.

UK's jobless rate has fallen to 5.6%. Employment continued to rise, hitting a new record high last month and unemployment continued to fall. Unemployment fell by 76,000 between December and February to 1.84 million. Average earnings growth picked up speed to an annual rate of 1.8% in February but slowed to 1.7% when the effects of bonus payments were included. The number of people claiming jobseeker's allowance fell by 20,700 in March to 772,400, the 29th consecutive monthly fall.

North America

Canadian consumer prices rose more 1.2% in March from a year earlier, while the core-inflation rate rose at the fastest pace in more than six years, highlighting the impact that a weaker Canadian dollar is having on the price of imported goods like clothing, sporting goods and food.

Retail sales in Canada posted a gain of 1.7% in February following two consecutive monthly declines. Retail sales climbed to CAD42.2 billion as all 11 retail subsectors posted gains.

Higher US gas prices spark modest inflation in March at 0.2% in March. Inflation moved at that same pace in February, which ended three straight monthly declines caused largely by falling oil and gasoline prices. Prices at the pump rose 3.9% in March, contributing along with other sectors to a small dose of inflation. Still, gas remains relatively cheap, falling roughly 33% over the past year to an average price of USD2.41 a gallon.

US homebuilders opened the spring buying season in March at a slower pace than last year. Builders began construction at a seasonally adjusted annual rate of 926,000 homes last month, a 2.5% decline from the pace in March 2014.

The number of Americans seeking unemployment aid rose for the second straight week yet remained at a low level that is consistent with more hiring. Applications increased 12,000 last week to a seasonally adjusted 294,000. With fewer Americans seeking aid, the number of people collecting benefits fell to 2.27 million, the lowest in more than 14 years.

South America

Argentina's inflation increased 1.3% in March compared to February. Education, clothing and transportation headed the hike. Inflation rose 3.4% during the Q1 of 2015 and 16.5% in the last 12 months.

Chile's central bank held its benchmark interest rate steady at 3% for a sixth consecutive month, as widely expected, and reiterated its neutral bias on future policy. The central bank lowered the rate by 200 basis points between October 2013 and October 2014 to stimulate a flagging economy but has since paused to allow above-target inflation to cool.

Peru's economy expanded narrowly in February, growing 0.94% from the same month a year ago, missing market expectations as construction and mining activity dropped.

Venezuela's total tax revenue almost doubled in the Q1 of 2015 thanks to government efforts to tighten up a progressive taxation system over the past 6 months. Ongoing reforms to Venezuela's fiscal system have started to have a substantial impact on the country's revenues, with the institution collecting over VEF200.9 billion (USD31.64 billion) in tax in the Q1 of 2015.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|------|------|-------|-------|----------|-------|--------|-----------|-----------|-----------|
| 16-Apr-15 | 1,205.77 | 2.60 | 62.7 | 24.12 | 1.45 | 2.01 | 1.36 | 0.97 | 9522.90 | 87.78 | 2.73 | 32.69 | 23.81 | 3,534.21 |
| 18-Apr-15 | 1,204.22 | 2.63 | 63.45 | 24.13 | 1.45 | 2.01 | 1.35 | 0.95 | 9535.62 | 88.19 | 2.70 | 32.88 | 24.02 | 3,525.19 |
| % Change | -0.13 | 1.15 | 1.20 | | 0.28 | 0.10 | -1.06 | -1.33 | 0.13 | 0.47 | -1.19 | 0.57 | 0.87 | -0.26 |

Economic & Financial News

Research & International Division

21/4/2015

*... The Philippine balance of payments (BOP) position swung to a deficit in March ...
... China will cut the prices of coal-generated power for grid companies and enterprise users ...*

South East Asia

Perumahan Rakyat 1Malaysia (PR1MA) Bhd has reiterated that its homes have always been priced at between RM100,000 and a maximum of RM400,000. In fact, to enable more urban families to be eligible for PR1MA homes, it had adjusted the income ceiling from RM7,500 to RM10,000, said PR1MA, which is under the Ministry of Housing and Local Government.

The Philippine balance of payments (BOP) position swung to a deficit in March after three consecutive months of being in surplus. The BOP deficit amounted to USD244 million in March, narrower than the USD340 million deficit in the same month last year. However, the latest figure is a reversal of the USD985 million surplus in February.

The import duties and other taxes collected by the Philippine Customs grew 6.6% y-o-y to PHP92.2 billion during the Q1, albeit a slower growth rate compared with the double-digit rise posted last year due to cheaper oil.

Thai cabinet has approved measure to halve the corporate income tax of businesses that want to invest in the special economic zones (SEZs) along the border areas of five provinces: Tak, Sa Kaew, Trat, Mukdahan and Songkhla. The measure to increase tax incentives in the SEZs by lowering the corporate income tax from 20% to 10% of the net profit in 10 accounting periods for new businesses that wish to invest in the SEZs.

Vietnam ran up a USD2.4 billion trade deficit in the Q1 of 2015, a 340% drop from a trade surplus worth around USD1 billion in same period of last year. The trade deficit in the Q1 tended to increase gradually with USD361 million in January alone and USD1.21 billion in January-February, as import grew faster than export.

North East Asia

China will cut the prices of coal-generated power for grid companies and enterprise users. Starting Monday, the grid purchase price will be reduced by two cents (one-third of one US cent) per kilowatt-hour. The price reduction will enable grid companies not only to cut prices for customers but to subsidise clean energy including solar and wind power.

China's coalbed gas output is expected to reach 17.9 billion cubic meters in 2015. China aims to use 8.3 billion cubic meters of coalbed gas this year. China extracted 12.6 billion cubic meters in the first nine months of last year.

China collected CNY2.7 trillion (USD442.7 billion) in taxes in the Q1 of this year, up 3.4% y-o-y. The growth pace was slower than the 9.9% collected in the same period of last year.

South Korea's Producer price index (PPI) dipped 0.1% from a month earlier to 101.80 in March, marking the lowest since November 2010. The producer prices, which reflect future consumer price inflation by 1 or 2 months, kept a downward trend since August last year except for February when the prices showed a temporary rebound due to the effect of the Lunar New Year's holiday.

South Korea government has been accelerating fiscal spending this year in an effort to prop up the economy gripped by weak domestic demand and slumping exports. As of April 10, the government's fiscal spending came to KRW104.8 trillion (USD97 billion), surpassing its target of KRW100.2 trillion.

Taiwan's foreign orders totaled USD490 million (TWD15.2 billion) in March, registering 1.3% growth y-o-y. Orders for the nation's electronics, ICT and machinery products continued to grow, while orders for precision instruments, base metals, plastic and chemical products kept slipping.

Australasia

New Zealand's annual inflation rate eased to 0.1% in the 12 months to March, the lowest in 15 years. The cost of living actually fell for the second consecutive quarter, off 0.3% in the January-March period largely due to declining petrol prices.

Indian Sub-Continent

Indian reserves stood at USD343 billion at the end of March 2015, up more than USD20 billion from end-2014 levels and a jump of almost USD40 billion from a year ago. Reforms after a pro-business government took office last May triggered huge foreign inflows into Indian markets, which the central bank used in order to rebuild reserves.

Middle East and North Africa

The unemployment rate among Arab youth until the age of 30 years exceeds 30% because of unrest in many Arab nations and insufficient investment. The number of Arabs without jobs has jumped by 2 million since 2011, putting the total number of unemployed Arabs at 20 million.

Algeria recorded trade deficit of USD1.7 billion during the Q1 of 2015, against a surplus of USD1.8 billion during the same period in 2014. Algeria's exports stood at USD11.3 billion over the first three months, against USD16.2 billion during the same period in 2014, down by 30.1%, while imports totalled USD13.0 billion, against USD14.3 billion compared to the same period of reference, down by 9.1%.

Egypt will impose an 8% import tariff on rebar, reinforced steel bars, for three years, extending temporary tariffs introduced last year. The statement said the country would also impose a 20% tariff on white sugar for 200 days.

Iranian auto manufacturers produced 1.1 million vehicles in the year to March 20, 2015. In the same period, production of sedans reached 958,335, up 53% from the figure for the year to mid-March 2014, which was 626,362.

Jordan's foreign trade rose 3.8% last year reaching JOD23 billion, compared to JOD21.3 billion in 2013. Jordanian exports in 2014 increased by 7.5% to JOD5.2 billion compared to JOD4.8 billion the year before. National exports accounted for 33.3% of the overall foreign trade in 2014, compared to 22.5% in 2013, which noted that re-exports declined last year by 2.8% to JOD790 million from JOD813 million in 2013.

Kuwait's trade surplus slipped in 2014, after oil export revenues fell for the first time in six years. The surplus fell by 18% in 2014 to KWD19.8 billion, mainly due to lower oil export receipts. Still, Kuwait continued to enjoy a relatively large surplus estimated at 41% of GDP in 2014, which was also its fourth highest on record.

Oman's GDP increased 4.6% at the end of December 2014, standing at OMR31.5 billion, compared to OMR30.1 billion in 2013. Year 2014 saw a 2.4% dip in petroleum production, reaching OMR14.8 billion, as against OMR15.2 billion a year earlier. Crude oil contributed OMR13.8 billion, with a 1.9% decrease, compared to OMR14.0 billion in 2013. Natural gas, on the other hand, posted a decline of 8.5% in 2014, to OMR1.1 billion, as against OMR1.2 billion in 2013.

Qatar's burgeoning tourism industry continued growth in the Q1 of 2015 as all key indicators of the tourism sector demonstrated improvement and growth against the same period last year. Regional and international visitor arrivals totaled 841,025, representing a strong 11% y-o-y increase.

Saudi Arabia is producing near record levels of crude in April, underscoring the kingdom's willingness to defend market share at a time when oil markets have staged a fragile recovery. OPEC had said its overall output surged to 30.8 million barrels per day in March, up 810,000 bpd from the previous month, with demand higher than expected due to lower prices. Oil production in Saudi Arabia was around 10 million bpd in April.

Tunisian industrial exports edged up 11.1% in the Q1 of 2015, from TND 5,612.6 million in 2014 to TND6,236.3. Industrial investments dropped by 9.1% in the Q1 of 2015, from TND786.2 million in the Q1 of 2014 to TND714.7 in 2015.

Eastern Europe

Russia's trade turnover with the outside world plunged 30.1% y-o-y in the first two months of 2015 as oil price falls, currency devaluation and tit-for-tat sanctions shook the Russian economy. The value of Russia's international trade fell to USD83.3 billion over January and February. Total imports plummeted USD25.7 billion, a fall of 37.6% compared to the same period last year, while exports plunged 23.8% to USD57.6 billion.

Western Europe

Eurozone construction production down by 1.8% and by 1.2% in the 28-nation European Union (EU) in February, compared with the previous month. The decline in the eurozone is due to the 1.6% decrease of building construction and 2.6% fall in civil engineering. In the EU, building construction declined by 1.1%, while civil engineering fell by 1.6%.

Ireland's budget deficit fell to 4.1% of GDP at the end of 2014, well under a European Union-set target of 5.1% as it moves towards cutting it below 3% by the end of this year.

Italian unemployment claims dropped to 119,519 in February, down some 17% on the 144,231 made in the same month in 2014. Furthermore, the total was down from 201,000 claims in January for a m-o-m drop of over 40%, national pensions and social security agency said.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|-------|-------|------|----------|-------|--------|-----------|-----------|-----------|
| 18-Apr-15 | 1,204.22 | 2.63 | 63.45 | 24.13 | 1.45 | 2.01 | 1.35 | 0.95 | 9535.62 | 88.19 | 2.70 | 32.88 | 24.02 | 3,525.19 |
| 21-Apr-15 | 1,194.19 | 2.55 | 63.13 | 24.76 | 1.45 | 2.01 | 1.35 | 0.95 | 9573.96 | 88.38 | 2.69 | 32.91 | 24.08 | 3,515.14 |
| % Change | -0.83 | -3.04 | -0.50 | -0.14 | -0.09 | -0.30 | -0.05 | 0.40 | 0.21 | -0.05 | 0.08 | 0.26 | -0.29 | |

Economic & Financial News

Research & International Division

22/4/2015

*... In March, Japan posted its first trade surplus in nearly three years ...
... Spain's exports rose in February ...*

South East Asia

Malaysia government is allocating more than MYR15 billion in the 11th Malaysia Plan (11MP) as part of a game-changing move to introduce green technology initiatives into the economy. The 11MP, outlining the economic growth plans between 2016 and 2020, will be announced in May.

Myanmar's rice export reached nearly 2 million tons in the fiscal year 2014-15 which ended in March, up 40% y-o-y. Most of the rice export went to China, accounting for 1.1 million tons. Myanmar exported 1.7 million tons of rice in 2014-15, earning USD645 million.

North East Asia

China's auto sales are expected to exceed 25 million units in 2015. Auto sales might increase 7% y-o-y to hit 25.1 million units in 2015. Sales of passenger vehicles are expected to stand at 21.2 million units, up 8% y-o-y, while sales of commercial vehicles may increase 2.4% y-o-y to 3.88 million units.

China's outstanding yuan loans in March rose 14% to CNY85.09 trillion (USD13.88 trillion), up 14% from a year ago. The outstanding total social financing amounted to CNY127.52 trillion by the end of March, up 12.9% y-o-y. The country has accelerated cash injection to stimulate the real economy amid downward pressure.

Hong Kong's consumer prices in March rose 4.5% from a year ago, slightly higher than the market consensus of 4.4%. That was higher than the 4.3% average rate of increase in January and February, mainly due to the limited decrease in prices of holiday package tours.

Japan posted its first trade surplus in nearly three years last month as exports to North America soared and energy bills fell, giving an important psychological boost to Tokyo's bid to revive the flagging economy. Exports rose 8.5% while imports fell 14.5%, leaving a surplus of JPY229.3 billion.

South Korea's car exports in Q1 tumbled amid surging imports. The country's car exports amounted to USD10.2 billion, or 720,000 vehicles, in Q1, down 10.1% y-o-y. Imports of foreign luxury cars surged 35.9% y-o-y to USD2.3 billion, or 70,000 vehicles.

South Korea's terms of trade improved for the 7th consecutive month in March as weaker oil prices dragged down import prices more sharply compared to the fall in export prices. The country's net terms-of-trade index for goods reached 98.91 last month, slightly slowing from a 12.5% on-year growth in February but still climbing 11.2%.

Taiwan's jobless rate in March hit 3.72%, up by 0.03 percentage points from February but down by 0.31 percentage points from a year earlier.

Australasia

Australian consumer prices in Q1 rose 0.2% q-o-q, and 1.3% y-o-y. Among the biggest contribution to the gains were rises in education fees, health costs, and taxes on tobacco and alcohol. The cost of fuel, communication services and clothing declined.

Middle East and North Africa

Abu Dhabi's CPI in Q1 2015 rose by 1.4% q-o-q. The largest rise in CPI during Q1 was observed in the "housing, water, electricity, gas and other fuels" and the "furnishings, household equipment and routine household maintenance" groups which grew by 6% and 2.3%, respectively. Region wise, Abu Dhabi region contributed the largest share, or 66.7% of the increase.

Bahrain's bank lending to the private sector in February fell 5.5% y-o-y, its tenth decline in a row, after a similar drop in January. M2 money supply growth slowed to 5.5% y-o-y.

Oman's bank lending growth in February accelerated to 11.4% y-o-y, the fastest rate since January 2013, from 11.1% in January 2015. M2 money supply growth slowed to 10.9%, the slowest since December 2013.

Eastern Europe

Hungary's central bank pledged to press on with monetary easing to spur price growth after reducing its benchmark interest rate for a second month to a record low. The National Bank of Hungary cut the two-week deposit rate to 1.8% from 1.95%.

Russia's economy contracted last quarter by about 2% on an annual basis, blaming the slump on the unprecedented challenges from a plunge in oil prices and sanctions imposed over Ukraine. The downturn was "most acute" at end-2014 and the start of this year, although the situation is now "stabilising". The decline in gross domestic product is the first since a contraction in 2009.

Western Europe

The government deficit of both the euro zone and the 28-nation European Union (EU) decreased in 2014, compared with the previous year. In the euro area, the government deficit to GDP ratio decreased from 2.9% in 2013 to 2.4% in 2014, while it fell from 3.2% to 2.9% in the EU.

Government debt in the Eurozone has surged to the highest levels since the introduction of the single currency, underscoring the challenges still confronting the bloc as it wrestles with Greece over new aid payments. Greece's debt pile swelled to a new high of 177.1% of GDP at the end of 2014, up from 175% a year earlier.

Spain's exports in February rose by 2.8% y-o-y amounting to EUR19.859 billion (USD21.370 billion) in February, while in the first two months of the year they reached EUR37.754 billion, boosted by the automobile sector whose exports rose by 18.7% y-o-y. On the other hand, imports increased slightly to EUR42.387 billion leading to a trade deficit of EUR4.633 billion, 4.3% more in comparison with a year earlier.

North America

Wholesale trade in Canada declined in February, with sales hitting their lowest level in six months, in another sign the economy sustained a sizable hit in Q1 from the swift decline in energy prices. Wholesale trade receipts in February declined 0.4% to CAD53.62 billion (USD43.84 billion). On a 12-month basis, wholesale sales rose 5.5% in February.

Canada's crude output growth will slow to 17,000 barrels a day by next year after oil lost half its value. Growth in production will slow from 41,000 barrels a day this year amid declining conventional oil output. The slowdown delays by two years Canada's need for one of four major oil export pipelines planned.

Oil & Gas News

Oil prices dropped as Middle East tension eases. Brent for June delivery LCOc1 was down 43 cents at USD61.65 a barrel by 0650 GMT, after settling USD1.27 lower on Tuesday.

Currency News

The euro edged lower, pressured by continued uncertainty over Greece's debt negotiations. The euro drifted down about 0.1% to 128.29 yen, moving back toward its overnight low of 127.45.

The yen nursed modest losses early in Asia on Wednesday. The dollar last stood at 119.70 yen, not far from a one-week high of 119.83 set overnight.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|-------|------|------|----------|-------|--------|-----------|-----------|-----------|
| 21-Apr-15 | 1,194.19 | 2.55 | 63.13 | 24.76 | 1.45 | 2.01 | 1.35 | 0.95 | 9573.96 | 88.38 | 2.69 | 32.91 | 24.08 | 3,515.14 |
| 22-Apr-15 | 1,203.58 | 2.56 | 61.62 | 24.07 | 1.45 | 2.01 | 1.35 | 0.96 | 9593.25 | 88.41 | 2.70 | 32.78 | 24.00 | 3,496.04 |
| % Change | 0.79 | 0.39 | -2.39 | | -0.15 | -0.07 | 0.42 | 0.96 | 0.20 | 0.04 | 0.13 | -0.38 | -0.35 | -0.54 |

Economic & Financial News

Research & International Division

23/4/2015

*... Malaysia's inflation rate rose 0.9% in March ...
... India export to fall further ...*

South East Asia

Brunei's self-sufficiency in rice production was only at 4% last year, falling short of the Ministry of Industry and Primary Resources target of 60% for 2015. Efforts have "already been put in place" to increase rice production, including incentive schemes. Brunei has managed however, to be "sufficient" in poultry, eggs and vegetables.

Malaysia's inflation rate rose 0.9% in March from a year ago, which is in line with consensus, due to increases in alcoholic beverages and health. The CPI also rose 0.9% from a month ago due to higher transport costs.

Myanmar received record FDI of more than USD8 billion in the in 2014-15 budget year across 12 sectors. Among the sectors attracting FDI during the fiscal year ended on March 31, the oil and gas sector led with USD3.22 billion, followed by transport and communication with approved capital of USD1.68 billion, manufacturing with USD1.5 billion, real estate with USD780 million and hotel and tourism with USD360 million.

North East Asia

China's outbound direct investment (ODI) will maintain an annual growth of more than 10% in the next five years, thanks to ongoing economic reform and favorable government policies. China has become a net capital exporter as its ODI outnumbered capital inflows for the first time in 2014. The ODI increased 15.5% from a year earlier to USD116 billion.

China's factory activity contracted at its fastest pace in a year in April, suggesting that economic conditions are still deteriorating despite increasingly aggressive policy easing by the central bank. The flash HSBC/Markit Purchasing Managers' Index fell to 49.2 in April.

Foreign visitors top 1.5 million for 1st time in Japan. The monthly number of foreign visitors surged 45.3% from a year earlier to 1,526,000, rewriting its record high for the second straight month. The result was attributed to loosened visa requirements for visitors from China and some Southeast Asian countries, the yen's depreciation, and the promotion of Japan tours.

Economic growth of the South Korea stayed below 1% for four straight quarters due to the sluggishness in exports and private consumption, boosting worries about a prolonged trend of low growth. Real GDP increased 0.8% in the Q1 from three months earlier. The slow growth came amid the sluggishness in both exports and private consumption. Private consumption rose 0.6% in the Q1, and exports, which account for about half of the economy, were unchanged from the previous quarter.

The South Korean government would reduce city gas prices for the third time this year to reflect low product costs caused by cheaper crude oil prices. The city gas prices will be lowered on average by 10.3% from May 1. The prices were cut by 5.9% in January and 10.1% in March. The three cuts would reduce the price of city gas on average by a total of 24% compared with the end of last year.

Indian Sub-Continent

India's exports in the current fiscal will fall further and are unlikely to touch even the USD300-billion mark on account of decline in the container volumes at ports and poor order book position. The country's exports in 2014-15 fiscal stood at USD310.5 billion. India had set a target of USD340 billion for 2014-15.

Middle East and North Africa

Algeria's annual inflation rate exceeded 4% in March against 3.7% in February, while it stood at 2% in March 2014. The CPI showed an annual increase of 5.5% in March against 5.6% in February 2015. This fluctuation is mainly due to the 7.25% rise in food prices, including +11% in fresh agricultural products and +3.7% in manufactured food products.

Iran produced 4.089 million tons of crude steel in the Q1 of 2015, indicating a 9.6% growth compared to last year's 3.73 million tons. In March, Iran produced 1.315 million tons of crude steel, which is 6.67% less than the February output of 1.409 million tons.

Iraq's oil output in 2015 is likely to remain flat as Baghdad struggles to cope with a slump in crude prices that has slashed government revenue and forced the OPEC producer to renegotiate its service contracts with oil majors. Iraq's oil production now is around 3.3 million to 3.5 million bpd.

Unemployment in Jordan stood at 12.9% in the Q1 of the current year, indicating a rise of 0.6% compared with the same period last year. Unemployment among males reached 11% and 22% among females. The figures showed that the unemployment rate among university degree holders reached 18.7%, while 55% of jobless individuals have a secondary school certificate or higher.

Morocco's inflation rate rose to 1.6% in March from 1.3% in February. It showed a 2.1% increase in food inflation from 1.8%. The non-food price index rose 1.2% from the previous month. On a m-om basis, the CPI was steady in March as food prices fell 0.4%.

Oman's non-oil exports recorded a significant 8.4% growth in 2014 reaching OMR4.12 billion, as against OMR3.8 billion in the year before. The UAE was the major buyer of Omani non-oil products at OMR776 million, posting a growth of 17.9% over the previous year.

Tunisian investments in services dropped by 34% in the Q1 of 2015, from TND491.8 million in the same period in 2014 to TND324.5 million.

Turkey's central bank has decided to leave interest rates unchanged but implement two secondary policy measures aimed at supporting the embattled Turkish lira. The bank said the one-week repurchase rate would be kept at 7.5%, the marginal funding rate at 10.75% and the borrowing rate at 7.25%.

Eastern Europe

Russia is cutting spending on its space programme by more than a third over the next 10 years because of the country's economic crisis, forcing it to scrap plans to develop a super-heavy launch rocket. Russia is planning to develop its own space station by 2023. A spokesman for the federal space agency said planned spending would be reduced by 35% to RUB2 trillion (USD37.76 billion), a cut of RUB850 billion.

Consumer price inflation in Russia picked up slightly in the most recent week. Consumer prices rose 0.2% in the week to April 20 after rising 0.1% in the preceding week, which was the lowest weekly rise since September.

Western Europe

Bank of England voted on the holding benchmark interest rate this month, as they keep a cautious eye on the persistent low inflation. Bank Rate would stay at 0.5% and the stock of asset purchases, or quantitative easing policy, maintain at GBP375 billion.

Spanish public deficit stood at 5.8% of the country's GDP in 2014, the second highest figure within the European Union (EU) after Cyprus. Spending cuts and higher taxes implemented by the Spanish government since 2012 had made it possible for the country to meet the deficit target required by Brussels.

North America

Mexico's foreign reserves increased by USD1.08 billion to USD195.91 billion last week. Gold and foreign currency reserves rose in the week ending April 17 mainly due to the federal government's sale of dollars to the Bank of Mexico. Reserves have risen by USD2.67 billion since Jan. 1, the Bank of Mexico said in a statement.

US home sales bloomed in March after a brutal winter, a sign of possible newfound momentum for housing. Sales of existing homes jumped 6.1% last month to a seasonally adjusted annual rate of 5.19 million. The gains were solid enough to suggest that housing might be returning to stable footing after enduring a boom, a bust and a stubbornly tepid recovery over the past dozen years.

South America

Brazil's current-account deficit narrowed in March from February, helped by a jump in foreign direct investment. Brazil posted a deficit of USD5.7 billion last month, from a deficit of USD6.9 billion in February. That left a 12-month deficit of USD101.6 billion, an amount equal to 4.54% of GDP.

Brazil's FDI in the country grew to USD4.3 billion in March, from USD2.8 billion the previous month. In the 12 months through March, the country received FDI of USD88.8 billion, equal to 3.97% of GDP. The amount of foreign money flowing into the country to purchase those instruments, and investment funds, rose to USD2.9 billion in March, up from USD2.2 billion in February.

Oil & Gas News

Oil prices hold steady as Yemen bombing continues. Brent crude for June delivery LCOc1 was down 2 cent at USD62.71 a barrel by 12.06 a.m. EDT, after settling 65 cents higher.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|------|-------|-------|----------|-------|--------|-----------|-----------|-----------|
| 22-Apr-15 | 1,203.58 | 2.56 | 61.62 | 24.07 | 1.45 | 2.01 | 1.35 | 0.96 | 9593.25 | 88.41 | 2.70 | 32.78 | 24.00 | 3,496.04 |
| 23-Apr-15 | 1,186.81 | 2.60 | 62.7 | 24.12 | 1.45 | 2.02 | 1.35 | 0.95 | 9570.29 | 88.61 | 2.68 | 32.75 | 23.99 | 3,508.16 |
| % Change | -1.39 | 1.56 | 1.75 | | -0.06 | 0.27 | -0.03 | -0.82 | -0.24 | 0.23 | -0.70 | -0.11 | -0.05 | 0.35 |

Economic & Financial News

Research & International Division

25/4/2015

*... Spain's unemployment rate edged higher in Q1 ...
... US durable goods orders rebound in March ...*

South East Asia

Myanmar is targeting economic growth of 9.3% for this fiscal year, which started this month, driven by an unprecedented amount of foreign investment and rapid expansion in its nascent telecoms sector.

The growth in revenues of the Philippines' major industries slowed slightly to 8% during Q4 2014 on the back of weaker sales in the property and trade sectors. The total gross revenue index of key industries during the October-December period of 2014 was slower than the 8.3% expansion posted in the same three-month period of 2013.

Singapore's industrial output declined 5.5% last month from March a year earlier, accelerating from the 3.3% drop in February. Weighed down by declines in electronics, pharmaceutical and transport engineering production, manufacturing output continued to fall last month, reflecting weak external demand, but economists are hopeful of a pick-up in the months ahead on the back of an improving US economy.

Vientiane's per capita income reached over LAK10 million (USD1,320) in 2013/14 thanks to its GDP which has grown to over LAK4.7 trillion (almost USD580 million). Provincial infrastructure is being constructed and more local farmers have converted their farms to raise animals, thus improving people's livelihoods.

Disbursement of existing FDI in Vietnam rose 5% to hit USD4.2 billion in the first four months of this year. A total of 448 new foreign-invested projects, worth more than USD2.67 billion, were licensed during the review period, a yearly decrease of 17.1%.

Vietnam's CPI in April increased by 0.14% over the previous month, by 0.04% over last December and by 1% April last year. This repeats a pattern of small CPI rises over the past three years, which revealed growth of less than 0.1%.

North East Asia

China raised retail oil and diesel prices by CNY300 (USD49) and CNY285 per tonne, respectively, effective Saturday. This will increase benchmark retail price of gasoline and diesel by CNY0.22 and CNY0.24 per liter, respectively.

China is lending more to the property sector, especially affordable housing projects. In Q1, such lending expanded by CNY994 billion, CNY196 billion more than the same period last year. In Q1, loans to affordable housing construction grew by CNY135 billion, rising CNY86 billion y-o-y, amounting to 43.7% of the total lending to the property sector. China's real estate market continued to weaken but with smaller price drops in March.

China created 3.24 million new jobs in Q1, down by 200,000 compared with the same period last year. It is the first time the number of newly added jobs has decreased in Q1 since 2009, when they dropped by 350,000 during the global financial crisis.

The combined Japanese domestic automobile production by eight major makers in fiscal year 2014 fell 3.7% y-o-y to 9,031,944 units, down for the first time in five years. The poor showing reflected a fallback in vehicle sales in Japan following the consumption tax increase from 5% to 8% in April last year and the auto industry's increasing production shift abroad.

South Korea's exports are expected to contract for the fourth consecutive month in April, raising concerns that the country's main growth engine is losing steam. Outbound shipments of products were tallied at USD27.25 billion in the first 20 days of this month, down 11.1% from the same 20-day period a year earlier.

Housing prices in South Korea seem to be on a sustained recovery path, reflecting growing demand for home purchases amid eased lending circumstances. Seoul apartment prices gained 0.55% on-month in April, accelerating from a 0.45% increase in March.

Taiwan's industrial production grew for the 14th consecutive month in March, led by the semiconductor sector. In March, the local industrial production index rose 6.49% from a year earlier to 111.56 after a 2.72% y-o-y increase seen in February.

Middle East and North Africa

Egypt's central bank kept its benchmark interest rates unchanged. The overnight deposit rate remained at 8.75% and the overnight lending rate at 9.75%.

Morocco's overall real estate index fell by 0.8% in 2014, compared with the 1.3% rise in 2013. The residential price index for apartments, villas and homes eased 0.6% in 2014, setting the overall tone for the market. The sharpest declines were recorded in home and villa prices, which dropped 0.9% and 1.7%, respectively, though apartment prices also dipped slightly.

Eastern Europe

Russia is interested in Chinese investment. The country has seen Western markets closed to Russian investment, so the country has been stepping up its financial cooperation with China and is seeking larger Chinese investments in the Russian economy. A 800-km high-speed railway connecting Moscow with Kazan, as one possible project China may invest in. The investment for the project is estimated at RUB1 trillion (USD19 billion). Russia also expressed support for China's initiative of the Silk Road Economic Belt.

Western Europe

British public sector net borrowing was GBP87.3 billion (USD131 billion), registering a decrease of GBP11.1 billion pounds compared with the financial year 2013/14. British government saw a fiscal deficit of GBP7.4 billion in March 2015, a decrease of GBP0.4 billion compared with a year earlier. It is slightly bigger than the market estimation consensus of GBP7 billion.

British retail sales volumes in March fell 0.5% on the previous month. The decline was driven by a fall in petrol sales, down 6.2% m-o-m. Excluding fuel, retail sales volumes rose 0.2% m-o-m, whilst volumes were up 5% from the same month last year.

Business activity growth in France's private sector slowed in April amid signs that the eurozone's second-biggest economy was on the verge of stalling. The PMI Markit Economics dropped to 50.2 points in April, from 51.5 points the month before.

The cost of doing business in Ireland is increasing due to a weak euro foreign exchange rate. Ireland remains an expensive location to do business. Ireland is the third most expensive location in the euro area for consumer goods and services, adding that this improvement is largely being driven by external factors beyond the control of domestic policymakers.

Spain's unemployment rate edged higher in Q1 from the previous three months, as an accelerating economy failed to offset seasonal job losses. The rate stood at 23.8% compared with 23.7% in Q4, driven by the loss of 114,300 jobs in the span.

Negative interest rates introduced by the Swiss central bank are a necessary tool to curb demand for the country's overvalued currency but will not become a permanent fixture of the economy, Swiss National Bank President Thomas Jordan said.

North America

US durable goods orders rebound in March after falling in February. Orders for durable goods increased 4% m-o-m in March to USD240.2 billion, following a 1.4% decrease in February. Orders for transportation equipment drove the increase, with a 13.5% surge to USD80.3 billion.

US initial jobless claims record slight increase last week, but the whole job market kept upward. In the week ending April 18, the advance figure of seasonally adjusted initial claims for jobless benefits rose to 295,000, 1,000 more than the revised level of the previous week. The US economy added 126,000 jobs in March, while the unemployment rate was steady at 5.5%.

South America

Brazil credit volume in March grew 1.2% m-o-m to BRL3.06 trillion (USD1.03 trillion). That was an increase of 11.2% y-o-y. In February, credit volume increased 0.5% from January.

Last month, Brazil's economy created jobs for the first time this year as government efforts to boost business confidence show signs of succeeding. Brazil created 19,282 jobs in March.

Colombia's central bank kept borrowing costs unchanged at 4.5% for the eighth straight month as consumer prices rose at the fastest pace in six years while the nation's growth prospects dim.

Oil & Gas News

Oil hit 2015 peak as Saudis resume strikes on Yemen. Brent prices on Friday hit a four-month peak of USD65.80 per barrel, the highest level since December 10.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|-------|------|------|----------|-------|--------|-----------|-----------|-----------|
| 23-Apr-15 | 1,186.81 | 2.60 | 62.7 | 24.12 | 1.45 | 2.02 | 1.35 | 0.95 | 9570.29 | 88.61 | 2.68 | 32.75 | 23.99 | 3,508.16 |
| 25-Apr-15 | 1,179.00 | 2.53 | 65.28 | 25.80 | 1.45 | 2.02 | 1.34 | 0.96 | 9654.37 | 89.18 | 2.69 | 33.00 | 24.24 | 3,513.00 |
| % Change | -0.66 | -2.69 | 4.11 | -0.10 | -0.02 | -0.73 | 0.60 | 0.88 | 0.64 | 0.21 | 0.79 | 1.06 | 0.14 | |

Economic & Financial News

Research & International Division

28/4/2015

*... Investment in South Korean small and mid-sized firms increased in Q1 2015...
... French unemployment hits fresh record high in March ...*

South East Asia

Brunei's CPI for March increased by 0.5% m-o-m. The higher prices of garments, textiles and footwear are few of the key factors that raised March's CPI.

Cambodia produced 9.3 million tonnes of rice last year, a slight decline from 9.4 million tonnes in 2013. Local agricultural production contributed to 28.7% of GDP in 2014. Cambodia exported 387,000 tonnes of rice last year.

Imports of Philippine goods rose to a 13-month high in February. Imports climbed 11.2% to USD5.3 billion from a year earlier. Electronics, which made up 34.8% of the total import bill and was the biggest import in February, climbing 42.4% to USD1.9 billion from a year earlier. However, the Philippines recorded a trade deficit of USD1.7 billion in the first two months of the year.

Vietnam's industrial production continued to accelerate with a growth of 9.4% in the first four months of 2015 compared to 5.4% of the same period in 2014. Among the industries, the processing and manufacturing sector is estimated to grow by 10.1% y-o-y, contributing 7.2 percentage points to the overall growth.

Commercial banks in Vietnam reported bad debts at 3.5% of their outstanding loans in January 2015, up from 3.25% the previous month. But the central bank estimated the bad debts in the system at 4.75% in January, down from 4.83% in December 2014.

North East Asia

China's industrial profits down 0.4% y-o-y in March to CNY508.6 billion (USD82.8 billion). The decline narrowed sharply from a 4.2% slump in the Jan-Feb period. Dragged by the sagging performance in the first two months, China's industrial profits shrank by 2.7% in the Q1 to CNY1.25 trillion.

Japanese retail sales fell 9.7% y-o-y in March, when sales had surged the most in 17 years ahead of a consumption-tax increase. Compared with the previous month, sales fell 1.9% on a seasonally adjusted basis.

Prices in Macau rose 5.1% in March y-o-y driven by the increase in income from house rental prices and the cost of meals bought away from home. The most significant increases were in the indices of housing and fuel (+10.6%), health (+5.7%) and food and non-alcoholic beverages (+5.5%).

Investment in South Korean small and mid-sized firms increased in Q1 2015, exceeding USD330 million, more than 29% increase from the same period last year. The organisation attributed the surge to an increase in government support for new businesses.

South Korea's housing market continued to improve in the Q1 of 2015 amid a surge in transactions and rising prices. Home purchases surged 18.3% on-year to 270,053 in the January-March period, the highest number since the Q1 of 2006.

Middle East and North Africa

Algeria's car imports continue their downward trend in terms of value and quantity during the Q1 of 2015. The import bill amounted to USD1.3 billion during the Q1 of 2015, against USD1.6 billion during the same period in 2014, down by 17.8%. In terms of quantity, a total of 95,075 cars were imported during the Q1 of 2015 against 117,486 cars during the same period a year earlier, down by -19.1%.

Bahrain's real GDP growth reached 4.5% in 2014. The report also highlighted that non-oil sectors rose markedly from the 3% rate recorded in 2013 to 4.9% in 2014. Strong growth of 12.5% y-o-y was reported in the construction sector following the initiation of a number of major infrastructure projects in areas such as road transportation.

Tourism income for Egypt in February amounted to USD442 million. The average spending decreased to USD78.3 per night, instead of USD80.1 during the Q4 of 2014. This month that the number of tourists in February amounted to 640,200, representing a 3.8% growth compared to the same period last year.

Egypt's total external debt decreased to USD40.2 billion at the end of February, compared to USD50 billion last year. The new figure represents a rate of 12%-13% of GDP.

Egypt's locally manufactured car sales decrease by 14%, imported cars at 34%. Sales of imported cars amounted to EGP3.5 billion during the first two months of 2015, while sales of locally manufactured cars reached EGP1.5 billion. Importers managed to sell more than 19,000 cars during the same period; meanwhile, 12,000 locally manufactured cars were sold.

Iranian mining sector export declined by 24% in the year to March 20, 2015 compared to the figure for the year earlier. More than 23.7 million tons of mineral products worth USD1.5 billion were exported during the period. Export of mineral products amounted to more than 31.2 million tons in the 12 months to March 2014.

Kuwait's CPI rose in March 2015 by 3.33% y-o-y compared with the same month of last year. The inflation rate rose by 0.74% m-o-m in March 2015 more than its levels last February.

The Omani economy has managed to address the decline in oil prices and is expected to grow 5% this year, according to the Central Bank of Oman. The central bank added that there are good market indicators, such as the decline in non-performing loans (NPLs) to almost 2%.

Indian Sub-Continent

India's gold production dropped 8% to 1.43 tonnes in 2014-15 compared to 1.56 tonnes in 2013-2014 financial year. During the April-February period of last fiscal, gold import stood at 782 tonnes, while for the entire 2013-14 fiscal the same was 661.7 tonnes.

Western Europe

French unemployment hits fresh record high in March, fully reversing a decline recorded at the start of the year. The number of category "A" job seekers, which are defined as registered job seekers who are fully unemployed, rose 0.4% in March from February to 3,509,800. The previous record high was set in December at 3,500,700.

Ireland will have up to EUR1.5 billion (GBP1.1 billion) extra in its budget for next year to divide evenly between tax cuts and additional spending, finance minister Michael Noonan said.

North America

Mexico's unemployment rate was 3.9% in March, down from the 4.8% level registered in the same month last year. The unemployment rate last month was 4.2%, without adjusting for seasonal factors, down 0.2% from the February level.

Mexico's oil exports fell at an annualised rate of 46.2% in the Q1, a period when the trade deficit totaled USD2.2 billion. Exports totaled USD90.4 billion in the Q1, down 0.4% from the same quarter in 2014. Oil exports plunged 46.2% to USD6.18 billion, while non-petroleum exports rose 6.3% to USD84.2 billion. Imports totaled USD92 billion in the Q1, up 0.6% from the Q1 of 2014. Mexico posted a trade surplus of USD480 million in March, down from the USD949 million surplus registered in the same month last year.

South America

Brazil's consumer confidence picked up in April, marking the first increase of the year, but it was attributed more to the low level of comparison basis than to an improvement of the country's economic conditions. Brazil's main consumer-confidence index was at 85.6 points, up from 82.9 points in March, when it reached a historic low.

Oil & Gas News

Oil fell more than 1% yesterday ahead of weekly US crude inventory data that is expected to hit another high and as Saudi Arabia pledged to supply more oil to China if needed. Brent June crude futures had dropped 84 cents to USD63.99 a barrel by 0702 GMT. U.S. June crude fell 84 cents to USD56.14 a barrel.

Currency News

The euro hovered near a three-week peak on Tuesday. The euro climbed as far as USD1.0927 and last stood at USD1.0877.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|------|-------|------|----------|-------|--------|-----------|-----------|-----------|
| 25-Apr-15 | 1,179.00 | 2.53 | 65.28 | 25.80 | 1.45 | 2.02 | 1.34 | 0.96 | 9654.37 | 89.18 | 2.69 | 33.00 | 24.24 | 3,513.00 |
| 28-Apr-15 | 1,201.71 | 2.47 | 64.1 | 25.95 | 1.45 | 2.02 | 1.33 | 0.96 | 9722.90 | 89.25 | 2.67 | 33.21 | 24.47 | 3,494.87 |
| % Change | 1.93 | -2.37 | -1.81 | | -0.01 | 0.32 | -0.60 | 0.05 | 0.71 | 0.08 | -0.40 | 0.61 | 0.93 | -0.52 |

Economic & Financial News

Research & International Division

29/4/2015

*... Thai cabinet has approved THB2.72 trillion budget bill for fiscal 2016...
... Brazil's March unemployment rate climbed to the highest level in three years ...*

South East Asia

Cambodia collected a total of USD323.42 million in taxes during the Q1 of this year, a 48% increase on the same period last year due to increases in profit tax, salary tax, value-added tax and special tax.

Indonesia received IDR82.1 trillion (USD6.36 billion) worth of foreign investment between January and March this year, up by 22.8% as against the same period last year. Domestic investment also increased by 14% to IDR42.5 trillion. FDI made up 66% of total investment, which increased 17% to IDR125 trillion. Most of the investments were made in Java and that mining and food industry accounted for the big chunk.

Myanmar's rice exports are set to leap by more than 10% this year, setting a new record. Total exports would reach 2 million metric tonnes in 2015-2016. The surge is due to a deal regularising exports to China, as well as the emergence of the US as a buyer of Myanmar rice. Last year, 1.39 million metric tonnes of rice was exported, plus more than 400,000 tonnes of broken rice, earning USD644 million.

Singapore's economy remains on track to post moderate growth of 2 to 4% in 2015, said the Monetary Authority of Singapore (MAS). While broad macroeconomic growth is expected to be positive, MAS said that to which extent Singapore will benefit from the cyclical uplift will depend on developments in specific markets and industries.

Thai exports in March were down 4.45% y-o-y, resulting in a Q1 export contraction of 4.69% compared to the same period last year. Exports worth USD18.88 billion in March, down 4.45% on 2014, while imports for the month totalled USD17.39 billion, resulting in a trade surplus of USD1.49 billion. Exports in the Q1 totalled USD53.36 billion, down 4.69% y-o-y, with imports over the period down 6.43% at USD51.94 billion.

Thai cabinet has approved the government's THB2.72 trillion budget bill for fiscal 2016, including a deficit of THB390 billion on expected revenue of around THB2.33 trillion. The investment budget for 2016 was set at THB543.635 billion, which is THB94.16 billion or 20.9% more than in fiscal 2015. Fixed expenditure under the 2016 budget will amount to around THB2.101 trillion, which is THB72.977 billion or 3.6% more than the previous year.

The number of international visitors arriving in Vietnam dropped by 12.2% during the first four months of this year from the same period last year to 2.69 million. In April alone, Vietnam received more than 690 international visitors, rising by 11.7% from the previous month.

North East Asia

Japanese government proposed lowering the country's reliance on nuclear power to 20%-22% of all sources of electricity by fiscal 2030 from 28.6% in fiscal 2010. The proposal for a best energy mix for the year that starts in April 2030 avoided a sharper reduction in the proportion of nuclear power.

Macau recorded 7.4 million visitor arrivals in the Q1, down 3.6% y-o-y. The number of visitor arrivals last month fell 13.5% y-o-y to 2.27 million, the lowest number since October 2012.

New FDI pledged to South Korea fell sharply in the Q1 of the year, partly due to a base effect stemming from record numbers in 2014. Fresh FDI committed to the country in the January-March period came to USD3.55 billion, down 29.8% from the same period last year.

Middle East and North Africa

The total number of visitors in 2014 dipped 1.2% y-o-y in Jordan, reaching 5.3 million. Despite the drop in overall numbers, tourism receipts remained stable throughout 2014, totalling JOD3.1 billion (USD4.37 billion), up 6.3% on the previous year.

Lebanon's debt-to-GDP ratio jumped from 130% to 143% and is expected to increase by USD4 billion in the current year. The Lebanese economy was unable to avert the adverse impact of the internal political standoff and or regional turmoil. The main economic indicators have been on a downward trend since 2011. However, Lebanon's economy managed to deliver a real growth rate of 2% in 2014, while inflation remained below 4%.

Net foreign assets at Saudi Arabia's central bank dropped 4.7% from a year earlier in March to SAR2.590 trillion (USD690.6 billion), their lowest level since July 2013. Net foreign assets fell by USD16.0 billion in March from the previous month. In February, they dropped by USD20.2 billion m-o-m.

Net profits of the listed Saudi petrochemical firms dropped by 34% to SAR6.43 billion in the Q1 of the current year compared to SAR9.81 billion in Q1, 2014. Similarly, revenues of the petrochemical sector fell by 20% to SAR57.49 billion compared to SAR72 billion in the comparable period on the back of oil price fall.

Bank lending in the UAE rose 8.2% from a year earlier in March, accelerating from 7.8% in February. Money supply (M3) growth, however, fell to 7.6% in March, the slowest rate since March 2013, from 9.5%.

Indian Sub-Continent

Sri Lanka's tea output gained 17.5% in March from the same month a year earlier, due to favourable weather conditions, helping to lift Q1 production by 7% on last year.

Eastern Europe

Poland will continue to tighten its public finances as it seeks to reduce the deficit to 1.2% of economic output in 2018. Poland, which recorded a deficit of 3.2% in 2014, hopes its new plan will convince the European Commission to remove it from the excessive deficit procedure.

Imports of new cars to Russia dropped 45.4% in the Q1 of this year as car sales in the weakening economy collapsed. The Russian car market has been hit hard by the steep devaluation of the ruble, which is down 30% against the US dollar since last April. The ruble's fall has raised the cost of foreign automobiles and components and sent overall inflation soaring.

Western Europe

British GDP was estimated to have increased by only 0.3% in the Q1 of 2015 compared with growth of 0.6% in the Q4 of 2014, marking the slowest quarterly growth in two years. Nonetheless, the country's GDP was still 2.4% higher in Q1 2015 compared with same quarter a year earlier. The service industry's output increased by 0.5% in the Q1. However, the other three industrial groups' growth dwindled, with construction slipping by 1.6%, production by 0.1% and agricultural by 0.2%.

French consumer confidence rose for the third consecutive month in April to reach its highest in over five years, although nagging concerns about unemployment meant it was still below the long-term average. The consumer morale reading ticked up to 94 this month from 93 in March.

Spanish home mortgages up by 29.2% in February when compared with the same month in 2014. A total of 21,298 home mortgages were granted in February, which meant a 1.8% increase in comparison with January. The amount of capital loaned stood at EUR2.331 billion (USD2.546 billion) at the end of February, which meant a 37.1% increase when compared with a year earlier.

North America

Mexico's finance ministry will use a financial gain from the central bank's record reserves to fund infrastructure spending in 2016, compensating for a hit to public finances from a sharp drop in oil prices. The central bank gave the finance ministry nearly MXN31.5 billion (USD2 billion), from a gain made on the bank's dollar reserves in 2014 due to the Mexican peso's sharp depreciation last year.

South America

Brazil's March unemployment rate climbed to the highest level in three years as Latin America's largest economy slips closer to recession amid rising interest rates and fiscal tightening. The jobless rate rose to 6.2% from 5.9% a month earlier. Wages fell 3% from March 2014 when discounted for inflation, the steepest drop since February 2004, to an average of BRL2,134.60 (USD736) a month.

Oil & Gas News

Oil prices dipped as oversupply and weak demand outweighed uncertainty in Saudi Arabia where King Salman relieved the crown prince as well as several senior ministers and the chief executive of national oil company Saudi Aramco. Brent crude futures LCOc1 dropped 14 cents from their last settlement to USD64.50 a barrel by 0655 GMT. US WTI crude CLc1 was also down 13 cents at USD56.93 a barrel.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|-------|------|-------|-------|----------|-------|--------|-----------|-----------|-----------|
| 28-Apr-15 | 1,201.71 | 2.47 | 64.1 | 25.95 | 1.45 | 2.02 | 1.33 | 0.96 | 9722.90 | 89.25 | 2.67 | 33.21 | 24.47 | 3,494.87 |
| 29-Apr-15 | 1,209.17 | 2.53 | 64.23 | 25.39 | 1.45 | 2.02 | 1.33 | 0.96 | 9769.44 | 89.59 | 2.68 | 33.30 | 24.54 | 3,487.49 |
| % Change | 0.62 | 2.43 | 0.20 | | -0.02 | 0.13 | -0.24 | -0.39 | 0.48 | 0.38 | 0.05 | 0.27 | 0.30 | -0.21 |

Economic & Financial News

Research & International Division

30/4/2015

*... Thailand's central bank surprised market with another interest rate cut ...
... Japan's industrial production fell in March ...*

South East Asia

Brunei's exports in February fell by nearly 30% compared to the previous year owing to sharp decline in gas and oil exports. Exports in February fell to BND795.3 million, 28.2% lower than the BND1.1 billion posted in February 2014. This is on back of the 28.3% decline in oil and gas exports - commodities which account for over 90% of the Sultanate's exports.

On a y-o-y basis, Brunei's crude exports declined by 39.5% to BND260.8 million. This was due to a 5.5% decrease in export volume, from 127.97 kbbl per day in February 2014 to 120.92 kbbl per day in February 2015. Price played a major factor, with weak demand and high supply pressuring global oil prices. LNG exports decreased by 20.5% on year to BND488.9 million. Export volume dropped to 917,813 MMBtu in February, down 10.3% from the same period in 2014. The average export price of LNG had gone down from USD16.96/MMBtu in February 2014 to USD13.99/MMBtu in February 2015.

Bank lending in Singapore fell for the fourth straight month in March as Singapore dollar loans to businesses continued to weaken. Total loans and advances amounted to SGD601.12 billion at the end of March, down from SGD603.52 billion at end-February. Loans to businesses fell 0.8% m-o-m to SGD363.51 billion, but consumer loans edged up 0.2% to SGD237.60 billion. Credit card loans declined to SGD9.94 billion in March from SGD10.17 billion in February.

Thailand's central bank surprised the market with another interest-rate cut due to a slower-than-expected economic recovery. The Bank of Thailand cut the one-day repurchase rate, the bank's benchmark interest rate, by 0.25 percentage point to 1.5%.

North East Asia

China produced less steel in the Q1 of the year due to shrinking demand amid slowing economy and government's effort to overhaul the saturated sector. The output of crude steel slipped 1.7% from a year ago to 200.1 million tonnes in the Jan-March period, accounting slightly more than half of the world's total. Meanwhile, steel prices continued to drop and inventories of steel mills kept piling high.

China increases subsidy to support compulsory education of CNY130.58 billion (USD21.35 billion) to support compulsory education mostly in rural areas. The volume marked a rise of 6.6%, or CNY8.09 billion, from last year.

Japan's industrial production fell in March, casting doubt on expectations that the central bank will opt to expand its already lavish monetary stimulus. Industrial production fell 1.2% in March from a year earlier and 0.3% from the month before.

Macau to cut spending if casino revenue dips under MOP17-18 billion a month. Earlier this month lawmakers passed the outline of the government's amendment budget bill for 2015, according to which the government expects total receipts of MOP119.9 billion this year, based on expected average gross gaming revenue of MOP20 billion a month.

South Korea's industrial output declined in March from a month earlier due mainly to a sharp drop in electronic parts and steel products. Production in the mining, manufacturing, gas and electricity industries dipped 0.4% last month from a month earlier. Compared with a year earlier, numbers were down 0.1%.

Nearly half of the 19 million wage and salary workers in South Korea are paid less than KRW2 million per month in last year. About 12.5% of 18.95 million workers earn less than KRW1 million a month, and 37% make somewhere between KRW1 million and KRW2 million. This means 49.5% of them, or 9.38 million people, are earning less than KRW2 million a month.

Retail sales in South Korea shrank 0.6% last month on a monthly basis. Demand for durable goods, such as furniture, rose 1.8%, but non-durable goods, including food and beverage, declined 2.1%.

Online shopping sales surged 18% in the Q1 in South Korea from the previous year, with the total volume of transactions reaching approximately USD11.6 billion. Purchases made through smartphones, tablets and other mobile devices soared roughly 80% in the same period to nearly USD4.7 billion.

Taiwan's GDP for the Q1 of this year rose 3.46% from a year earlier. The Q1 GDP growth data reflects declines in both domestic demand and bilateral trade. After seasonal adjustments, Taiwan's Q1 GDP rose 1.1% from the Q4 of last year.

Australasia

The Reserve Bank of New Zealand kept the official cash rate at 3.5% and said it may have to lower the rate should demand and inflationary pressures track lower than would be consistent with its inflation target.

Indian Sub-Continent

Bangladesh's foreign currency reserves have reached USD24 billion yesterday, setting a new record. The reserves now stand at USD19.04 billion, enough to pay off six months' imports and second highest among SAARC countries. Currently Bangladesh is ranked second in South Asia in forex reserve just after India. India has a forex reserve of USD339.99 billion.

Middle East and North Africa

Egypt's economic indicators are good and growth rates have increased to about 6% during the first half of the current fiscal year. The current fiscal year's budget witnessed an increase in the allocations of health and education to 20% of the total spending, while spending on energy subsidies increased to 16%. The next fiscal year's budget will allocate EGP11 billion to social security pensions.

Qatar's foreign merchandise trade surplus has declined 53.7% in March 2015 compared to same period last year. The trade balance of goods showed a surplus of QAR19.1 billion, a fall of QAR16.5 billion compared to March 2014. The fall was due to lower exports of petroleum gases and other gaseous hydrocarbons.

Tunisia's government has agreed to increase the wages of 800,000 public sector workers after negotiations with the main labour union. The increase will add about TND540 million (USD280 million) more public spending to the budget. It increases the minimum wage in the public sector by 15.6% to TND370 dinars, the second such hike in less than two years in the North African state.

Tunisian foreign currency reserves totalled TND14.609 million or the equivalent of 127 days of import at the end of March 2015 against TND13.097 and 112 days of import at the end of 2014.

Eastern Europe

The contraction of the Russian economy deepened in March as retail sales, construction and gas exports all declined. GDP contracted by 3.4% in March compared with a year ago after shrinking by 1.2% in February. Hit by lower oil prices, massive capital outflow and Western sanctions, Russia's economy has slid into recession and is set to contract this year for the first time since 2009.

Western Europe

French consumer spending slipped in March after four consecutive months of increases. Consumer spending in the eurozone's second-largest economy fell by 0.6% on the month in March as energy consumption sunk 3.2% and households spent less on manufactured goods.

German retail sales fell in March from the previous month, extending a smaller decline seen in February. Retail sales in March fell by 2.3% in real adjusted terms compared with February. On annual basis, retail sales expanded by 3.5% in real terms in March.

German unemployment fell in April to the lowest level in 24 years as the recovery in Europe's biggest economy continues to pick up speed. The number of people registered as unemployed in Germany fell by a seasonally-adjusted 8,000 to 2.792 million.

Spain's economy grew at a seven-year high of 0.9% in the Q1 of this year, compared with the last quarter of 2014. The eurozone's fourth-largest economy expanded at an annual pace of 2.6%.

North America

US real GDP increased at an annual rate of 0.2% in the Q1 this year, as uneven growth still haunted the world's largest economy amid a protracted weak recovery. Personal consumption, which accounts for about 70% of the economy, grew 1.9%, compared with an increase of 4.4% in the previous quarter.

South America

Brazil's central bank raised its benchmark interest rate to 13.25%, from 12.75%, extending a tightening cycle analysts say is approaching its end. The decision was based on the outlook for inflation, and was unanimous.

| Date | Gold Spot | NYMEX Natural Gas (\$/MMBtu) | Brent Oil (\$/bbl) | oil/nat. gas ratio | EUR | GBP | USD | AUD | Indo RUP | YEN | MYS RM | Phil Peso | Thai Baht | SGX Index |
|-----------|-----------|------------------------------|--------------------|--------------------|------|------|-------|-------|----------|-------|--------|-----------|-----------|-----------|
| 29-Apr-15 | 1,209.17 | 2.53 | 64.23 | 25.39 | 1.45 | 2.02 | 1.33 | 0.96 | 9769.44 | 89.59 | 2.68 | 33.30 | 24.54 | 3,487.49 |
| 30-Apr-15 | 1,204.04 | 2.59 | 65.99 | 25.48 | 1.45 | 2.03 | 1.32 | 0.95 | 9823.18 | 90.03 | 2.70 | 33.52 | 24.72 | 3,474.83 |
| % Change | -0.42 | 2.37 | 2.74 | | 0.15 | 0.04 | -0.67 | -0.88 | 0.55 | 0.49 | 0.73 | 0.67 | 0.75 | -0.36 |