

Economic & Financial News

Research & International Division

3/12/2013

*...Japan's business investment rose...
...Australia's current account deficit widened...*

South East Asia

The Philippines incurred a 17% increase in rice prices from June to October this year because of numerous cyclones and typhoons that crosses the country, reported the World Bank.

Big banks' bad loans ratio improved in the Philippines as of September versus a year ago, showing a prudent management of risks. The gross non-performing loans (NPL) ratio of universal and commercial banks fell to 2.6% as of September from 3% in the same period last year. The current level is also better than the 2.67% seen in August.

Malaysia's inflation rate is expected to increase following the hike in the electricity tariffs, Minister in the Prime Minister's Department, Datuk Seri Abdul Wahid Omar said.

Indonesia enjoyed a surplus of US\$42.4 million in its trade in October, with its exports reaching US\$15.7 billion and imports at US\$15.7 billion. The surplus was the third recorded this year after March and August.

Thailand's November consumer price index rose 1.92% from a year earlier, accelerating from October's 1.46% increase due to higher crude oil prices, Commerce Ministry said.

North East Asia

China's official purchasing managers' index (PMI) for the non-manufacturing sector eased slightly to 56.0 in November from 56.3 in October, the National Bureau of Statistics.

Japanese firms' capital spending rose in the Q3, up for the second consecutive quarter. The Finance Ministry contributed the upturn to yen's depreciation, which bolstered corporate profits, prodding companies to beef up investment. Business investment by all non-financial sectors increased 1.5% from a year earlier to ¥8.94 trillion (about US\$87.20 billion).

Korean Consumer Price Index (CPI) rose 0.9% on-year in November, up from a 0.7% gain in October, the state-run Statistics Korea said. Prices of eggs and taxi fares spiked on-year 14.6 % and 15.3% respectively.

Taiwan is facing a grim economic situation, said Kuan Chung-ming, head of the Council for Economic Planning and Development. Taiwan will introduce long-term measures in the next month or two with the goal of structurally resolving the country's economic problems.

Australasia

Australian retail sales rose modestly at 0.5% in October, the Australian Bureau of Statistics said. Sales for September were upwardly revised to an increase of 0.9%.

Australian government spending on consumption and investment rose 7.4% in Q3 to an inflation-adjusted AU\$86.15 billion, the Australian Bureau of Statistics reported.

Australia's current account deficit widened to AU\$12.71 billion in Q3. This followed a deficit of AU\$12.091 billion in the Q2, the Australian Bureau of Statistics said.

Indian Sub-Continent

Current account deficit in India narrowed sharply to \$5.2 billion, or 1.2% of GDP, in the July-September Q2 of 2013-14 on the back of turnaround in exports and decline in gold imports.

Middle East and North Africa

Around 25.3% of the Egypt's population lies beneath the poverty line in 2012/2013 – compared to 25.2% in 2010/2011. However, extreme poverty had dropped from 4.8% to 4.4%, according to the Central Agency for Public Mobilization and Statistics.

Oman is not going to introduce a remittance tax, which was recently proposed by the financial committee of Majlis Al Shura, along with the forthcoming budget for next year, Darwish bin Ismail Al Balushi, Minister Responsible for Financial Affairs said.

billion. That was up from September, when spending fell 0.3%, the Commerce Department said.

Western Europe

New car sales in Spain jumped 15.1% y-o-y in November, the third month of increase in a row and helped by government subsidies, car manufacturers' association Anfac said. Some 55,450 new cars were registered in November, compared with 48,155 in November 2012.

Buoyant demand for manufactured goods drove euro zone factory activity to accelerate at its fastest pace in over two years last month and allowed firms to build up a small backlog of work. Markit's Eurozone Manufacturing PMI rose to 51.6 last month from October's 51.3.

Italian factories came to the aid of the euro-zone economy in November, joining their German counterparts in supporting a modest expansion in manufacturing activity. Italian manufacturers made a large contribution, with the PMI rising to 51.4 from 50.7.

European banks continue to be engaged in deleveraging. It is partly driven by new capital requirements and partly by preparing for the next year's ECB's asset quality review and stress test. The deleveraging process includes reducing assets and boosting regulatory capital. Italian and Spanish officials are finding creative ways to help the banks.

North America

U.S. construction spending increased 0.8% in October to a seasonally adjusted annual rate of US\$908.4

Mexico's manufacturing sector sentiment rose in November as a strong increase in new orders suggested an emerging economic recovery may gain more steam. The HSBC Mexico Manufacturing Purchasing Managers' Index jumped to 54.4 in November from 51.1 in October.

Oil & Gas News

Brent for January settlement rose \$1.76, or 1.6%, to end the session at \$111.45 a barrel on the London-based ICE Futures Europe exchange.

Commodities News

Gold futures for February delivery fell 2.3% to settle at \$1,221.90 at 1:58 p.m. yesterday on the Comex in New York.

Cocoa for March delivery advanced 0.9% to settle at \$2,813 a ton at 12:03 p.m. Dec.2 on ICE Futures U.S. in New York, after reaching \$2,844.

Raw sugar for March delivery slid 1% to settle at 16.97 cents a pound at 2 p.m. yesterday on ICE Futures U.S. in New York.

Currency News

The dollar was little changed at 102.95 yen as of 8:43 a.m. in Tokyo after touching 103.13 on Dec. 2.

The pound advanced 0.3% to 82.79 pence per euro at 4:33 p.m. yesterday London time after appreciating to 82.53 pence.

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
30-Nov-13	1,253.35	3.95	109.69	27.77	1.71	2.06	1.26	113.95	9535.62	81.97	2.57	34.86	25.55	3,176.35
03-Dec-13	1,222.34	3.99	111.45	27.93	1.71	2.06	1.25	114.73	9517.46	81.60	2.57	34.85	25.68	3,188.45
% Change	-2.47	1.01	1.60		-0.23	0.22	-0.10	0.68	-0.19	-0.45	-0.03	-0.03	0.50	0.38

Economic & Financial News

Research & International Division

4/12/2013

*...Singapore's home loans growth slowed...
...Japan getting ready economic package...*

South East Asia

Brunei's economy grew 2% in Q2 2013. At current prices, the economy was valued at \$4.851 billion in the Q2 2013, from \$4.779 billion in the same period last year, the Department of Economic Planning and Development (JPKE) data showed.

Philippines' total exports grew 7% to 8% this year from a year ago, supported by the performance of non-electronic products and services, said the Trade undersecretary.

Bank Indonesia is likely to maintain its benchmark interest rate at 7.5% until the end of 2014, the National Economic Committee (KEN) predicted. The central bank is more worried about the current account deficit than inflation, slowing economic growth or the unemployment rate, he added.

The ASEAN Infrastructure Fund Ltd. (AIF) has commenced lending operations with a US\$25 million loan to fund power links in Indonesia, becoming a new source of funding for the development of priority infrastructure projects in the region.

Moody's Investors Service said the positive outlook for the Malaysian Government's A3 rating is based on the improved prospects for fiscal consolidation and reforms, as well as the country's resilient growth, benign inflation rate and current account surplus.

Growth in Singapore's home loans slowed to 12% in September this year, down from a peak of 22% growth in September 2010. But the Monetary Authority of Singapore warned that some over-leveraged households may be vulnerable when interest rates increase.

The large gas prices hike in Vietnam beginning December 1 has shocked many local consumers. Prices have increased by US\$2.20 since June, but following this most recent price hike, consumers must pay nearly US\$4 per canister.

Vietnam's exports fell 2.5% in November to US\$12.3 billion with most fisheries and agricultural items seeing decreases, according to the Ministry of Industry and Trade.

The regular growth of the Vietnamese industrial sector increased in the first 11 months by only 5.6% y-o-y, according to the Ministry of Planning and Investment.

North East Asia

China's services outsourcing sector is booming, with total contract rising 41.6% y-o-y to US\$64.81 billion in the first 10 months of 2013. The sector created 738,000 jobs during the Jan-Oct period. As of the end of October, more than 5 million workers employed in the sector, the Ministry of Commerce said.

PM Shinzo Abe is readying a US\$182 billion economic package this week in his latest bid to pull the economy out of deflation, but the new measures will not require the government to sell more debt.

The South Korean government announced a revised set of measures to help revitalise the country's sluggish home market, but the plan is widely viewed as a significant retraction from the president's earlier pledge to supply affordable homes to low-income earners.

Australasia

The Reserve Bank has left Australia's official interest rate unchanged at the historic low of 2.5%. Governor Glenn Stevens said uncertainty remains about the strength of economic growth outside Australia's mining sector.

Indian Sub-Continent

India imports up to 130,000 barrels per day (bpd) of Iranian oil so far this fiscal year, and India intends to buy up to an average 220,000 bpd of oil from Iran in the year ending 2014.

Middle East and North Africa

Saudi Arabia's foreign assets grew by nearly SAR237 billion in the first 10 months of 2013, indicating the world's largest oil exporter is heading for another massive fiscal surplus, Saudi Arabia Monetary Agency said.

Saudi Arabia needs to strengthen its private sector to satisfy demand for jobs by its young population and reduce its dependence on oil exports, a senior International Monetary Fund official warned.

Libya currently produces around 224,000 barrels per day (bpd) of oil, almost half of which is used to feed its Zawiya refinery, leaving exports at around 130,000 bpd.

Turkey's inflation rate rose 0.01% over the previous month at 7.32% in November 2013, Turkish Statistics Institute said.

Egypt received US\$2.48 billion worth of fuel from Saudi Arabia, the UAE, and Kuwait as a form of aid during troubled times, between the end of July 2013 and the end of November.

Western Europe

British shop prices fell in November, driven mainly by promotions on non-food items, the British Retail Consortium said. Shop prices fell 0.3% compared with a year earlier after easing 0.5% in October.

Italy should be satisfied and proud of efforts made for the recovery of public finances, Italian President Giorgio Napolitano said. According to the OECD, Italy is successfully reducing its budget deficit though it is failing to cut down its public debt.

Credit to Spanish households in October fell by 4.7% from the previous month to €793.940 billion. Credit to families has been falling 4.7% in October to €614.860 billion. Lending to companies fell 10% in October to €1.081 trillion, the Banco de España reported.

Spain's unemployment fell slightly in November by under 2,500 in November. Spain is still suffering from mass unemployment, with about 4.8 million people out of work. That represents around 26% of its total workforce, according to Labour Ministry.

North America

Mexican Senate committees passed an electoral reform, taking Congress a step closer to a bill to open up the oil and gas industry. That bill forms part of a package

of reforms encompassing efforts to open up the telecommunications sector, improve bank lending and strengthen the tax.

The U.S. posted the biggest gain among the major economies with apparel production up nearly 3.9%, the Vienna-based U.N. Industrial Development Organization reported.

South America

Brazil's economy shrank 0.5% last quarter, driven down by a poorer performance from the country's agricultural sector, according to the Instituto Brasileiro de Geographica e Estatistica. Investment fell by 2.2% during the period.

Chile's central bank said that better oversight is needed for companies that have both financial and non-financial operations, noting that worries over the situation at one bank's parent company had hit its securities and pushed up its borrowing cost.

Oil & Gas News

Average U.S gasoline prices fell over the past week to an average of \$3.27 a gallon in the U.S down \$0.02 from the \$3.29 last week. Diesel prices continued their upward, as prices rose \$0.04 to \$3.88 per gallon in the U.S.

Brent oil gained \$1.17, or 1.1%, to \$112.62 a barrel for January settlement on the London-based ICE Futures Europe exchange yesterday.

Currency News

The euro was little changed at \$1.3592 as of 8:51 a.m. in Tokyo after climbing to \$1.3622 on Nov. 29.

Canada's currency fetched C\$1.0640 per dollar from C\$1.0649 yesterday, when it slid to C\$1.0673.

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Economic & Financial News

Research & International Division

7/12/2013

*...Australia has free trade agreement with South Korea...
...US added jobs in November ...*

South East Asia

Malaysia's trade surplus narrowed in October to RM8.2b billion, from RM8.7 billion in the previous month. This was mainly due to higher imports growth. Exports increased 9.6% y-o-y, from 5.6% in September, while imports rose 13.9% y-o-y, from 2.8% in September.

The Philippines' forex reserves increased to US\$84.025 billion in November, from US\$83.607 billion in October, the Bangko Sentral ng Pilipinas (BSP) said. The increase in reserves was mainly due to foreign exchange operations and income from investments of the BSP as well as foreign currency deposits.

Up to 80% of Thai imports now take advantage of tax incentives, which results in a heavy impact on government revenue, the Thai Customs Department said. This has lowered the expected tax income by 14% in the first two months of the 2014 fiscal budget year," said Rakop Srisupaat, director-general of the department.

Vietnamese local property industry attracted US\$880 million in foreign direct investment in the first 11 months of this year. The investment was only half the amount for the same period last year, but the number of projects rose, according to the Ministry of Planning and Investment's Foreign Investment Agency (FIA).

North East Asia

China is to combine two subsidised housing programs - low-rent and public rental - and manage them together as "public rental housing" next year. The Ministry of Finance said that it had allocated US\$1.3 billion to support low rent housing and US\$9.5 billion for public rental projects in 2013.

Chinese workers will be allowed to pay income tax for their annuities based on the actual amounts they receive after retirement starting in early 2014. This aims to promote the development of the country's multi-tiered pension system.

The Abe administration is considering increasing the automobile weight tax from fiscal 2014 for vehicles with registrations of over 11 years. The administration proposed to raise the tax for such vehicles by ¥900 to ¥1,000 per 500 kg.

South Korea's trade volume topped US\$1 trillion for the third consecutive year. In a statement, the Ministry of Trade, Industry and Energy said the country's exports reached an estimated US\$519.4 billion yesterday, already surpassing the annual total of US\$512.8 billion in 2012 and US\$515.3 billion in 2011.

Australasia

Australia has sealed a free trade agreement with South Korea, promising more opportunity for car-parts makers looking to win new business outside Australia, the Department of Foreign Affairs and Trade announced.

Indian Sub-Continent

India's foreign exchange reserves jumped by US\$5 billion to \$291.30 billion for the week ended November 29. The foreign currency assets grew as the Reserve Bank of India mobilised dollars that brought in US\$34 billion into India.

Middle East and North Africa

Saudis believe that reducing the number of illegal workers will create more jobs for Saudis. The official Saudi unemployment rate is at 12%. A majority of the one million foreign workers is unskilled labour and domestic workers.

Egypt's central bank cut its key interest rates by 50 basis points each at a monetary policy committee meeting. Inflation hit 10.44% in October, from 10.15% in September. The bank cut its overnight deposit rate to 8.25% and its overnight lending rate to 9.25%.

Total cumulative Arab investments in Egypt have reached US\$50 billion to date, compared with roughly US\$47 billion in foreign investments, the Egyptian Investment Minister, Osama Saleh said.

Western Europe

German industrial orders posted their biggest fall in nearly a year in October but the trend remained upward. Factories experienced their fastest decline in contracts since November of last year, with orders dropping by 2.2% on the month, the Economy Ministry said.

France's customs service said that the country's 12-month commercial trade deficit hit €60.6 billion in October. A persistent trade deficit like the one France has been running may be a symptom of a loss of competitiveness of an economy and a drag on growth.

U.K. house prices surged by 7.7% annually in November, Halifax has reported. The strengthened demand in the market combined with a lack of homes for would-be buyers to choose from. Prices rose by 1.1% month on month to reach £174,910.

Italy's consumer spending continued to weaken in October compared with the same time last year; Confcommercio said that sales fell by 2.1% y-o-y, although they rose slightly compared with September.

Italy's tax burden climbed to 44% of GDP in 2012, compared to 42.5% in 2011, the Bank of Italy said. The high tax level is widely seen as a factor in recession-hit Italy's poor economic performance over the last decade.

The Spanish industrial production increased by 1.8% in October when compared with the same month in 2012, the National Institute of Statistics reported.

North America

The U.S. economy increased at an annual rate of 3.6% in the Q3 before the 16-day partial government shutdown, boosted by private inventories and residential fixed investment, the U.S. Commerce Department.

New orders for U.S. manufactured goods declined US\$4.4 billion, or 0.9%, to a seasonally adjusted US\$487

billion in October, in comparison with a revised 1.8% increase in September, mainly triggered by falling new orders for durable goods.

U.S employers added 203,000 jobs in November, and the unemployment rate fell to 7%. The economy added an average of 204,000 jobs from August through November, up sharply from 159,000 a month from April through July.

Canada added 21,600 jobs in November, and the unemployment rate stayed at a nearly five-year low of 6.9%, Statistics Canada said.

The Banco de Mexico maintained its benchmark interest rate at 3.50%, after cutting rates in September and October to boost growth but warned about persistent risks to growth.

South America

Brazil's annual inflation cooled slightly in November as food costs slowed. Brazil's CPI rose 5.77% in the 12 months through November, from 5.84% in the prior month, statistics agency IBGE said.

Chile's consumer prices climbed 2.4% in the 12 months through November, Chile's national statistics agency reported.

Oil & Gas News

Brent oil increased 63 cents for January settlement, or 0.6%, to end the session at \$111.61 a barrel on the London-based ICE Futures Europe exchange.

Currency News

The yen fell 1.1% to 102.91 versus the dollar at 5 p.m. in New York yesterday.

The U.S dollar lost 0.3% to \$1.3706 per euro. The euro gained 1.4% to 141.03 yen.

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
05-Dec-13	1,238.86	3.99	111.68	27.99	1.70	2.06	1.25	113.64	9577.63	81.81	2.57	34.88	25.65	3,128.68
07-Dec-13	1,229.10	4.11	111.61	27.16	1.71	2.05	1.25	113.57	9550.19	81.22	2.57	34.99	25.79	3,114.17
% Change	-0.79	3.01	-0.06	0.56	-0.37	-0.02	-0.06	-0.29	-0.72	0.08	0.33	0.52	-0.46	

Economic & Financial News

Research & International Division

10/12/2013

*...Indonesia's Import Tax Plan to Plug Current Account Gap...
...Russia Embarking on Economic Reforms...*

South East Asia

Indonesia outlined new fiscal policies, including an increase in taxes on goods ranging from smartphones to jewelry, in a bid to curb imports and raise revenue as a way to reduce its swelling current account deficit by as much as US\$4 billion next year, Finance Minister M. Chatib Basri said.

The Bangko Sentral ng Pilipinas (BSP) announced that it has approved stricter capitalization requirements for foreign bank branches in the country by 2015. Under the new rules, local offices of foreign banks are now required to put up capital that is permanently assigned for their operations in the Philippines.

Malaysia's strong economic and financial situation has been ratified by the World Bank and Moody's rating, according to Second Finance Minister Datuk Seri Ahmad Husni. In the Doing Business 2014 report, the country jumped to sixth spot from 12th position in 2013, showing the Government's commitment to enhancing the delivery system's efficiency and transparency

Malaysia's exports of palm oil and related products to China rose 16.5% in the first 10 months of this year to 3.9 million tonnes versus 2012, according to Malaysian Palm Oil Board. The shipments were valued at RM9.02 billion, down from RM10.26 billion due to lower crude palm oil prices.

A stall in the THB 2 trillion infrastructure development plan following House dissolution would not affect Thailand's economy much as annual budget disbursement remains on track, the Bank of Thailand's deputy governor Kirik Vanikkul said.

The current Vietnamese annual income is approximately \$2,000 per person, which is 14 times higher than that of 21 years ago. However, the majority of 90 million Vietnamese people remain poor.

Myanmar and the IMF will strengthen cooperation in the prior's financial reform. This includes IMF assistance in reform process of banking system, financial sector and monetary policy in Myanmar.

North East Asia

China's inflation grew 3% y-o-y in November, down from the 3.2% recorded in October, the National Bureau of Statistics said. While its producer price index (PPI) contracted 1.4% y-o-y in November, following a 1.5% drop in October.

Japan's labour ministry plans to spend ¥138 billion to promote employment under a supplementary budget aimed at boosting the country's stagnant economy. Creating jobs for women, youths and the aged, hiking wage and improving labour conditions for non-regular employees will be the measures to achieve the goal.

The Japanese government downgraded the country's Q3 economic growth read to an annualised rate of 1.1%, down from 1.9% released last month, said Japan's Cabinet Office in a report.

South Korea's outbound shipments of ICT products increased to US\$14.66 billion in November, up 1% from the same month last year, due to growing shipments to China and other Asian countries, according to the Ministry of Science, ICT and Future Planning.

Household loans extended by South Korean financial institutions grew by the largest amount in four months in October amid an increase in housing transactions, the Bank of Korea said. Outstanding household lending by local banks and non-bank institutions totalled a record ₩676.1 trillion (US\$643.2 billion) as of end-October, up ₩4 trillion from the previous month.

South Korea has collected nearly ₩2 trillion (US\$1.9 billion) in additional revenue so far this year by regulating business activities taking place in the underground economy. The government brought in a total of ₩1.99 trillion in additional tax revenue until September this year.

Australasia

Australian home loan approvals rose 1% in October this year. There were 52,305 approvals in the month, compared to 51,792 approvals in September, according to Australian Bureau of Statistics.

Middle East and North Africa

President Hassan Rouhani presented his first budget to Parliament, vowing to bring down inflation and boost growth to lift an economy reeling from sanctions. The overall budget ceiling is estimated at about US\$265 billion.

Saudi non-oil exports rose by 12.6% in October 2013, reaching SR17.97 billion, compared to the figures of the same period last year, according to Central Department of Statistics and Information.

Egypt's budget deficit registered LE74.5 billion (US\$10.8 billion) in the first four months of the current fiscal year 2013/14, representing 3.6% of the GDP, according to Finance Ministry.

Egypt's net foreign currency reserves fell by around US\$825 million in November. The Central Bank of Egypt reported the foreign currency reserves stood at US\$17.76 billion by the end of last month.

Eastern Europe

The Russian government is pushing to boost labour productivity by freeing up excess workers and cut spending at both state and private-sector companies, First Deputy Prime Minister Igor Shuvalov said. The Central Bank of Russia has begun letting the ruble's exchange rate slide and is cracking down on weak and unstable banks.

Western Europe

German trade surplus narrowed to €16.8 billion in October, after a surplus of €18.7 billion a month earlier, as imports grew at a higher rate than exports. Compared with the previous month, exports expanded by 0.2% in October, while imports grew by 2.9%, the German Federal Statistical Office said.

Germany's industrial production adjusted for seasonal fluctuations, fell 1.2% in October from September, when it fell a revised 0.7%, the Economy Ministry reported from Berlin.

Italian banks cut back further on lending to companies in October as non-performing loans continued to rise at an unchanged annual pace of 22.9%, Banca d'Italia said.

PM Mariano Rajoy said that falling wages had allowed Spain to save jobs, which is grappling with an unemployment rate of nearly 26%. Lower wages were one of the keys to overcome the economic crisis, he said.

North America

New home-building in Canada slowed slightly in November. The seasonally adjusted annualised rate of housing starts was 192,235 units last month from a downwardly revised 198,161 in October, the Canada Mortgage and Housing Corp said.

South America

Chilean mining exports decreased to US\$3.60 billion in November, down 12.8% compared to US\$4.13 billion in November last year, according to Banco Central de Chile. The country's main mining export, copper, also posted a decrease, down 14.5% m-o-m in November to US\$3.33 billion.

Inflation in Mexico accelerated in November as a seasonal increase in electricity rates and higher gasoline prices combined with a rise in price of fresh fruits and vegetables. The CPI is moving up to 3.62% from 3.36% at the end of October, the National Statistics Institute said.

Oil & Gas News

WTI for January delivery was at \$97.54 a barrel, up 20 cents, in electronic trading on the New York Mercantile Exchange at 11:41 a.m. today in Singapore time.

Commodity News

Bullion for immediate delivery fell as much as 0.2% to \$1,238.16 an ounce, and traded at \$1,238.99 at 8:40 a.m. in Singapore today.

Currency News

The euro bought \$1.3759 at 11:16 a.m. in Tokyo from \$1.3739 yesterday, after touching \$1.3768, the highest since Oct. 30.

The yuan climbed 0.2% to close at 6.0723 per dollar in Shanghai, after touching 6.0713 earlier.

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-Dec-13	1,229.10	4.11	111.61	27.16	1.71	2.05	1.25	113.57	9550.19	81.22	2.57	34.99	25.79	3,114.17
10-Dec-13	1,239.56	4.24	109.6	25.85	1.71	2.04	1.25	113.99	9576.71	82.28	2.57	35.14	25.68	3,102.98
% Change	0.85	3.16	-1.80		0.04	-0.17	-0.22	0.37	0.28	1.31	0.15	0.41	-0.42	-0.36

Economic & Financial News

Research & International Division

11/12/2013

...Industrial output growth in China slows to 10% in Nov...

...Egypt Urban Inflation hits 4-year high in November...

South East Asia

The ratio of the Philippines government deficit to GDP continued to ease, hitting 1.2% as of end-September, way below the target of 2% for 2013 as the government stepped up efforts to manage the country's debt.

The property market in Penang will slow down next year, as there will be reduced transactions and fewer new launches. Real Estate Housing Developers' Association (Penang) chairman said that the real property gains tax (RPGT) and tighter loan conditions imposed by banks were the reasons for the property market slowdown.

Bank Negara Malaysia is expected to revise its overnight policy rate (OPR) upwards by 25 basis points to 3.25% in Q2 of 2014 due to inflationary pressure, according to United Overseas Bank (UOB). It said the rate would remain at the level until year-end. Malaysia's OPR has been maintained at 3% since May 2011.

Net FDI surged in September from a year ago, the Bangko Sentral ng Pilipinas (BSP) reported yesterday. Net FDI inflows reached \$319 million in September, 141.67% higher than the \$132 million recorded in the same month last year, the central bank said.

The Asian Development Bank on Wednesday lowered the growth forecast for South-East Asia amid the political turmoil in Thailand and the devastation from Typhoon Haiyan in the Philippines. In an update to its annual Asian Development Outlook report, it raised the outlook for China's growth by 0.1 percentage points to 7.7% in 2013 and 7.5% in 2014.

North East Asia

China November industrial output growth slows to 10.0% from 10.3% expansion recorded in October but retail sales rose at a faster pace 13.7% in November from the year before which an acceleration from the 13.3% in October.

Japan's core machinery orders rose 0.6% in October, rebounding from a fall in the previous month and boding well for stronger capital expenditure.

South Korea's unemployment rate fell slightly to 2.9% in November, as healthcare and other service industries added more jobs. In October, the seasonally adjusted unemployment rate stood at 3.0%.

Australasia

The Australian government recorded a 27.9 billion AU dollars (almost 25.4 billion U.S. dollars) fiscal deficit in the last financial year according to the Consolidated Financial Statements for 2012-13, Minister for Finance Mathias Cormann said.

Indian Sub-Continent

Indian inflation is forecasted to remain close to 9-month highs in November, putting further pressure on the central bank to follow up on its back-to-back interest rate hikes despite slowing economic growth. Consumer prices were forecasted to have risen 10% annually last month, barely changed from the 10.09% clocked in October.

Middle East and North Africa

Egyptian urban consumer inflation soared in November to its highest annual rate in nearly four years, increasing the risk of social unrest and potentially serving up a policy dilemma for the central bank.

Libyan oil ports are set to reopen next week after months of closure following an agreement reached Tuesday on greater regional oversight of oil-sales proceeds.

Eastern Europe

The minimum wage in Moscow will increase to 12,600 rubles (\$384) a month starting in January, with a further 250-ruble raise planned for July. In July, the minimum wage in the capital was raised from 11,700 rubles to 12,200 rubles.

Western Europe

The UK economy grew by 0.8% in the past three months as the recovery continued. Separate figures from the Office for National Statistics showed factory production increased by 0.4% in October but exports fell 1.3% as demand from Europe fell.

The economy will grow by 0.5% this year and 1.1% next year, forecasted the Irish, Nevin Economic Research Institute, with unemployment dropping to 10.4% by 2016, according to its latest Quarterly Economic Observer.

French industrial output dropped unexpectedly in October for the second month in a row, providing a further indication of a weak start to the final quarter of 2013 in the euro zone.

North America

Job openings in the U.S. climbed in October to the highest level, showing employers were looking beyond the budget impasse in Washington amid growing confidence in the economic expansion. The number of positions waiting to be filled rose by 42,000 to 3.93 million, the Labor Department reported in Washington.

U.S. budget negotiators unveiled an agreement to ease automatic spending cuts by about \$60 billion over two years and reduce the deficit by \$23 billion, breaking a three-year cycle of fiscal standoffs.

Oil & Gas News

WTI for delivery in January finished at \$98.51 a barrel, a gain of \$1.17 from Monday's closing price. Brent Crude for January settled at \$109.38 a barrel.

Commodity News

Gold futures for February delivery jumped 2.2% to settle at \$1,261.10 an ounce.

Silver futures for March delivery climbed 3.1% to \$20.315 an ounce in New York, after reaching \$20.43.

Currency News

Thailand's baht rose 0.3% to 31.985 per dollar in Bangkok.

The won climbed 0.1% to 1,051.00 per dollar in Seoul.

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
10-Dec-13	1,239.56	4.24	109.6	25.85	1.71	2.04	1.25	113.99	9576.71	82.28	2.57	35.14	25.68	3,102.98
11-Dec-13	1,260.54	4.26	109.38	25.68	1.72	2.06	1.25	113.77	9595.09	82.66	2.56	35.41	25.68	3,081.72
% Change	1.69	0.47	-0.20		0.31	0.59	-0.10	-0.19	0.19	0.45	-0.49	0.78	-0.01	-0.69

Economic & Financial News

Research & International Division

12/12/2013

*... Malaysia on track for GDP 4.5 – 5.0% GDP Growth...
...Australian Unemployment rate rises to 5.8% in November...*

South East Asia

The Asian Development Bank (ADB) has approved a 100 million USD aid package to support the development of tourism infrastructure in the three Mekong River countries of Vietnam, Laos and Cambodia.

Malaysia's industrial production index (IPI) in October grew a stronger-than-expected 1.7% y-o-y following a rebound in manufacturing, and surprised economists who forecast of a 0.8% increase.

Malaysia is on track to achieving a GDP growth of between 4.5 to 5.0% this year and 5.0 to 5.5% in 2014 on improved external factors, Bank Negara Malaysia Governor said.

Pepper exports in Vietnam set to hit record high about 130,000 to 135,000 tonnes this year for a record value of US\$900 million, up 12% from last year. In the domestic market, prices have increased by 30% this year to more than VND160,000 a kilo.

North East Asia

China's fiscal revenues in November rose 15.9% from a year earlier to 912.5 billion yuan (US\$150.30 billion), the Ministry of Finance said, slowing slightly from October's 16.2% rise.

Chinese banks lent more than expected in November due to higher corporate demand while the growth of money supply slowed month on month as the central bank sought to control liquidity distribution. New yuan loans totaled 624.6 billion yuan (US\$103 billion) last month, up 102.6 billion yuan from a year earlier and above October's 506.1 billion yuan, the People's Bank of China said.

Overcapacity threatens China growth especially massive industrial overcapacity is the biggest obstacle facing China's economy which seems intent on keeping GDP from falling off too quickly particularly steel industry in which the problem is severe.

Japan's wholesale prices rose 2.7% in November from a year earlier for the eighth straight month of increase and the biggest gain in five years, as a weaker yen and higher energy prices led to rises in a wide range of items, the Bank of Japan said.

Economists cut Japan's economic growth forecast for the second straight month, as a slowdown in capital expenditure and lackluster export demand weighs on the outlook for the current fiscal year.

South Korea's central bank froze its policy rate at 2.5%, keeping its wait-and-see stance for seven straight months ahead of the U.S. central bank's regular monetary policy meeting.

The Bank of Korea kept its benchmark interest rate unchanged, with near 14-year-low inflation giving it room to support a rebound in Asia's fourth-biggest economy as a declining yen threatens exports. Governor Kim Choong Soo held the seven-day repurchase rate at 2.5%, the same level since a cut in May, the central bank said.

Australasia

Australia's unemployment rate rose to 5.8% in November from 5.7% in October, edging closer to a post-financial crisis high.

New Zealand food prices fell last month as lamb led a decline in meat and seasonal prices fell for fruit and vegetables. Food prices rose on an annual basis, suggesting inflation pressures may be emerging. Food prices rose 0.2% in November from October and rose 1.4% from a year earlier, according to Statistics New Zealand.

New Zealand's central bank stepped up its inflation fighting rhetoric and signaled it will start raising interest rates in the first half of next year as the economy strengthens.

Indian Sub-Continent

India's trade deficit narrows to \$9.21 billion in November, as import of gold and silver declined sharply. Both import of gold and silver fell by 80.55% during the month and stood at \$1.05 billion from \$5.4 billion imported in the corresponding period of 2012.

Indian Finance minister blamed state governments for not taking action to tame rising inflation and political opportunism for the Centre's inability to push through key reforms. Runaway prices have contributed to

the unpopularity of the Congress-led United Progressive Alliance, which suffered heavy losses in the recent assembly polls, leaving it with little time to fix things before next year's general election.

Asian Development Bank today said India is likely to record 4.7% growth in the current fiscal which will improve to 5.7% next year.

Foreign Direct Investment (FDI) in India declined by about 15% to \$12.6 billion (Rs 74,971 crore) during April-October this year. According to the Department of Industrial Policy and promotion (DIPP), FDI in the same period last year was \$14.78 billion.

Middle East and North Africa

Egypt's tourism was up 20% in November, according to the Ministry of Tourism. In the year leading up to November, Egypt saw around 8.7 million tourists, compared with 10.5 from the first eleven months in 2012.

Turkey's central bank chief said that the current account deficit was holding back economic growth, adding that the bank will stay cautious on monetary policy until inflation falls in line with its targets. For the first 10 months of the year, Turkey's current account deficit widened to \$51.901 billion from \$39.553 billion a year earlier.

Ghana's inflation for November inched up to 13.2% y-o-y from 13.1% recorded for October, the Ghana Statistical Service (GSS) said.

North America

The U.S. federal government registered a budget deficit of about 135.2 billion U.S. dollars in November, the second month of the 2014 fiscal year, the U.S. Treasury Department said. The federal government raked in revenue of 182.5 billion dollars last month, about 12.8% higher than the year-ago level.

Oil & Gas News

West Texas Intermediate (WTI) for delivery in January slid US\$1.07, closing at US\$97.44 a barrel. Brent crude for January, rose 32 US cents to settle at US\$109.70 a barrel.

Natural gas for January delivery rose 10 cents to \$4.337 per million British thermal units on the New York Mercantile Exchange.

Commodity News

Bullion for immediate delivery rose and fell at least 0.2%, before trading \$2.53 higher at \$1,254.78 an ounce in Singapore.

Currency News

The yen rose 0.4% to 102.42 per dollar, after sliding to 103.39 yesterday. It added 0.2% to 141.20 per euro after depreciating to 142.17 yesterday.

The pound declined 0.5% to \$1.6361 in London, after rising to \$1.6466 yesterday.

The Australian currency fell 0.2% to 90.27 U.S. cents in Sydney after dropping 1.1% yesterday.

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-Dec-13	1,260.54	4.26	109.38	25.68	1.72	2.06	1.25	113.77	9595.09	82.66	2.56	35.41	25.68	3,081.72
12-Dec-13	1,255.49	4.36	109.72	25.17	1.72	2.05	1.25	114.08	9614.46	82.13	2.57	35.36	25.62	3,050.12
% Change	-0.40	2.35	0.31	-0.04	-0.09	-0.02	0.27	0.20	-0.64	0.31	-0.14	-0.23	-1.03	

Economic & Financial News

Research & International Division

14/12/2013

...Singaporean Unemployment rate falls 1.8% in Q3...

... Wages in Britain grew ...

South East Asia

Bank Indonesia (BI) kept its benchmark interest rate unchanged at 7.5% as the macroeconomic indicators began to show positive signs.

The Monetary Board of the Bangko Sentral ng Pilipinas decided to keep the current key policy rates at 3.5% on the back of manageable inflation environment.

The National Statistics Coordination Board said the Filipino's poverty rate has not been improving significantly since 2003, as the number of above-poverty line individuals who become poor is almost equal to those moving out of poverty.

The unemployment rate in Singapore has fallen to 1.8% in Q3 2013, 0.3 percentage points lower than that of the previous three months.

Singapore retail sales fell 9.4% in October 2013 compared to a year ago due to lower motor vehicles sales.

North East Asia

China will continue to implement the proactive fiscal policy and prudent monetary policy in 2014. It will push forward interest rate liberalization and exchange rate reforms next year.

Prime Minister Shinzo Abe's government has decided to raise Japan's real GDP growth forecast to 1.3% for the fiscal year starting March 2014 from the 1.0%.

Prime Minister Shinzo Abe pledged US\$20 billion of aid and loans to Southeast Asia, as he looks to drive exports and bolster friendships in the region.

Japan has expanded currency swap agreements with Indonesia and the Philippines, as Tokyo looks to bolster regional relations to counter the growing influence of China.

Australasia

The New Zealand consumer confidence index increased 1 point to 129.4 in December, the highest level since January 2010.

Indian Sub-Continent

India's inflation rate likely remained at high levels in November as rising fuel costs and a weak rupee offset cooling food prices. India's wholesale price index rose 7% last month compared to a year earlier.

Middle East and North Africa

Saudi Arabia's inflation edged up to 3.1% y-o-y in November mainly because of higher food and housing costs. The prices of food and beverages rose 5.4% y-o-y in November and 0.6% from the previous month.

Eastern Europe

The Russian Central Bank left its key interest rate on hold as it expects inflation to fall in the first half of 2014 but not to reach its 5% target until the second half. Accordingly, it held the benchmark one-week minimum auction repo rate at 5.5%.

Western Europe

Wages in Britain grew during November, providing a rare signal that a long-term decline in real incomes is being checked by a return to economic growth. Prices have been consistently outpacing wages in Britain in recent years, squeezing household budgets and making the cost of living a key political battleground ahead of a general election in 2015.

Construction output in UK grew solidly in October, led by the biggest rise in house building in more than two years. An upward revision to construction output in the three months to September is also likely to add an extra 0.1 percentage points to third quarter GDP growth, the Office for National Statistics said.

Italy's public debt reached a record level of 2.085 trillion euros in October, from 2.068 trillion euros the previous month, the central bank said. The public debt stands at around 133% of national GDP, highest rate in the eurozone after Greece.

The International Monetary Fund disbursed Ireland's last aid tranche on Friday, as it became the

first euro zone member to successfully exit its international bailout. Ireland received \$890 million from the IMF, one of a trio of lenders that oversaw Dublin's 85 billion euro (\$117 billion) bailout, needed after its biggest banks collapsed in 2010.

Spain's inflation rate was 0.3% in November due to higher transportation costs, official data showed.

Spain's debt rose to 93.4% of GDP between July and September, compared to the government's year-end target of 94.2% of GDP, the Bank of Spain said.

North America

US producer prices fell 0.1% in November, as gasoline prices maintained their downward trend.

The Canadian economy added 21,600 jobs last month versus a consensus forecast of just 12,000 jobs. That kept the unemployment rate at 6.9% for the third consecutive month.

Bank of Canada Governor said his policy interest rate may remain unchanged as the central bank

weighs the risk of a sharp correction in housing prices against the threat posed by persistently low inflation.

Oil & Gas News

West Texas Intermediate crude fell 90 cents for January to \$96.60 a barrel. Brent crude for January finished 16 cents higher at \$108.83.

Commodity News

Gold futures climbed 0.9% for February delivery to \$1,235.90 in New York.

Currency News

The pound weakened 0.4% to \$1.6289 in London after climbing to \$1.6466 on Dec. 10.

Australia's dollar traded at 89.26 U.S. cents in Sydney. It rallied 0.2% to NZ\$1.0857 after yesterday dropping to NZ\$1.0817.

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
12-Dec-13	1,255.49	4.36	109.72	25.17	1.72	2.05	1.25	114.08	9614.46	82.13	2.57	35.36	25.62	3,050.12
14-Dec-13	1,238.69	4.35	108.83	25.02	1.73	2.05	1.26	112.43	9623.71	82.57	2.57	35.21	25.55	3,066.02
% Change	-1.34	-0.23	-0.81		0.50	-0.03	0.48	-1.45	0.10	0.54	0.23	-0.41	-0.26	0.52

Economic & Financial News

Research & International Division

17/12/2013

... India inflation speeds up to 14-month high of 7.52% ...

... Chinese leaders have made cleaning up government debt a crucial task for next year ...

South East Asia

Vice President of Indonesia is optimistic that with better control of food-price inflation, Indonesia's economy will grow by between 5% and 6% in 2014.

The Malaysian government has targeted RM53 billion in timber exports by 2020, with the furniture sector contributing RM16 billion in export value, Plantation Industries and Commodities Minister said.

The Philippines government sees the economy growing by 7% for the whole of 2013 despite the damage from a string of natural calamities including Typhoon Yolanda, the strongest typhoon to make landfall on record.

Personal remittances sent by overseas Filipino workers into the Philippines reached its all-time high of \$2.3 billion in the month of October. Data released by the Bangko Sentral ng Pilipinas showed that personal remittances from overseas Filipinos breached the \$2-billion mark for the seventh consecutive month in October, representing an 8.8% y-o-y rise in personal remittances.

The Philippines' Department of Budget and Management said that October government infrastructure spending went up by 25.7% compared to 2012, and is seen to further rise because of larger disbursements in the wake of rehabilitation efforts for areas hard hit by Super Typhoon Yolanda.

Singapore's non-oil domestic exports went down with 8.8% y-o-y drop to S\$12.97 billion in November, continuing the downward trend seen in much of the year.

Vietnam experienced a trade surplus of US\$1.8 billion with Japan over the past 11 months, surging 33% over last year. Of the total, \$12.37 billion came from Vietnamese exports which increased 4% y-o-y, while Vietnam's imports slumped slightly 0.5% to \$10.57 billion.

North East Asia

Chinese leaders have made cleaning up government debt a crucial task for next year, threatening to tighten fiscal discipline to defend financial stability. According to Senior China Economist at Citi, designating government debt as the key task is a response to market concerns.

The general account budget of the Japanese government for fiscal 2014 from next April is seen reaching a record high at above 96 trillion yen, up from 92,611.5 billion yen for the current fiscal 2013.

South Korea's producer prices in November slid 0.9% compared with a 1.4% y-o-y decline in October, as oil prices fell and the local currency appreciated against the U.S. dollar, the central bank said.

Australasia

Australia's government forecast its budget deficit would swell to A\$47 billion (US\$52.8 billion) in 2013 to June 2014 as a slowdown in mining investment saps tax revenues and other parts of the economy struggle to pick up the slack.

Australia's central bank said interest rates may still be cut again next year as the local currency remains uncomfortably high, hindering a shift away from mining-dependent growth as a long resources boom slows.

Australian inflation picked up slightly in November, but remains low enough for the Reserve Bank of Australia to cut the cash rate again if it wants to. The TD Securities/Melbourne Institute Monthly Inflation rose 0.2% in November, following a 0.1% rise in October.

Indian Sub-Continent

Wholesale inflation soared to a 14-month high of 7.52% in November, accentuating the need for a strong monetary policy response by the RBI on Wednesday.

Housing prices in India fell 1.7% during the April-June quarter due to poor demand amid subdued economic conditions and there are no signs of recovery.

Middle East and North Africa

Qatar's economy is projected to expand by 6% in 2013 and by 4.6% in 2014. The figures are up on those presented in June 2013, the Ministry of Development Planning and Statistics in its updated "Qatar Economic Outlook 2013-2014".

Sudan's President has appointed Abdel Rahman Hassan, head of (Khartoum's state-run) Omdurman National Bank since 2006, as new central bank governor on 15 December 2013.

Western Europe

International creditors who rescued Spain's tottering banks said the sector was on the way to recovery but warned Madrid to be vigilant as the bailout winds up.

Portugal's international lenders have approved the country's progress in the latest review of its bailout, pushing the euro zone member closer to a smooth exit from the lending programme in mid-2014.

French business sentiment sags, with manufacturing output down and jobs lost, as German economy continues to grow. The French government was under increased pressure to boost their economy after a collapse in manufacturing orders left it on the cusp of another recession.

North America

U.S. factories increased output in November, led by a surge in auto production. The gains show manufacturing

is strengthening and could help boost economic growth at the end of the year.

South America

The Uruguayan economy contracted 0.7% in Q3 compared to the previous quarter although it jumped 3.3% over the same period a year ago, according to the latest release from the central bank.

Oil & Gas News

West Texas Intermediate gained 88 cents to \$97.48 for January. Brent oil for January jumped \$1.64 to \$110.47 a barrel in London.

Commodity News

Bullion for immediate delivery gained 0.5% to \$1,248.06 an ounce and was at \$1,245.64 in Singapore. Gold for February delivery was little changed at \$1,244.60 on the Comex.

Currency News

The Indian rupee fell 0.3% to 61.92 per dollar in Mumbai. The currency has strengthened 0.9% this month.

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-Dec-13	1,238.69	4.35	108.83	25.02	1.73	2.05	1.26	112.43	9623.71	82.57	2.57	35.21	25.55	3,066.02
17-Dec-13	1,245.44	4.28	109.34	25.55	1.73	2.05	1.25	112.41	9657.17	81.86	2.58	35.18	25.54	3,067.68
% Change	0.54	-1.61	0.47		-0.05	-0.38	-0.06	-0.02	0.35	-0.86	0.15	-0.08	-0.06	0.05

Economic & Financial News

Research & International Division

18/12/2013

... US' consumer prices flat in November ...
... New Zealand's annual current deficit widen ...

South East Asia

Indonesia's central bank estimates growth of Islamic banking assets will slow next year due to rising pressure from trade deficits and depreciation of the rupiah, a Bank Indonesia report showed.

Malaysia's domestic automotive industry has attracted RM32 billion in cumulative investments since its inception 30 years ago through the manufacturing of made-in-Malaysia cars and motorcycles.

The Philippines' Department of Budget and Management disbursed P2 billion to agrarian reform communities to enable the building of bridges to improve logistics of agricultural trade within the country.

The Bangko Sentral ng Pilipinas losses narrowed to P21.55 billion in the first 10 months of the year, from P78.43 billion loss recorded in the same period last year.

The Philippines' economy is expected to sustain its strong growth next year and remain as one of the world's fastest growing economies, Moody's Analytics said. The economy expanded 7.4% in the first 9 months of 2013, faster than the government's 6% to 7% target.

Singapore will make available land to sell up to 11,600 private homes in the first half of next year, from the potential 14,200 private homes in the second half of 2013, the government said.

Vietnam's rice exports will reach 6.5 to 7 million tonnes in 2014, equivalent to its export value in 2013. The export situation in 2014 will continue to be difficult due to excess supply and competition, according to the Vietnam Food Association.

North East Asia

Foreign direct investment into the Chinese mainland gained 2.35% to US\$8.48 billion in November from a year ago, data from the Ministry of Commerce showed.

China's economic growth is likely to slow to 7.3% in 2014, amid the leadership's ongoing moves to restructure China. The GDP growth estimate for next year was decreased due to downward pressure in the Chinese economy and the government's move to restructure the country's economic growth model.

Average new home prices in China's 70 major cities rose 9.9% in November from a year earlier. In month-on-month terms, prices rose 0.5% in November, slowing from October's rise of 0.6%.

Japan's November trade deficit expanded 35.1% from a year ago, as soaring post-Fukushima energy bills weighed Japan. The Government figures showed that Japan logged a deficit of £7.7 billion last month. Imports climbed 21.1% from a year earlier, supported by demand ahead of a sales-tax increase in April 2014.

Australasia

New Zealand's annual current account deficit widened to US\$8.8 billion, or 4.1% of GDP, as a reviving economy took in more imports and foreigners continued to reap greater profits in the country than kiwi firms garnered abroad.

Indian Sub-Continent

India's gold imports dropped to 24 tonnes in October, from a record 162 tonnes in May, helping ease the current account deficit.

Western Europe

Britain's CPI dropped to a four-year low of 2.1% in November, from 2.7% in the previous month, the Office for National Statistics said.

The average house price in Scotland fell by £206, or 0.1% on a seasonally adjusted basis, in October, and now stands at £144,084, the latest Acadata House Price Index for Scotland has revealed.

Annual inflation in the 17-nation eurozone increased to 0.9% in November, up from 0.7% in October, European Union statistics office Eurostat said.

North America

US' consumer prices were flat in November. According to the Labour Department, its CPI was restrained last month by declines in gasoline and natural gas prices, after slipping 0.1% in October.

South America

Brazil's inflation remained at a relatively high level in the month to mid-December, sustained by a small increase in gasoline prices and by higher services costs.

Oil & Gas News

WTI crude oil for January rose 9 cents to US\$97.31 a barrel. Brent for February settlement fell 97 cents, or 0.9%, to US\$108.44 a barrel.

Commodity News

Gold futures for February declined 1.1% to settle at \$1,230.10 an ounce in New York.

Corn futures for March rose 0.8% to close at US\$4.2675 a bushel.

Soybean futures for March rose 0.7% to US\$13.3475 a bushel.

Wheat futures for March fell 0.3% to US\$6.1975 a bushel.

Currency News

The Indonesian rupiah fell half a percent to hit its lowest levels since 2008 against the dollar.

The won fell 0.1% to 1,052.25 per dollar in Seoul.

The Australian dollar gained 0.3% to 89.24 U.S. cents in Sydney from yesterday, when it reached 88.82.

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
17-Dec-13	1,245.44	4.28	109.34	25.55	1.73	2.05	1.25	112.41	9657.17	81.86	2.58	35.18	25.54	3,067.68
18-Dec-13	1,233.82	4.3	108.44	25.22	1.73	2.05	1.26	112.21	9661.84	82.03	2.58	35.18	25.51	3,059.67
% Change	-0.93	0.47	-0.82		0.08	0.11	0.04	-0.18	0.05	0.21	0.15	-0.01	-0.10	-0.26

Economic & Financial News

Research & International Division

19/12/2013

... Malaysian Consumer Price Index rose to 2.9% ...

... UK Unemployment fell 7.4% ...

South East Asia

Indonesian government's ban on exports of unprocessed mineral ore will take effect on 12 January 2014. The unprocessed ore export ban had been mandated in Law No.4/2009 on Mineral and Coal Mining and its implementing regulations. The government has given five years for the development of factories or shelters to smelting unprocessed ore into half-finished metal.

Indonesia's economic growth for 2013 will stand in the range of 5.6% to 5.8%, said the Finance Minister. This is lower than the government's growth assumption in the revised state budget which was set at 6.3%.

Malaysia's total trade between January and October this year rose by 3.4% to RM1.13 trillion from RM1.09 trillion in the same period last year, according to Malaysia External Trade Development Corp. The CEO said exports rose by 0.9% to RM591.83bil and imports were up 6.3% to RM540.38bil.

The Malaysian CPI rose 2.9% to 108.6 in November from 105.5 in the same period last year. Between January and November, it said the CPI rose 2% to 107.0 from 104.9 recorded in the same period last year.

The Philippines government needs PHP361 billion (US\$8.59 billion) to rebuild the central region, which was heavily damaged by Typhoon Haiyan, said the President. The figure is 60% higher than an earlier official estimate of US\$5 billion in rehabilitation costs.

North East Asia

Japan's exports rose 18.4% in November, led by car shipments to the United States and China, a sign the weak yen and recoveries in global demand are energizing a major growth driver in Japan.

South Korea said that it has decided to increase the weight of foods and medication in measuring its consumer prices as part of efforts to better reflect changing consumption patterns in daily life.

Exports of SMEs in South Korea grew 8.9% from 2007 to 2012, which is faster than a 7.6% gain tallied for large businesses during the same period.

Australasia

Australia's central bank chief hinted that there was no pressing need to cut interest rates further in the near term, saying low borrowing costs were working to support the economy. The Reserve Bank of Australia Governor also said that the recent decline in the local dollar was welcomed and that further weakness would help achieve a more balanced economic recovery.

New Zealand's GDP grew 1.4% to a seasonally adjusted \$NZ37.99 billion (\$A35.64 billion) in Q3, from a revised pace of 0.3% growth in Q2 according to Statistics New Zealand. It expanded as the country's dairy sector recovered from drought at the start of the year, driving increased activity.

Indian Sub-Continent

The Reserve Bank of India announced to keep its repo rate at 7.75. The central bank maintained the reverse repo at 6.75%, the cash reserve ratio at 4% and the marginal standing facility and the bank rate at 8.75% followed what seemed to be strong signals that an increase was all but inevitable in the face of unrelenting inflation.

India poised to boost oil imports from Iran after April-November shipments fell 34.8% from a year ago, giving New Delhi room to import more till March and still win another waiver of U.S. sanctions.

Middle East and North Africa

The volume of the industrial output in Saudi Arabia amounted to SR279.5 billion in 2012 and realized a growth rate of 10.9% compared to figures of last year.

Qatar's inflation is expected to go up over the next two years. The population growth would push inflation to 4% in 2014 and 4.5% in 2015 y-o-y. Tight conditions in the residential market will exert upward pressure on rents in the medium-term.

Western Europe

Italy's economy can emerge from recession and expand 1% to 2% in 2014, Prime Minister Enrico Letta said. Italy's stumbling economy posted zero growth in Q3

after contracting for the past two years, the central statistics agency Istat said.

British unemployment rate slid to 7.4% in the three months to October from 7.6% in the quarter ending in September, the Office for National Statistics said.

Car production in the UK was 3.6% lower in November than a year ago, the Society of Motor Manufacturers and Traders said that this was due to one-off factors and that it expects output to hit 1.5m cars this year.

North America

The Federal Reserve sent its strongest signal of confidence in the U.S. economy since the Great Recession, deciding that the nation's economic prospects are finally bright enough to withstand a slight pullback in stimulus spending. The Fed will continue to keep interest rates low and try to boost unusually low inflation, which can be a drag on spending and borrowing.

Central bankers in Canada and Sweden are grappling with the same issues, weak inflation and sky-high household debt. But while Sweden's central bank chose to emphasize low inflation in its decision to cut interest rates, Bank of Canada Governor signaled he's not currently thinking of going the same route.

US housing starts soared in November from October 2013. New residential construction jumped 22.7% to hit an annual rate of 1.091 million, According to the Commerce Department.

South America

Brazil expects its current account deficit to widen to a record \$79 billion this year, even as the deficit

narrowed in November to \$5.42 billion, the central bank said.

The CPI for Sao Paulo picked up in the four weeks ended Dec. 15, due to the rise in housing and transports costs.

Oil & Gas News

WTI rose 58 cents for January delivery to \$97.80 a barrel. Brent oil for February delivery jumped \$1.19 to \$109.63 a barrel in London.

Natural gas for January delivery fell 3.6 cents to \$4.251 per million British thermal units.

Commodity News

Bullion for immediate delivery fell 0.2% to touch \$1,215.93 an ounce, and climbed as much as 0.7%, before trading \$2.22 higher at \$1,220.72 in Singapore.

Copper dropped 0.6% to \$7,226 a metric ton and traded at \$7,235 in Tokyo.

Wheat futures for delivery in March lost 1.1% to close at \$6.1275 a bushel.

Currency News

The rupiah declined 0.3% to 12,203 per dollar in Jakarta.

The pound climbed 0.8% to \$1.6393 in London.

The Australian dollar fell 0.4% to 88.30 U.S. cents in Sydney from yesterday, when it touched 88.21.

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-Dec-13	1,233.82	4.3	108.44	25.22	1.73	2.05	1.26	112.21	9661.84	82.03	2.58	35.18	25.51	3,059.67
19-Dec-13	1,220.92	4.31	109.37	25.38	1.73	2.05	1.26	112.04	9677.73	81.89	2.59	35.21	25.63	3,061.78
% Change	-1.05	0.23	0.86		0.28	0.04	0.22	-0.15	0.16	-0.17	0.28	0.07	0.46	0.07

Economic & Financial News

Research & International Division

21/12/2013

*... Philippines BOP recorded surplus in November ...
... US economy grew 4.1% in Q3 ...*

South East Asia

Philippines' outstanding external debt stood at US\$59.1 billion as of September, down 4% from US\$61.7 billion in the same period last year. The decrease was "due largely to the negative foreign exchange revaluation adjustments," the central bank said.

Philippines' balance of payments recorded an US\$837-million surplus in November. The surplus was lower than the US\$2.16 billion recorded in the same month last year.

Singapore's industrial production rose in November from a year earlier but the increase was likely to be less robust than the amount in October, after a surprise drop in non-oil domestic exports.

Singapore's CPI is anticipated to rise by 2.5% in November from a year earlier, accelerating from 2.0% in October, during which rebates available to many residents kept down housing-related costs.

North East Asia

A rise in China's interbank interest rates showed that markets remain uneasy despite a cash injection by China's central bank. The rates, which serve as the funding costs for pricing and investment, have been trending higher in recent weeks.

The Bank of Japan will maintain the monetary easing measures it introduced back in April, as the central bank continues to pursue an inflation target of 2%.

Japan's central bank held its massive monetary expansion unchanged yesterday, and played down chances of the need for an extra dose next year as it took heart from the US Federal Reserve's decision to begin tapering its own mega-stimulus.

Japan's defence budget will grow 2.2% in the next fiscal year from April, posting the biggest rise in nearly two decades.

Japan's economic growth in Q3 next year will be a crucial factor determining whether the government proceeds with a second stage of sales tax increases in 2015, Prime Minister said.

Middle East and North Africa

Standard & Poor's Ratings Services maintained its outlook on Oman as stable as the country is supported by a strong net external and general government asset positions and prudent investment policies, which mitigates the risks to the economy by its high dependence on hydrocarbons.

Rating agency "Standard & Poor's" kept Tunisia's previous rating at "B/B" adding that "at the time of withdrawing Tunisia from the list of countries rated, the outlook remained negative".

Western Europe

UK's current account deficit stood at £20.7 billion in Q3, as the country's export performance continued to disappoint, official figures have revealed.

Britain's economy expanded at 0.8% q-o-q in Q3. On a year-on-year basis, GDP grew by an upwardly revised 1.9% in Q3, the Office for National Statistics said.

Consumer confidence in Germany rose during the busy Christmas period, auguring well for Europe's top economy as it goes into 2014. Overall, headline household confidence index was forecast to rise to 7.6 points in January from 7.4 points in December.

Italy's parliament on Friday approved a 2014 budget intended to tackle a social crisis after the formal end of its longest post-war recession. The government said the budget "reverses" the austerity of recent years but critics including the business lobby Confindustria warn that it is not enough to stimulate economic growth.

In Italy, the retail sales including food fell in October by 1.6% compared to last year.

North America

The US GDP growth rate for Q3 surged upwards to an annualised 4.1%, according to the Bureau for Economic Analysis. The GDP has been revised up from the 3.6% estimated in the previous update.

Canada's annual inflation rate rose to 0.9% in November from 0.7% in October. However it remained below the central bank's target range, ensuring that chronically weak inflation will stay on policymakers' radar as a top concern.

Oregon's unemployment rate dropped in November, from 7.6% to 7.3%, as hiring picked up in most major industries.

South America

Brazil's central bank expects inflation to slow slightly in the next two years while economic growth remains moderate. The bank kept its 2013 inflation forecast at 5.8%. It cut its inflation view for 2014 to 5.6% from 5.7%.

Brazil's Central Bank revised its forecast for its 2013 GDP growth down from 2.5% to 2.3% in its latest inflation report.

Foreign and Brazilian tourists are expected to spend US\$10.4 billion during next year's World Cup, more than the public funds invested for staging the event, the Brazilian tourism board said.

Oil & Gas News

WTI for February rose 28 cents to \$99.32 a barrel. Brent crude for February settlement jumped \$1.48, or 1.3%, to end the session at \$111.77 a barrel.

Natural gas fell 0.9% in New York.

Commodity News

Gold delivery in February rose 0.2% to \$1,195.70 an ounce in New York, bringing the drop this week to 3.2%.

Currency News

The rupiah fell 0.8% this week to 12,213 per dollar in Jakarta.

The peso dropped 0.8% this week and 0.1% today to 44.497 per dollar in Manila,

The pound dropped 0.2% to 83.62 pence per euro in London.

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
19-Dec-13	1,220.92	4.31	109.37	25.38	1.73	2.05	1.26	112.04	9677.73	81.89	2.59	35.21	25.63	3,061.78
21-Dec-13	1,203.24	4.42	111.77	25.29	1.73	2.07	1.27	112.42	9671.18	82.43	2.59	35.12	25.67	3,094.48
% Change	-1.45	2.55	2.19		-0.27	1.21	0.69	0.34	-0.07	0.67	0.08	-0.23	0.15	1.07

Economic & Financial News

Research & International Division

24/12/2013

*...Saudi Arabia slows planned spending growth next year...
...Brazil raises minimum wage...*

South East Asia

The international reserves of Bank Negara Malaysia amounted to RM440.8 billion (US\$135.3 billion) as at Dec 13, 2013, the central bank said. The reserves position was sufficient to finance 9.4 months of retained imports and was 3.7 times the short-term external debt.

The Philippines has attained the highest utilization of trade deals in the region compared to its Southeast Asian neighbors, experts said as they urged other nations to adopt the country's outreach campaigns to help more businesses reap integration gains.

Singapore's inflation continued to pick up pace in November due to higher accommodation cost and increases in all other major categories. The CPI rose to 2.6% on-year in November, compared with 2% in October, according to Department of Statistics.

Thailand's baht fell to a three-year low. The Thai currency has lost 4.9% in the past two months as the main stock index dropped 9.1%.

Vietnam's GDP increased by 6.04% in Q4 of 2013 up from 5.42% in Q3. Vietnam's strong Q4 growth figures bring the country's total economic growth in 2013 to 5.42% from 5.25% growth in 2012. Vietnam's growing economy is being supported by both exports and increased foreign investment in the country.

The Lao government plans to borrow 2,105 billion kip (US\$263 million) from local and international sources to address the budget deficit this fiscal year, according to a prime ministerial decree.

North East Asia

Japan said it plans record spending for the next fiscal year, as Prime Minister Shinzo Abe boosts spending on social security, defence and public works while trying to contain the growth of economy's debt burden.

South Korea's terms of trade improved in November as import prices fell at a faster pace than export costs. The country's net terms-of-trade index for goods came in at 89.7 in November, up 2.7% from a year earlier, according to Bank of Korea.

Taiwanese unemployment fell to 4.16% last month from 4.24% in October. According to DGBAS, unemployment totalled 478,000, down 9,000, or 0.08%, from October; involuntary unemployment due to business contractions or shutdowns in November declined by 2,000.

Indian Sub-Continent

The Reserve Bank of India had decided to keep rates on hold even before the high consumer price and retail inflation data for November were released, the central bank's governor Raghuram Rajan said.

Middle East and North Africa

Saudi Arabia slowed the pace of planned spending increases in its 2014 budget. Targeted spending will increase 4.3% to 855 billion riyals (US\$228 billion) next year, compared with a rise of almost 20% in the 2013 budget, the Finance Ministry said.

Exports from Iraq's southern terminals averaged 2.01 million oil bpd so far in December, according to shipping data tracked by Reuters, down slightly from November's average of 2.07 million bpd.

Egypt will complete payment this week of \$1.5 billion of the \$6.3 billion it says it owes oil firms, a state executive said, in line with a plan aimed at restoring confidence in an economy hit by nearly three years of turmoil.

Libya is producing an average of 233,889 barrels of oil per day, up to 21 December 2013. It is also producing just over two million (2, 058.500) cubic feet of gas, Libya's Ministry of Oil and Gas announced on Dec. 23.

Western Europe

French government will create jobs for millions of jobseekers by mid-2014 betting on growth recovery, Labor Minister Michel Sapin said.

Italy's consumer confidence index weakened in December, defying expectations for a moderate improvement, the central statistics bureau Istat said. The index decreased to 96.2 in December from 98.2 in November.

North America

U.S. consumer spending posted its largest increase in five months in November, the latest suggestion of sustained strength in the economy as the year winds down. U.S. consumer spending rose 0.5% after advancing by 0.4% in October, the Commerce Department said.

Canada's GDP expanded at a 2.7% annual pace in October, mainly attributed to an uptick in the manufacturing sector. Statistics Canada reported that the economy expanded by 0.3% on a monthly basis.

South America

Mexico's inflation in the 12 months though the first half of December jumped to 3.86%, the national statistics office said due to higher gasoline and tomato prices.

Mexico City is pushing forward with clean development. Vicente Gutierrez from Mexico's Ministry of Economy told that the government is pushing for clean industrial development – call centres, IT, pharmaceutical research, businesses that do not demand water or create pollution.

The Brazilian government will raise the minimum wage by 6.78% to 724 reais (\$310) per month in 2014, President Dilma Rousseff said. The increase is less than the hikes of 9% in 2013 and 14% in 2012.

Oil & Gas News

Brent crude for February settlement slipped 21 cents to \$111.56 a barrel on the London-based ICE Futures Europe exchange. The volume of all futures traded was 53 percent lower than the 100-day average.

Natural gas for January delivery gained 4.5 cents to \$4.463 per million British thermal units on the NYME. Volume was 23% below the 100-day average at 2:36 p.m. Gas is up 33% this year.

Commodity News

Soybean futures for delivery in March fell 0.8% to close at \$13.1975 a bushel at 1:15 p.m. on the Chicago Board of Trade yesterday, after touching \$13.3925, the highest for a most-active contract since Dec. 11.

Sugar prices that fell 17% this year and touched a 41-month low of 15.86 cents a pound on Dec. 18 are below the cost of production in countries including India, the largest grower after Brazil, and Thailand, squeezing mills and hurting prospects for next year's crop.

Currency News

The Brunei dollar yesterday broke its 15-year high against the Malaysian ringgit at an estimated RM2.6 to a dollar. In August this year, the Sultanate's currency hit a record high against the ringgit when it traded at RM\$2.55.

The U.S. dollar was little changed at \$1.3695 per euro as of 8:01 a.m. in Tokyo from yesterday, when it fell 0.2%. It gained 0.1% to 104.18 yen.

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-Dec-13	1,203.24	4.42	111.77	25.29	1.73	2.07	1.27	112.42	9671.18	82.43	2.59	35.12	25.67	3,094.48
23-Dec-13	1,198.51	4.47	111.56	24.96	1.73	2.07	1.27	113.02	9675.86	82.18	2.60	35.08	25.87	3,119.68
% Change	-0.39	1.13	-0.19		0.20	-0.19	-0.03	0.53	0.05	-0.30	0.42	-0.12	0.80	0.81

Economic & Financial News

Research & International Division

26/12/2013

*...Value-added tax (VAT) in France will rise in 2014...
...Inflation remained a big challenge for India in 2013...*

South East Asia

Brunei continued to introduce initiatives throughout 2013 to grow the manufacturing sector by both enhancing the capacity of local players and bringing in well-established firms from around the region to create new industries here.

The Indonesian government has completed the revision of the negative investments list (DNI) and raised the level of foreign ownership in a number of business sectors including transportation terminals, seaports and power plants.

Thai exports dropped 4.1% in November from the same month in 2012, the Commerce Ministry said. Exports account for about 60% of Southeast Asia's second-largest economy, and since May they have shown an annual increase in just one month, August.

The Cambodian government's decision to raise the minimum wage in the garment sector to US\$95 in 2014, up 19% from the current US\$80 was supported by the Cambodian Council of National Unions, which represents nearly 400,000 garment workers.

Vietnam sees trade surplus for second consecutive year, about \$863 million this year after exports were estimated at \$132.2 billion and imports at \$131.3 billion compared last year export and import values have climbed 15.4%.

The Lao government attributed the shortfall of rice production to natural disasters, most notably flooding, which damaged 53,700 hectares of rice fields this year. Rice production in Laos for 2012-13 reached only 3.52 million tonnes, equal to 93% of the yearly plan which was set at 3.8 million tonnes.

North East Asia

China's GDP growth will be 7.6% this year, enabling the economy to maintain momentum into 2014. The Chinese economy's structural upgrading has been slow and is yet to show the expected fundamental improvement.

China's dependency on natural gas imports will continue to increase as the country is trying to reduce its fossil fuel consumption and improve air quality. Up to 32% of China's natural gas use this year will depend on

imports. In the first months of 2013, the country's natural gas consumption was at 134.3 billion cubic meters.

South Korea's exports of steel products fell due mainly to the prolonged slowdown in the global economy. Local steelmakers exported 29.2 million tons of steel-related products this year, down 4.3% from 30.5 million tons tallied a year earlier, according to Korea Iron and Steel Association.

Taiwanese manufacturing sector continued to show signs of weakening in November due to sluggish economic performance in Asia, the Taiwan Institute of Economic Research said. The manufacturing sector index for November fell 0.34 points from October to 95.86.

Indian Sub-Continent

The \$1.8-trillion Indian economy suffered its worst slowdown in over a decade with growth below 5% for four straight quarters. It had grown by 4.7% in October-December 2012 quarter. In the first three quarters of the year, India's GDP grew at below 5%, at 4.8%, 4.4% and 4.8% respectively.

Inflation remained a big challenge for India in 2013, surging in food prices such as prices of kitchen essentials such as onions spiked to a record Rs 100 per kg and tomatoes touched Rs 80 in some states.

Middle East and North Africa

Saudi Arabia's non-oil exports for the Q3 2013 amounted to SAR50.69 billion, registering an increase of 14.5%, in comparison to the same period last year.

Egyptian government, business and trade union representatives unable to agree on minimum wage for private sector workers. However, a minimum wage of LE1200 (around US\$170) for public sector workers will be implemented in January 2014.

Turkey's banking sector saw rapid credit growth in 2013 as the country's central bank looked to keep interest rates low and stimulate growth, while the year also saw the promising expansion of Islamic financing in domestic markets.

Western Europe

Household expenditure in France jumped 1.4% last month, compared to October's 0.1% decline, France's National Statistics Institute, Insee, reported. The increase is being attributed to higher spending on gas and electricity which rose by 7.5%.

France has confirmed a negative performance of Europe's main powerhouse during the Q3 of the year on weak exports and poor investment, the French National Statistics Bureau Insee.

From January 1, 2014, the standard rate of value-added tax (VAT) in France will rise from 19.6% currently to 20%. The intermediate rate of VAT, benefiting a number of sectors, including the hotel and catering industry, will also increase, from 7% to 10%.

South America

Argentina's central bank hopes to slow growth of the country's money supply next year, as it grapples with double-digit inflation that many economists attribute to loose monetary policy and a weakening currency.

Brazil's microcredit small businesses loans have grown by an impressive 26.7% y-o-y. In November 2013, the total value of microcredits reached a record high of R\$4.873 billion, compared to R\$3.570 billion in the same month of the previous year.

Commodity News

The rubber contract for delivery in June dropped on the Tokyo Commodity Exchange to close at 272.3 yen a kilogram (\$2,607 a metric ton), retreating from a high of 277.8. Futures have dropped 10% this year.

Copper for delivery in March advanced on the Shanghai Futures Exchange 1.8% to 52,360 yuan (\$8,624).

Currency News

The yen fell 0.4% to 104.84 per dollar as of 10 a.m. in Tokyo from yesterday. Japan's currency dropped 0.4% to 143.32 per euro, after sliding to a five-year low of 143.37.

Australia's dollar bought NZ\$1.0912 from NZ\$1.0906 yesterday, after gaining 1.4% over the previous five sessions. It declined 0.3% to 89.02 U.S. cents.

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-Dec-13	1,198.51	4.47	111.56	24.96	1.73	2.07	1.27	113.02	9675.86	82.18	2.60	35.08	25.87	3,119.68
26-Dec-13	1,202.77	4.44	111.9	25.20	1.73	2.07	1.27	112.95	9643.20	82.32	2.60	35.00	25.84	3,131.79
% Change	0.36	-0.67	0.30		0.18	0.17	0.11	-0.06	-0.34	0.16	-0.26	-0.22	-0.12	0.39

Economic & Financial News

Research & International Division

28/12/2013

*...Public Deficit in Germany Widened...
...Japan's Unemployment Rate Stayed Flat at 4%...*

South East Asia

Thai factory output fell nearly 11% in November from a year earlier, according to the Commerce Ministry.

Overall Thai economic activity in November softened from the previous month due to a contraction in private consumption and investment, the Bank of Thailand announced yesterday.

Philippines' imports posted its biggest y-o-y drop in 18 months in October due to the decline in purchases from overseas of electronic products and five other commodity groups. Total imported goods fell 8.6% to US\$4.8 billion in October from US\$5.3 billion in the same month last year.

Vehicles imported from ASEAN countries to Vietnam will enjoy a tax cut beginning 1 January 2014, ranging from 10% to 50%, following the ASEAN Trade in Goods Agreement (ATIGA).

The price of Vietnamese rice remains the most expensive across Asia, the November Market Review by Oryza showed. Recently, Vietnamese 5% broken rice was sold for US\$410-420 per tonne compared to the price of Thai rice (of the same variety) of US\$380 per tonne.

Cambodia's garment exports increased 22% to about US\$5.07 billion during the first 11 months of the year compared to the same period in 2012, according to Ministry of Commerce's Camcontrol department.

Poor management by water supply authorities has negatively affected Lao business operations and they have been unable to collect sufficient revenue from the service.

North East Asia

China's central bank pumped US\$5 billion into the banking system to ease concerns over a credit squeeze that has caused rising interest rates.

China's wheat imports are expected to hit a nine-year high in 2013 as the country continues to turn to the international market to meet a surging demand for the grain. China imported 970,000 tons of wheat from US, France, Canada and Australia in November; a whopping 721% increase over the same month last year.

Japan's consumer price index rose 1.2% in November from a year earlier; the fastest expansion in five years due to higher prices of energy and certain consumer durables.

Japan's November unemployment rate remained at 4%. The pace of job creation from a year earlier accelerated to an increase of 740,000 from 450,000 in October. The adjusted number of unemployed declined 1.9% to 2.61 million after rising 1.1% in October.

Japan's industrial output was up a seasonally adjusted 0.1% in November from October.

South Korea's economy will gather further momentum next year but the government will maintain a growth-supportive policy stance in the face of elevated risks both at home and abroad, the finance ministry said.

Macao's trade deficit reaches of 6.75 patacas (US\$845.1 million) in November as merchandise import increased by 17% y-o-y to 7.5 billion patacas (US\$939 million).

Indian Sub-Continent

India's foreign exchange reserves declined for the second consecutive week to US\$295.5 billion, down US\$12.6 million, in the week ended 20 December.

Cement export to India is on a slow track as it posted a decline of about 11% during July to November period of this fiscal year compared to the same period last fiscal year.

Middle East and North Africa

Turkey's consumer confidence index declined by 3.3% to 75 points in December from 77.5 points in November, data released by the Turkish Statistics Institute (TurkStat) showed.

Saudi Arabia's M3 money supply growth rebounded to 13.5% y-o-y in November from a 14-month low of 10.4% in October, central bank data showed.

Yemen's Cabinet approved a draft budget for 2014 that would raise state spending by about 4% to YER2.88 trillion (US\$13.4 billion) from the original 2013 budget plan.

Eastern Europe

Russia may use special drawing rights (SDRs), a reserve asset created by the International Monetary Fund, as part of a US\$15 billion bailout for Ukraine, Prime Minister Dmitry Medvedev said.

Western Europe

The German public deficit increases by €5.1 billion in the first nine months of 2013, despite a moderate recovery of the Europe's largest economy, said German Federal Statistical Office, due to higher social insurance costs and pension hikes.

France's number of registered job-seekers rose by 17,800 in November to 3.29 million, the labour ministry said, challenging government claims to have bucked a trend of spiralling unemployment.

Italy's government will spend €800 million on measures to fight poverty in recession-battered Italy next year, Premier Enrico Letta said. Earlier this month, national statistics agency Istat said almost 30% of people living in Italy were suffering or risked suffering poverty and social exclusion in 2012.

Spanish government plans to cut income taxes for low-income Spanish families in 2014. However, citizens in higher-income brackets will not get the same windfall until the country's economy emerges from a prolonged crisis, the finance minister said.

Spain will embark on a year of recovery in 2014 that will help cut the number of unemployed as the "hardest efforts" to restore the economy to growth bear fruit, Prime Minister Mariano Rajoy said.

North America

Sales during the U.S. holiday season, between 1 November 2013 and 24 December 2013, grew by 2.3% compared with 0.7% a year earlier, according to MasterCard Advisors' SpendingPulse report.

South America

Brazil's central government posted a primary budget surplus of BRL28.8 billion (US\$12.3 billion) in November, the country's Treasury said.

Oil & Gas News

Brent for February settlement advanced 20 cents to end the session at US\$112.18 a barrel on the London-based ICE Futures Europe exchange, the highest close since 3 December. Prices are up 1% this year.

Gas slid 0.6% after the Energy Information Administration said stockpiles dropped 177 billion cubic feet to 3.071 trillion in the week ended Dec. 20.

Commodity News

Gold futures for February delivery rose 0.1% to settle at \$1,214 an ounce at 1:39 p.m. yesterday on the Comex in New York.

Aluminum for delivery in three months climbed 3% to settle at \$1,810 a metric ton at 5:50 p.m. Dec.27 on the LME, the biggest gain since July 1.

Currency News

The euro gained 0.4% to \$1.3749 at 5 p.m. in New York yesterday, after rising to \$1.3893, the highest level since Oct. 31, 2011.

The U.K. currency jumped 0.5% to \$1.6489 at 4:38 p.m. London time Dec.28 after advancing to \$1.6578, the highest level since August 2011.

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
26-Dec-13	1,202.77	4.44	111.9	25.20	1.73	2.07	1.27	112.95	9643.20	82.32	2.60	35.00	25.84	3,131.79
28-Dec-13	1,213.27	4.37	112.18	25.67	1.74	2.08	1.27	112.61	9677.73	82.69	2.60	34.98	25.88	3,149.76
% Change	0.87	-1.58	0.25		0.38	0.54	0.00	-0.30	0.36	0.45	0.08	-0.07	0.17	0.57

Economic & Financial News

Research & International Division

31/12/2013

*...U.S Minimum Wage to Increase in 2014...
...Singapore's Electricity Tariffs to Go Down Next Quarter...*

South East Asia

The Consumer Price Index for Brunei in November this year increased 0.3% m-o-m, Department of Economic Planning and Development said. Price increases in goods and services under transport, clothing and footwear as well as restaurants and hotels categories.

Until September this year, Indonesia enjoyed a surplus from agricultural trade of US\$13.02 billion, chiefly contributed by the plantation sub-sector. During the period, the country's agricultural exports reached US\$22.20 billion, while its imports were recorded at US\$9.17 billion.

The Taxation Directorate General of the Finance Ministry has set tax revenue target at Rp1,110.2 trillion for 2014, up from Rp995.2 trillion in 2013. In order to reach the target, the taxation directorate general will need to prepare optimization steps, said the Head of external relations of the taxation directorate general.

Thailand has high potential to export more products to the immense Chinese market next year when the Chinese economy should sustain growth of at least 8.4%, Director General of the Ministry of Commerce's, Nuntawan Sakuntanaga said.

The Philippines' metal output dropped 5% in the first nine months of the year, as world metal prices of precious and base metals remained sluggish, the Mines and Geosciences Bureau said.

Domestic liquidity in the Philippines continued to surge in November after the central bank slashed interest rates on its Special Deposit Account facility. M3 — the broadest measure of liquidity — increased 36.5% y-o-y to P6.713 trillion in November. The growth rate was the fastest recorded since December 2001.

Singapore's electricity tariffs will decrease by an average of 1.7%, or 0.43 cents per kWh, for the next three months. The reduction is due to a lower cost of natural gas used for electricity generation, which fell by 2.6% compared to the previous quarter.

Viet Nam's total retail sales and service revenues reached VND2,618 trillion (US\$124.66 billion), up 12.6% y-o-y, the General Statistics Office reported.

North East Asia

The Chinese government at various levels in China were liable for a total direct debt of CNY20.7 trillion (US\$3.4 trillion) as of the end of June 2013, the National Audit Office said.

Japanese government has called on the Bank of Japan to deal "appropriately" with any negative impact from a planned sales tax hike in April, signalling his desire for further easing by the central bank to offset the blow to the economy.

South Korea's consumer prices edged down in December from the previous month. The consumer price index rose 1.1% y-o-y in December, down from a revised 1.2% in November, Statistics Korea said. The bank has held its key policy rate at 2.5%.

South Korea posted a current account surplus of US\$6.03 billion in November, the Bank of Korea said. The current account figure follows a record high of US\$9.51 billion in October.

Australasia

The amount of private sector credit issued by banks and other lenders was up 0.3% in November, after rising by the same about in October, seasonally adjusted data from the Reserve Bank of Australia showed.

Indian Sub-Continent

A high and stubborn inflation in Indian was limiting the scope for monetary policy to boost growth. This was still weak, though the outlook for the economy had improved, with export growth regaining momentum, Reserve Bank of India's governor commented.

Middle East and North Africa

Saudi Arabia's oil exports hit 2.66 billion barrels in 2013, with proceeds amounting to SR1.08 trillion. On the other hand, domestic consumption during the year stood at nearly 852 million barrels, or 24% of the total output.

Saudi Arabia has allocated nearly SR68.4 billion for the development of its infrastructure over the past 10 years. The Saudi Arabian Monetary Agency, showed

allocations for infrastructure during 2004-2013 accounted for only around 1.2% of the total budgeted spending of nearly SR4,740 billion.

Qatar's GDP growth edged up to 6.2% y-o-y in the Q3 of 2013, from 6% in the Q2, the Statistics Authority said yesterday.

Western Europe

President François Hollande's controversial 75% tax rate on high earners has finally been given the green light by France's constitutional council, clearing the way for its imposition on salaries above €1 million paid in 2013 and 2014.

The number of people in Italy living in absolute poverty has doubled between 2005 and 2012 and tripled in the industrial north, up to 6.4% from 2.5%, according to National Statistics Bureau ISTAT.

Unemployment in Italy was 10.7% in 2012, with a 2.3% increase over 2011 and 4% higher than 2008. Youth unemployment for 2012 went above 35%, with a sharp increase over 2011 of 6% and 14% higher than 2008.

Italy's industrial production prices fell 0.1% in November compared with the previous month, and 1.8% compared with November 2012, according to ISTAT.

Spain's public deficit was 4.87% of GDP as of the end of October, almost unchanged from the end of September, the Treasury Ministry reported.

Retail sales in Spain rose in November 1.9% y-o-y, the National Statistics Institute said yesterday, after falling 0.3% in October. Sales of food, personal items and household items all rose in November compared with the same month last year, and all kinds of retailers, from small chains to large-format stores, saw stronger sales.

North America

Minimum wage workers in 13 states and four cities of the U.S will see more money on their paychecks starting Jan. 1, 2014. The minimum wage is being boosted

to \$9 an hour starting in July, the first of two dollar-an-hour boosts that will push the base minimum wage to \$10 by 2016.

South America

Brazil will offer an additional 50 billion reais (US\$21.2 billion) in subsidised credit lines for industries and farms in 2014 as the government tries to boost economic growth, the finance ministry said.

Chile's manufacturing production fell 1.1% in November from a year earlier, due in part to lower production of some steel and iron products, government data showed.

Chilean retail sales grew a healthy 9.2% from a year earlier, government data also showed yesterday. That was slower than a 13.4% increase in October and 10.7% in November 2012.

Oil & Gas News

Brent for February settlement slid 97 cents, or 0.9%, to \$111.21 a barrel on the London-based ICE Futures Europe exchange yesterday.

Commodity News

Cocoa futures for March delivery slumped 2.6% to settle at \$2,712 a metric ton at 11:59 a.m. on ICE in New York.

Copper for delivery in three months slipped 0.1% to \$7,375 a ton (\$3.35 a pound) on the LME.

Currency News

The yen traded at 104.95 per dollar at 8:55 a.m. in Tokyo, set for a 17% annual drop.

The Canadian dollar rose 0.5% to C\$1.0648 per U.S. dollar at 5 p.m. in Toronto after dropping to C\$1.0728.

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-Dec-13	1,213.27	4.37	112.18	25.67	1.74	2.08	1.27	112.61	9677.73	82.69	2.60	34.98	25.88	3,149.76
31-Dec-13	1,198.61	4.44	111.21	25.05	1.74	2.09	1.27	112.41	9662.77	82.93	2.60	34.96	25.96	3,159.01
% Change	-1.21	1.60	-0.86		0.19	0.35	0.13	-0.18	-0.15	0.28	-0.08	-0.06	0.30	0.29