

# Economic & Financial News

Research & International Division

2/11/2013

*...China's and US' Manufacturing Strengthens...  
...Philippines Public Debt Increases...*

## South East Asia

**Cambodia sees slowdown in new business numbers in 9 months.** Operating licenses had been granted to 2,223 new companies during the period, down 14.6% compared to the same period last year.

**Indonesia's annual inflation came in slightly below expectations in October** on relief in food and clothing prices. Inflation stood at 8.3% in October, compared to 8.2% in the previous month.

**Indonesia's trade balance slipped back into deficit** of -US\$0.7 billion from the previous month's trade surplus of US\$0.1 billion. The decline in trade balance was driven mainly by an improvement in imports.

**Business owners and households in Myanmar are concerned about the government's plan to raise electricity prices this month.** Households consuming more than 101 units of electricity per month will have to pay an extra of 40%. Businesses that consume between 1 to 5,000 units will pay 35% higher and more than 5,000 units will see their electricity bills double.

**Philippines government's outstanding debt increased** 9% y-o-y to P5.64 trillion (about USD 130 billion) as of end-August, due to higher borrowings from the domestic market. Domestic debt went up 16.3% while foreign debt fell 2.5%.

**Thailand's economy could face short-term impacts** from the controversial amnesty bill, but the Bank of Thailand has prepared enough instruments to uphold the national economic stability, Governor Prasarn Trairatvorakul said.

**Viet Nam's consumer price index in October surged** 0.49% from September.

**Vietnam posted US\$101.93 billion worth of export turnovers** in the year to the middle of October, up 15.7% compared to the same period last year.

## North East Asia

**China's purchasing managers' index (PMI) for the manufacturing sector rose** to 51.4% in October. The figure was 0.3 percentage points higher than September.

**September housing in Japan starts increased** 19.4% from a year ago to 88,539 units. The surge apparently came amid expectations for increases in housing loan rates and housing prices, and on the back of demand ahead of the consumption tax increasing from 5% to 8% on 1 April 2014.

**Korea's consumer price index in October grew** by 0.7% y-o-y, compared to 0.8% in September. Almost all fresh food prices fell significantly, while prices of household goods, housing prices, some services, and power and water bills rose slightly.

## Australasia

**Australian Prime Minister's repeal of the carbon tax faces being delayed** until at least July after the Australian Labour Party announced it would insist on it being replaced by an emissions trading scheme or it would oppose dismissing the tax.

**Some new house building plans are being ditched in New Zealand**, as banks said the Reserve Bank's new speed limits on low-deposit home loans are "biting hard". But Reserve Bank Governor Graeme Wheeler rejected the view that the new lending limits will be a major barrier for new homes being built or that lending limits would create a generation of renters.

## Indian Sub-Continent

**The Indian government had no outstanding loans from the central bank** as of 25 October, the Reserve Bank of India said in its weekly statistical supplement.

## Middle East and North Africa

**Egypt central bank keeps rates on hold** amid sluggish growth. The bank kept its deposit rate at 8.75% and its lending rate at 9.75%. It also kept its discount rate and the rate it uses to price one-week repurchase and deposit operations at 9.25%.

**Qatar is asking local banks for about 12 billion riyals** (US\$3.3 billion) of funding as the country seeks to reduce dependence on overseas lenders, the Finance Ministry said.

## Eastern Europe

**Russia's macroeconomic indicators may reach their targets in 2013**, if the country's GDP growth amounts to 3.3% in Q4 2013, industrial production rises 2.5% as of the end of 2013 and investments in capital assets grow 14.2%, the Audit Chamber said.

## Western Europe

**French professional football teams will have to pay the 75% rate of income tax**, French President Francois Hollande confirmed. This would affect some 15 French clubs who would pay the tax rather than the players themselves bringing the state an additional 44 million euros.

**Fitch Ratings revised Spain's outlook upwards** from negative to stable and affirmed the country's ratings at "BBB."

**Eurozone inflation in October fell** to 0.7%, its lowest since February 2010, thanks to a fall in energy costs.

**London's booming high-end property market** fuelled by cash-rich foreign investors has been targeted by ministers for a new tax raid, as George Osborne tries to fill a £1.2 billion hole in the public finances.

## North America

**U.S manufacturing expanded in October** while automakers reported brisk sales, signalling that the U.S. economy made headway despite the shutdown. The Institute for Supply Management's U.S. manufacturing index rose 0.2 point to 56.4.

**The Canadian economy expanded slightly** at 0.3% monthly rate in August, down from 0.6% pace at the start of the quarter. Annual GDP growth surged to 2%, aided by a total output spread evenly between the goods producing and service sectors

## South America

**Brazil posted a primary budget deficit of US\$4.1 billion in September**, contrary to expectations of a small surplus. It was Brazil's widest primary budget deficit since December 2008.

**Brazil recorded a trade deficit of US\$224 million in October**, the highest monthly figure since 2000, on US\$22.8 billion in exports and US\$23 billion in imports, including a 82% surge in foreign purchases of oil and derivatives.

## Oil & Gas News

**WTI for December dropped** 1.8% to \$94.61 a barrel, the lowest settlement since June 21.

## Commodities News

**Gold futures for December delivery fell** as much as 1.4% to \$1,305.60.

## Currency News

**The euro sank** 0.7% to \$1.3487 at 5 p.m. in New York, extending this week's slide to 2.3%. The shared currency declined 0.4% to 133.08 yen after sliding to 132.61.

**The yen lost** 0.3% to 98.67 per dollar and slid 1.3% on the week.

Date	Gold Spot	NYMEX Natural Gas (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
31-Oct-13	1,335.51	3.64	109.53	30.09	1.70	1.99	1.24	117.50	9041.59	79.18	2.55	34.84	25.06	3,216.38
02-Nov-13	1,316.18	3.51	105.91	30.17	1.68	1.99	1.24	117.71	9152.48	78.85	2.55	34.81	25.13	3,201.20
% Change	-1.45	-3.57	-3.31		-1.19	0.12	0.15	0.18	1.23	-0.43	0.26	-0.08	0.28	-0.47

# Economic & Financial News

Research & International Division

6/11/2013

*...Italy's Finance Minister Urges ECB To Ease Policy...  
...British Retail Sales Started Picking Up...*

## South East Asia

**Singapore's Purchasing Managers' Index (PMI) picked up** to 51.2 in October, from 50.5 in September, according to Singapore Institute of Purchasing and Materials Management. The increase was mainly due to an expansion in new orders, new export orders and higher output.

**The Philippines' inflation rose** to a seven-month high in October, fuelled by the recent typhoons that hit Central and Northern Luzon. Inflation went up to 2.9%, faster than the previous month's 2.7%.

**Indonesia's total investments jumped** 23% y-o-y to RP100.5 trillion (US\$8.9 billion) in Q3 2013, the highest ever recorded, despite the capital outflows and financial market turbulence that took place during that period.

**The Thai government faced a combined loss** of BT330 billion during its past three rice-pledging projects, amounting to 58.8% of the total spending of BT600 billion on the programme during the period, the Post Audit Committee revealed.

**Vietnam's domestic fuel retail prices would remain unchanged** despite decreasing global prices, Vo Van Quyen, head of the Ministry of Industry and Trade's Domestic Market Department, said.

## North East Asia

**China's central bank will continue its hands-off stance on the money market** as it maintains a "stable" monetary policy that facilitates the nation's essential structural reforms, the People's Bank of China said.

**Japan's monetary base grew** 45.8% y-o-y in October to ¥186.87 trillion, as the Bank of Japan kept pumping money into the financial system to beat deflation under its ultra-loose monetary policy, the central bank said.

**Korea's foreign exchange reserves rose** in October by US\$343 billion, up \$6.3 billion from September, the Bank of Korea said.

## Australasia

**Australia's trade deficit narrowed** to AU\$284 million in September due to export volume growth, following a deficit of AU\$693 million in August, the Australian Bureau of Statistics said.

**The New Zealand government is set to shake-up the construction sector** in a bid to bring down the cost of building materials by unveiling a raft of proposals such as rejigging compliance settings, tweaking import anti-dumping duties, and using its heft to influence the market, Housing Minister Nick Smith and Commerce Minister Craig Foss said.

## Indian Sub-Continent

**The Indian economy slumped moderately** to 47.1 points in October, from 44.6 points in September, according to the widely-tracked HSBC Purchasing Managers' Index (PMI). This was the fourth monthly contraction in a row.

## Middle East and North Africa

**Turkish consumer price inflation rose** 7.7% y-o-y in October, led by sharp rises in food and clothing costs, the Turkish Statistics Institute said.

**State-owned companies in Qatar must now seek approval from the Ministry of Finance** before undertaking any borrowing activity, as the tiny state looks to avoid unsustainable debt levels in a rush for growth.

**The Omani sultanate budget surplus fell sharply** to RO339.9 million in the first nine months of this year, compared with a surplus of RO2.9 billion in the same period in 2012, mainly due to the lower average price of crude oil, according to the National Centre for Statistics and Information.

## Eastern Europe

**Russia has "made progress" in improving the quality of life of its citizens** over the last decade. The average Russian household net-adjusted disposable income is about \$15,300 a year, according to the Better Life Index compiled by the OECD.

## Western Europe

**British retail sales started picking up last month** as Christmas is approaching with total sales increasing 2.6% in value compared with the same period last year, and up

from 2.4% growth in September, the British Retail Consortium said.

**The European Central Bank was urged by Italian finance minister to ease monetary policy**, questioning the effectiveness of the bank's strategy of verbal intervention to cap the strong euro. The euro is now the strongest currency in the world vis-a-vis the dollar, the renminbi, the pound, and the Swiss franc.

**The number of people registered as unemployed in Spain increased** by 87,028 from September to October, according to Ministry of Employment and Social Security. This increase leaves Spain with a total of 4,811,383 people out of work in the country, the National Institute of Statistics (INE) said.

**Italian Economy Minister Fabrizio Saccomanni called the country's jobless rate "painful"**, but said that it would not negatively affect its outlook for growth. Overall unemployment in recession-hit Italy climbed to a record high of 12.5% in September, up from 12.4% in August.

## North America

**U.S. non-manufacturing sector growth accelerated** in October, compared with the previous month. The Non-Manufacturing Index (NMI), which measures activity in the U.S. service sector, rose to 55.4 last month, from 54.4 in September, the Institute for Supply Management said.

**There are signs that Mexico's economy is recovering**, and a government tax overhaul approved by Congress will have only a transitory impact on inflation.

## South America

**HSBC's Purchasing Managers Index for Brazilian services rose** to 52.1 in October, from 50.7 in September on a seasonally adjusted basis. Brazil's economic activity

hit a soft spot in the Q3 due to a sharp currency swing, stagnant wages and a plunge in consumer confidence.

**Chile's jobless rate was unchanged** at 5.7% in the three months through September, down from 6.5% in the year-earlier period. Consumer spending and investment in the mining industry sustained growth of 4.3% in the H1 of the year, down from 5.6% last year.

## Oil & Gas News

**WTI for December delivery rose** as much as 62 cents to \$93.99 a barrel in electronic trading on the New York Mercantile Exchange and was at \$93.88 at 2 p.m. Singapore time.

## Commodities News

**Bullion for immediate delivery lost** 22% this year to \$1,310.27 an ounce at 8:48 a.m. in Singapore. Prices dropped to \$1,251.85 on Oct. 15.

**Copper futures for delivery in December fell** 0.2% to \$3.251 a pound on the Comex in New York. The metal for delivery in January on the Shanghai Futures Exchange fell 0.4% to 51,420 yuan (\$8,434) a ton.

## Currency News

**The euro currency** bought \$1.3469 as of 10:25 a.m. in Tokyo from \$1.3474 yesterday, holding a 2.4% decline over the past seven days. It slid to \$1.3442 on Nov. 4.

**The ringgit depreciated** 0.4% to 3.1875 per dollar as of 10:09 a.m. in Kuala Lumpur, according to prices from local banks compiled by Bloomberg.

**The rupiah declined** 0.6% from Nov. 4 to 11,420 per dollar as of 9:41 a.m. in Jakarta, prices from local banks show.

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
02-Nov-13	1,316.18	3.51	105.91	30.17	1.68	1.99	1.24	117.71	9152.48	78.85	2.55	34.81	25.13	3,201.20
06-Nov-13	1,313.08	3.5	105.92	30.26	1.68	1.98	1.24	117.83	9139.93	79.28	2.55	34.85	25.20	3,202.50
% Change	-0.24	-0.28	0.01		-0.33	-0.33	0.05	0.10	-0.14	0.55	0.10	0.12	0.30	0.04

# Economic & Financial News

Research & International Division

7/11/2013

*...Minimum AED7,500 For Private Sector Emiratis From 2014...  
...Chile Among Most Vulnerable Countries To A Financial Crisis...*

## South East Asia

**Indonesia's foreign exchange reserves were US\$97 billion in October**, an increase of US\$1.3 billion over September. The amount of the foreign exchange was equal to 5.5 months of imports.

**Indonesia's economy slowed in the third quarter this year**, growing only 5.62% y-o-y from 5.81% in the previous quarter. Sectors that recorded the highest growth were transportation and communication at 10.46%, followed by real estate and housing at 8.09% and construction at 6.24%.

**The cost of a certificate of entitlement (COE) for cars up to 1,600cc fell** by 5.6% to S\$72,609 (SG\$58,400), while the premium for cars above 1,600cc went down by 3.8% to S\$84,578. The high cost of COEs, which can quadruple the price of a car, has been one of the main drivers of inflation in Singapore.

**Philippines may see a rise in interest rates** once the domestic liquidity growth starts to normalise, Bangko Sentral ng Pilipinas Deputy Governor said. He made the comment after strong demand pushed the rate for the 182-day Treasury bills (T-bills) to a new low of 0.001%, while the rate for the 91-day securities remained at 0.001% on Monday.

**Philippines has enticed nearly four million tourists in the nine months to September** as the country enjoyed more brand recognition and tourism-related industries grew. The nine-month data points to a 22% jump compared to the same period last year.

**The Thai finance ministry will propose at today's meeting of the National Rice Policy Committee** that the panel consider approving an emergency short-term loan worth TBT140 billion to finance the rice-pledging scheme.

## North East Asia

**China central bank boosts disclosure of short-term liquidity management operations** in a step towards improving transparency following a cash squeeze in June that rattled global markets and sparked criticism of the bank for poor communication with the market. The outstanding loans under its Short-term Lending Facility dropped to CNY386 billion at end September, from CNY410 billion a month earlier.

**Sales of imported vehicles in South Korea jumped** 17.8% in October from a year earlier. A total of 14,154 units of foreign-brand cars were sold in October, compared with 12,019 vehicles sold a year ago, according to Korea Automobile Importers and Distributors Association.

**Taiwan's interest rates in the banking sector have long been market driven**, and lending rates are decided by banks themselves rather than by government directives, governor of the Central Bank of the Republic of China (Taiwan) Mr. Perng Fai-nan has said.

## Australasia

**Australia's jobless rate was at 5.7% in October**, with almost 30,000 people moving from full-time jobs, compared to 5.6% in September, the Australian Bureau of Statistics said.

**New Zealand's unemployment rate fell** by 0.2 percentage points in the quarter ending September to 6.2%, or 150,000 working age people, as the number of jobs grew, but wage growth was restrained, Statistics New Zealand said. The number of people employed rose 1.2% to 2.27 million over the same period, with demand for workers from established businesses rising 1.9%.

## Indian Sub-Continent

**India's central bank said it will treat foreign banks operating in the country on nearly equal terms with local lenders** if they move to a wholly owned subsidiary structure, as it seeks to bolster its regulatory powers in the wake of the global financial crisis.

## Middle East and North Africa

**Bahrain is supported by its strongly positive net international investment position**, which was 83% of GDP at the end of 2012, Moody's said in its Bahrain Credit Analysis.

**A mortgage credit law issued by the Central Bank** last week will lead to a decline in rates on personal loans offered by banks operating in the UAE, Central Bank governor Sultan bin Nassir Al Suwaidi said.

**Companies registered with a local group aiming to lure Emiratis into the private sector** will have to pay a minimum monthly salary of AED7,500 for UAE workers from the beginning of 2014. The move is intended to attract more Emirati workers into the country's private sector and narrow the wage gap with the public sector, which has remained far more attractive for Emiratis, the Emirates National Development Programme (ENDP) said.

## Eastern Europe

**Russia should not spend all of its fiscal reserves**, lending support to fiscal conservatives who favour keeping most rainy-day funds invested in low-risk foreign assets, President Vladimir Putin said.

## Western Europe

**German factory orders increased 3.3%** in September compared with the 0.3% fall in August, as Europe's largest economy is benefiting from a recovery in the euro area and rising domestic investment, the Economy Ministry in Berlin said.

**French PMI index of manufacturing and services activity grew 50.5** in October, as employment rose for the first time in more than 1-1/2 years, according to Markit.

**Italy has one of the widest gaps between men and women** in terms of unpaid hours worked among industrialised nations, the OECD said in a report. In 2010, Italian women worked almost 21 more hours week without pay than did men.

**British industrial output grew 0.9%** between August and September thanks to the strong performance of manufacturing sector, Office for National Statistics said.

## North America

**The Mexican economy is picking up** and there are signs that its insurance market will soon follow suit and fulfil its potential. The Mexican insurance market produces 14% of the region's premiums. But Mexico's insurance market has always punched below its weight, sales accounting for just 1.9% of Mexican GDP.

**The number of poor people in the United States held steady at nearly 50 million last year**, but government programs appear to have lessened the impact, especially on children and the elderly. The Census Bureau said the figure was virtually unchanged from a year earlier with the overall poverty rate stuck at 16%.

## South America

**Chile's commodity-driven economy is the among the top ten most at-risk** among the developing world of entering a financial crisis, Wells Fargo report said. This was largely due to its heavy dependence on exporting commodities, which currently amount to three-quarters of total exports. In 2012, the copper mining industry alone contributed almost 12% of GDP.

**In order to encourage business organisations while optimising cotton production costs**, productivity and price, the Peruvian Ministry of Agriculture and Irrigation (Minagri), in coordination with the regional government of Piura, has launched a competitiveness plan for the 2013-2014 cotton campaign.

## Oil & Gas News

**WTI for December delivery was at \$94.95 a barrel** on the New York Mercantile Exchange, up 15 cents at 11:02 a.m. Singapore time.

## Commodities News

**Bullion for immediate delivery** was at \$1,318.78 an ounce at 8:08 a.m. in Singapore from \$1,317.93 yesterday, when prices climbed 0.5%, the most since Oct. 24. Gold for December delivery was little changed at \$1,317.20 on the Comex.

**Exports of ingots and solder increased** to 4,070 metric tons from 786 tons in September, Trade Ministry data of Indonesia showed today.

## Currency News

**The Australian dollar dropped 0.6%** to 94.75 U.S. cents as of 2:33 p.m. in Sydney after touching 95.43 yesterday, the highest since Oct. 29.

**The pound gained 0.2%** to \$1.6073 at 4:29 p.m. London time after rising to \$1.6118. The U.K. currency dropped 0.2% to 84.11 pence per euro after appreciating to 83.79 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
06-Nov-13	1,313.08	3.5	105.92	30.26	1.68	1.98	1.24	117.83	9139.93	79.28	2.55	34.85	25.20	3,202.50
07-Nov-13	1,316.77	3.49	105.15	30.13	1.68	2.00	1.24	118.24	9156.67	79.37	2.56	34.79	25.15	3,206.15
% Change	0.28	-0.29	-0.73		0.15	0.82	0.08	0.35	0.18	0.11	0.13	-0.19	-0.19	0.11

# Economic & Financial News

Research & International Division

9/11/2013

*...US Economy Grew Faster than Expected...  
...New Zealand's Government Debt Hits NZ\$60 billion...*

## South East Asia

**Indonesia's volume of minerals sold overseas increased significantly during January to September period of 2013**, with several mineral exports exceeding last year's amounts, ahead of the planned full implementation of the ban on raw material exports.

**Philippines' Gross International Reserves (GIR) fell slightly in October from a year ago** as the government settled foreign exchange-denominated debts during the period. End-October GIR settled at US\$83.4 billion, slightly below the US\$83.5 billion in September.

**Cambodian Prime Minister Hun Sen called on banks and microfinance institutions** to show leniency to their flood-affected debtors by not foreclosing on their houses or lands when they have not repaid debts on schedule.

**The number of newly operated firms in Thailand fell** by 14% y-o-y to 5,262 firms in October, amid concerns that the brewing political conflict would have a negative impact on new operations.

**Significant challenges remain for the banking industry in Viet Nam** to reach the annual credit growth target this year, despite certain improvement in lending situation, State Bank of Viet Nam's governor said. The lending across the nation grew 7.89% in the first ten months.

## North East Asia

**China's overseas shipments rose** by 5.6% y-o-y in October, compared with a 0.3% y-o-y decline in September. With imports up 7.6%, China had a trade surplus of US\$31.1 billion, the biggest this year.

**Japan's agriculture ministry plans to stop its policy of limiting rice production.** The stance was implemented about 40 years ago to keep prices from falling and to encourage crop conversion. The ministry has set annual rice production targets with quotas as well as subsidies for farmers who take part in acreage reduction.

**Moody's Investors Service retained its sovereign credit rating on South Korea at "Aa3,"** citing the country's "strong" fiscal fundamentals and "moderate" debt burden. It also kept its ratings outlook for Korea at stable.

**Deputy Prime Minister Hyun Oh-seok** encourage South Korean small and medium-sized medical enterprises to compete more in the overseas market. Hyun and other policymakers approved a plan to support the Korean medical industry to make inroads into Central Asia and the Middle East.

**Taiwan called for the establishment of a cross-strait currency swap deal** to build up a liquidity safety net for Chinese yuan-based business in Taiwan,

## Australasia

**The growth of the Australian economy would remain below par next year** because of a bigger than expected fall in mining investment. The appreciation of the Australian dollar over the past few months will also constrain some sectors of the economy more than previously anticipated, the Reserve Bank of Australia said.

**New Zealand's government debt has reached NZ\$60 billion at the end of September.** This equates to 28% of New Zealand's economic output.

## Indian Sub-Continent

**Indian state-run oil companies are feeling the pain** of the finance minister's determination to meet his fiscal deficit target of 4.8% of GDP, with officials warning that exploration is under threat and losses at oil firms could steepen.

## Middle East and North Africa

**The industrial production of Turkey increased** by 6.4% in September 2013 y-o-y, and up by 5.8% m-o-m, the Turkish Statistical Institute announced.

## Eastern Europe

**Russia's central bank left its key policy rate on hold**, reflecting concerns over above-target inflation, while cautioning that economic growth would remain low in the medium term. The bank held its benchmark one-week minimum auction repo rate at 5.5%.

## Western Europe

**France's trade deficit widened** to €5.8 billion in September. The economy ministry said the increase in the trade deficit from the €5.1 billion in August was due to a drop in deliveries from Airbus as the high-priced aircraft have a large impact on the figures.

**Industrial production in France dropped** 1.4% in Q3, as output from carmakers and refineries fell sharply.

**Germany's trade surplus in September** hit a record high of €18.8 billion, up from a revised €15.8 billion in August. Exports were up 1.7% to €92.8 billion in September over August, while imports dropped 1.9% to €73.9bn billion.

**The European Central Bank is pushing for quick setup of an agency** under the existing European Union treaty that can restructure failing banks. The ECB said the new agency needs to enter into force by the middle of next year and be fully operational by 1 January 2015.

**UK's overall trade deficit in goods rose** by £3.8 billion to £29.1 billion in Q3 2013. UK imported £9.8 billion more goods than it exported, up from £9.5 billion in August.

**Britain's government proposed to reduce protections for employees** who are guaranteed a salary-linked retirement pension by their employer, in a bid to stop companies shutting such costly schemes altogether.

## North America

**Canada's unemployment rate stayed at 6.9% in October**, as hiring in the public sector and the hospitality industry offset broad-based weakness in the private sector. Canada added 13,200 full-time jobs during the month.

**The US economy grew** an annualised rate of 2.8% in Q3 2013, accelerating from Q2's 2.5% pace of growth and beating the average market estimate, on the back of strong residential investment and exports.

**US' unemployment rate rose** to 7.3% from 7.2% in September, due to furloughed federal workers that were temporarily counted as unemployed, the Labour Department reported. The US economy added a surprise 204,000 jobs in October despite uncertainty over the government shutdown.

## South America

**Chile's inflation rate slowed sharply in October**, falling to 0.1%, the National Institute of Statistics said in a report, bolstering market bets that an interest rate cut is on the horizon to spur economic growth.

**Peru's central bank cut the benchmark interest rate** to 4% from 4.25% to spur economic growth and avoid an extended slowdown, the Central Reserve Bank of Peru said.

## Oil & Gas News

**Brent for December settlement gained** \$1.66 to end the session at \$105.12 on the London-based ICE Futures Europe exchange.

## Commodities News

**Copper fell** 10% to \$7,110 a metric ton on the London Metal Exchange this year. Prices rose 8.2% in the three months through September

**Corn futures for delivery in December rose** 1.5% to close at \$4.2675 a bushel at 1:15 p.m. on the Chicago Board of Trade, after touching \$4.295.

## Currency News

**The U.S dollar rose** 0.4% to \$1.3367 per euro after appreciating to \$1.3296 yesterday. The euro added 0.6% to 132.42 yen. The U.S dollar rose 1% to 99.05 yen.

**The Brazilian real dropped** 0.3% to 2.3133 per dollar at the close in Sao Paulo and extending its weekly decline to 2.6%.

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
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09-Nov-13	1,288.50	3.56	105.12	29.53	1.67	2.00	1.24	117.65	9168.42	78.91	2.56	34.73	25.22	3,177.25
% Change	-2.15	2.01	-0.03		-0.71	0.09	0.05	-0.50	0.13	-0.58	0.21	-0.15	0.25	-0.90



# Economic & Financial News

Research & International Division

12/11/2013

*...French Tax Policy Has 'Reached Limits of Acceptability'...  
...The Saudi Crackdown on Foreign Workers...*

## South East Asia

**Indonesia's central bank will stick with its tight bias on interest rate policy** because of continued high imports but is comfortable with the current exchange rate, senior deputy governor Mirza Adityaswara said.

**Overseas remittance by foreign workers amounted to RM19.75 billion last year** compared to RM13.4 billion in 2010, said Deputy Finance Minister Datuk Ahmad Maslan. The amount had gone up due to an increase of access to non-banking financial institutions that allowed foreigners to transfer their money to their home countries.

**Foreign direct investment, which flowed into the Philippines for the first eight months of the year,** reached US\$2.8 billion as investors remained positive to the country's economic prospects. The January to August FDI was 25.4% higher compared to US\$2.2 billion of the same period a year ago.

**Pharmaceutical giants have invested SG\$2.4 billion in Singapore,** setting up eight biologics manufacturing plants within the last five years. The biologics sector now employs 1,700 people, according to EDB.

**The Ho Chi Minh City's Department of Construction will call on the government to cut the lending interest rate** and extend the term of the preferential loans of the US\$1.42 billion credit package aimed at assisting locals to buy apartments from social housing projects.

## North East Asia

**China's factory output expanded 10.4% in August,** accelerating from July's 9.7%, showing that the economy is recovering from its deepest slump since the 2008 global crisis.

**China's automobile sales climbed 20.3% in October y-o-y** to 1.93 million units, up slightly from a growth of 19.7% in September, the China Association of Automobile Manufacturing (CAAM) said.

**Japan's current account surplus increased 10.7% in H1 of fiscal 2013,** as trade deficit was outweighed by the growth in direct investment income, the Finance Ministry said.

**South Korea's import prices declined 7.3% in October from a year earlier,** smaller than an 8.1% on-year fall in September, as oil prices fell and the local currency strengthened against the U.S. dollar, the Bank of Korea said.

**The privately managed portion of Taiwan's foreign exchange reserves experienced negative returns** due to uncertainty over the future of the United States' quantitative easing program, the country's Central Bank Chief said.

## Australasia

**The number of owner-occupied home loans taken by Australians rose** by 4.4% (51,928) in September, compared to 49,733 in August, the Australian Bureau of Statistics data showed.

## Indian Sub-Continent

**Recovery in global markets pushed India's exports** to 13.47% of US\$27.2 billion in October even as trade deficit worsened on account of rise in gold imports. Gold and silver imports increased to US\$1.3 billion in the month from US\$0.8 billion in September 2013.

## Middle East and North Africa

**Oman is under more immediate pressure to reform than its wealthy Gulf neighbours** as its energy resources are less ample. The IMF warned that Oman's state finances could slide into deficit in coming years because of recent public spending rises.

**More than 800,000 foreign workers have been deported** in the Red Sea port city of Jeddah. The purge has led to the closure of many outlets this week as parts of the capital Riyadh were unusually empty.

**About 150,000 job opportunities for young Saudi men and women** have been created in the private sector, thanks to the campaign for status correction of foreigners, according to Council of Saudi Chambers.

**The Egyptian government will launch a new economic stimulus package by the end of the year**, the Finance Minister said, bringing forward spending plans that will help revive the economy.

## Eastern Europe

**Russia's failure to significantly change its energy-dependent economic model** is consigning the country to potentially decades of low growth and eroding its status as a top emerging economy, admitted Economy Minister Alexei Ulyukayev.

## Western Europe

**France's fiscal policy has "reached the limits of acceptability"**, with high company taxes weighing on growth, the head of the European Commission José Manuel Barroso said. "France is by far the country (in the EU) where companies pay the highest taxes and that's a problem for growth and employment", he continued.

**Germany came under renewed pressure from the European Union to boost domestic spending** as the EU's Economic and Monetary Affairs Commissioner Olli Rehn said higher German demand would help temper the euro's strength and reiterated a threat to open an in-depth probe of the nation's trade surplus.

**Italian industrial production rose 0.2% in September**, led by rising capital-goods output, National Statistics Institute (Istat) said. Capital goods production rose 0.4% in September from August while output of intermediate goods, consumer goods and energy all declined.

**Spanish economy had started recovering thanks to the correction of economic imbalances** and highlighted the improvement of indicators such as the production rate, the risk premium and the capital market, the Secretary of State for Economy Fernando Jimenez Latorre said.

## North America

**Canadian consumer confidence fell** as the nation's economy struggles to build momentum, according to the Bloomberg Nanos Canadian Confidence Index. The weekly measure of the economic mood of Canadians fell to 58.2 in the period ended Nov. 8, from 58.5 the previous week.

**Mexican industrial output slumped 1.2% in September**, on weakness in manufacturing, construction and utilities, the National Statistics Agency said.

## Oil & Gas News

**WTI for December delivery lost as much as 26 cents to \$94.88 a barrel in electronic trading** on the New York Mercantile Exchange. It was at \$94.94 on Monday, 11:37 a.m. Sydney time.

## Commodities News

**Bullion for immediate delivery was at \$1,281.81 an ounce** at 9:15 a.m. in Singapore from \$1,282.80 yesterday, when the metal fell for a third day to \$1,279.16.

**Aluminum-can scrap prices in Yokohama jumped** to 147.7 yen per kilogram in December from 101.6 yen in the same month a year earlier.

## Currency News

**The pound declined** 0.5% to 83.90 pence per euro at 3:54 p.m. yesterday London time after appreciating 1.5% last week. Sterling dropped 0.2% to \$1.5982 after gaining 0.6% last week.

**The Mexican peso depreciated** 0.4% to 13.2155 per U.S. dollar at 4 p.m. Monday in Mexico City on Nov.11.

Date	Gold Spot	NYMEX Natural Gas (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
09-Nov-13	1,288.50	3.56	105.12	29.53	1.67	2.00	1.24	117.65	9168.42	78.91	2.56	34.73	25.22	3,177.25
12-Nov-13	1,281.13	3.58	106.27	29.68	1.67	2.00	1.25	117.00	9229.35	79.39	2.56	34.79	25.38	3,185.51
% Change	-0.57	0.56	1.09		-0.12	-0.27	0.23	-0.55	0.66	0.61	0.03	0.16	0.64	0.26

# Economic & Financial News

Research & International Division

13/11/2013

*... Indonesia Raised Key Policy Rates...  
... Australia PM Moved to Repeal Climate Tax...*

## South East Asia

**Bank Indonesia raised the benchmark policy rate and overnight deposit rate** by 25 basis points (bp). The central bank has now hiked rates by a cumulative 175bp since June.

**The Malaysia's Goods and Services Tax (GST) Bill will be ready by year-end or early 2014** with relatively few changes from that tabled in 2009, Finance Ministry GST Implementation Office tax advisor Datuk Kamariah Hussain said.

**The revised Malaysian National Automotive Policy is likely to be announced by January 15** next year. International Trade and Industry Minister Datuk Seri Mustapa Mohamed expects the cabinet to approve the details of the policy, which will express Malaysia's desire as a big exporter of energy-efficient vehicles (EEV).

**Myanmar's planned electricity rate increase will be postponed until the 2014-15 fiscal year**, instead of taking effect this month, the Minister of Electric Power told Parliament.

**Philippines' merchandise exports grew** by 5% y-o-y in September, supported by the demand for electronic products and seven other top export commodities.

**Gas prices were cut in Vietnam as post-storm aid**, following a Ministry of Finance order to help storm victims cope with the devastation of Typhoon Haiyan and other storms.

## North East Asia

**The ruling China's Communist Party unveiled new "wave of reforms"** to give the market a "decisive role" in the allocation of resources while retaining the public sector's dominance in the world's second largest economy.

**Japan's core machinery orders fell** 2.1% in September, which excluded ships and electric power utilities, as firms expect orders to fall further in the current quarter, the Cabinet Office data showed.

**South Korea's jobless rate rose** 2.8% last month, up 0.1 percentage point from the previous month as unemployment of young people grew at a fast pace, with fresh jobs created mostly among senior citizens, according to Statistics Korea.

## Australasia

**Australia's Prime Minister Tony Abbott moved to abolish a carbon tax** designed to combat climate change as his first major economic reform since taking office.

**New Zealand's interest rates will start being raised next year**, and the likely impact on the currency is a concern. The Reserve Bank of New Zealand said inflation is already starting to pick up, and that will necessitate higher interest rates.

**The Reserve Bank of New Zealand said house prices are overvalued in some areas**, which along with increasing demand, a lack of supply and low interest rates, have led to households becoming more indebted and more vulnerable.

## Indian Sub-Continent

**India's industrial production picked up** by 2% in September over the previous year, the government said. Weak demand has been tamping down industrial output in India as inflation combined with weak growth and a falling rupee make consumers reluctant to spend.

**The annual consumer price inflation in India quickened** to 10.09% in October, from 9.84% in September, driven by food prices, the government data showed.

## Middle East and North Africa

**The Egypt trade deficit surged** by EGP1.25 billion in July 2013, reaching EGP21.2 billion compared to EGP19.95 billion in the same month last year, according to the Central Agency for Public Mobilization and Statistics.

**The cost of living index in Saudi Arabia rose** by 1.1% in October 2013, compared to the same month last year, the General Statistics Department said.

## Eastern Europe

**The State Statistics Committee said that Russia's economy expanded only 1.2% in Q3**, as the government have been blamed for failing to introduce a business-friendly climate and induce investments in industries that could discourage Russia off its dependence on energy exports.

## Western Europe

**The European Union is set to open an in-depth review of the German economy** because of worries that weak domestic demand in its biggest member threatens to undermine a promising euro-zone recovery.

**The cost of living in Germany rose** by 1.2% in October, compared to 1.4% in September as falling oil prices put a damper on rising costs of living, the Federal Statistics Office, Destatis, showed.

**Britain's inflation rate dropped sharply** to 2.2% in October, from 2.7% in the previous month, according to the Office for National Statistics. The slowdown was largely driven by a fall in transport, especially motor fuels, and student tuition fees.

**Constraints on public finances in Italy**, especially those imposed by the European Union to keep its deficit at or below 3% of GDP, make it extremely difficult to finance new tax cuts or other measures to boost growth, deputy economy minister Stefano Fassina said.

**Italy's consumer prices fell** 0.2% m-o-m in October, the central statistics agency Istat said. The slowdown in Italian inflation was due to annual falls in the prices of food and non-alcoholic beverages, housing, water, electricity, gas and other fuels, education and communications.

## North America

**The continuing slowdown in China is adding to concerns about potential risks on Canada's own fragile recovery.** Not only is China now Canada's second largest trading partner, but it is a key driver of global demand and prices for oil and metals that Canada exports in abundance.

## South America

**The Argentine government has overspent on state subsidies**, causing a public deficit that could drive up inflation and destabilise the Argentine peso. The fiscal deficit is a powerful cause of inflation, Argentine Institute for Social Development said.

## Oil & Gas News

**Natural gas futures for December delivery gained** as much as 0.9% to \$3.651 per million British thermal units in the New York Mercantile Exchange. The contract was at \$3.635 at 10:40 a.m. Singapore time today.

**WTI for December delivery increased** 12 cents, at 1:07 p.m. Sydney time today and was at \$93.16 a barrel in electronic trading on the New York Mercantile Exchange. The contract slid \$2.10 to \$93.04 yesterday.

## Commodities News

**Soybeans for January delivery lost** as much as 0.3% to \$13.105 a bushel on the Chicago Board of Trade and were at \$13.12 by 11:02 a.m. Singapore time today.

## Currency News

**The yen was little changed** at 99.56 per dollar after touching 99.80 yesterday. It traded at 133.77 per euro after a 0.7% slide to 133.87 yesterday.

**The rupiah weakened** 0.7% to 11,673 per dollar as of 9:36 a.m. in Jakarta.

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-Nov-13	1,281.13	3.58	106.27	29.68	1.67	2.00	1.25	117.00	9229.35	79.39	2.56	34.79	25.38	3,185.51
13-Nov-13	1,270.27	3.64	106.1	29.15	1.67	1.99	1.25	116.50	9318.80	79.77	2.57	34.99	25.30	3,171.81
% Change	-0.85	1.68	-0.16		0.37	-0.12	0.10	-0.43	0.97	0.48	0.13	0.57	-0.33	-0.43

# Economic & Financial News

Research & International Division

14/11/2013

*...German Trade Surplus Could Threaten Eurozone Recovery...  
...Vietnam's Preferential Tax Rates to Rise...*

## South East Asia

**Cambodia's export has seen a 30% rise** in the first 10 months of 2013 thanks to the surges in the exports of garment, milled rice, and rubber, trade data showed.

**Indonesia's current account deficit narrowed** to 3.8% of GDP (US\$ 8.4 billion) in Q3 2013, from 4.4% of GDP (US\$ 9.9 billion) in the Q2. The narrowing was driven by improvement in the non-oil and gas trade surplus while the oil and gas deficit widened further.

**The current monetary policy is still sufficient** to provide an important support to economic growth and will not be modified unless a significant change in relevant condition occurs, Bank Negara Malaysia governor Tan Sri Dr Zeti Akhtar Aziz said.

**Myanmar had 7.1539 tons of gold reserve** and US\$8.19 billion of foreign exchange reserve as of the end of October 2013, Central Bank of Myanmar announced.

**Philippines' manufacturing output continued to rise in September** from the previous month due to the positive performance of eight sectors. The Volume of Production Index (VOPI) grew 16.3% in September compared to the revised 16% expansion in August.

**Thailand's economic authorities rejected the International Monetary Fund's suggestion** for the country to scrap the rice subsidy program which it says is undermining confidence in the country's finances.

**Vietnam's finance ministry will raise taxes by up to 10%** for 462 preferential import tariff lines next year. The ministry reviewed 3,425 tariff lines for all kinds of products based on lists of domestically-produced goods, discouraged imports and the import value of all goods in 2012.

## North East Asia

**China's fiscal revenue accelerated** 16.2% y-o-y in October to US\$197 billion as the economy stabilises, the Ministry of Finance said. Revenue growth picked up from 13.4% in September and 9.2% in August.

**Japan's economy grew at** an annualised pace of 1.9% in the Q3 2013. Japanese Economics Minister Akira Amari said today that the economy is continuing to look up on the back of firm domestic demand and that its recovery is ensured.

**South Korea's central bank held interest rates steady** at 2.50% today, according to Bank of Korea's monetary policy committee.

## Australasia

**The hot housing market is the biggest threat to New Zealand's financial stability** — but tighter lending rules in place since last month seems to be taking some of the heat out of the market, Reserve Bank of New Zealand Gov. Graeme Wheeler said.

## Indian Sub-Continent

**India's central bank governor focused on the brighter side** of the economy—narrowing current-account deficit and slowing core inflation, as he tried to calm investors worried over the impact of a likely rollback of easy money policies in the U.S.

## Middle East and North Africa

**Oman's public sector wage bill may jump** by as much as OMR900 million (US\$2.3 billion) next year, according to the finance minister, accelerating a deterioration of its state budget position.

**Turkey's current-account deficit widened** \$3.3 billion in September as imports rose to \$20 billion from \$19.3 billion a year ago, while exports were little changed at \$14 billion, the central bank has said.

**Egypt does not need The International Monetary Fund (IMF)'s loan**, as Egypt has enough money to achieve the government's goals over the coming period, Minister of Finance Ahmed Galal said.

## Western Europe

**Standard and Poor's has downgraded France's long-term foreign and local currency** sovereign credit ratings from AA+ to AA, with a stable outlook. The French Government's current approach to budgetary and structural reforms to taxation, and labour markets, is unlikely to raise France's medium-term growth prospects.

**Germany's status as Europe's industrial powerhouse could be damaging** the single-currency bloc, the European Commission has said, as it launched a probe into whether the country's large trade surplus was hindering Europe's recovery. The Commission is also scrutinising 15 other European countries for not meeting EU economic targets.

**The European Commission (EC) said that it is opening an in-depth review of Italy's macroeconomic imbalances**, along with those of France and Hungary. The in-depth review will assess the persistence of imbalances and EC will make policy recommendations after the review.

**Tax revenues in Italy fell** by 0.3% in the first nine months of this year with respect to the same period in 2012, the Bank of Italy said.

**Spanish consumer price index fell** by 0.1% in October on an annual basis, according to figures from Spain's National Statistics Institute.

## North America

**Canada's top credit rating AAA and stable outlook were affirmed** by Standard & Poor's, which cited the nation's predictable policies and a "resilient" economy.

**U.S. central bank would remain alert** to preventing inflation from declining too far from the Fed's goal of 2%, Federal Reserve Chairman Ben Bernanke said.

## South America

**Retail sales volumes in Brazil rose** 0.5% in September from August, the government statistics agency IBGE said.

## Oil & Gas News

**WTI for December delivery fell** as much as 40 cents to \$93.48 a barrel in electronic trading on the New York Mercantile Exchange. The contract was at \$93.62 at 11:19 a.m. today Sydney time. It rose 0.9% to \$93.88 yesterday.

## Commodities News

**Bullion for immediate delivery rose** as much as 0.4% to \$1,287.01 an ounce, and was at \$1,284.66 at 8:49 a.m. today in Singapore. Prices rose 1.1% yesterday, the most since Oct. 22.

**Copper futures for December delivery slumped** 2.3% to settle at \$3.1595 a pound at 1:21 p.m. on the Comex in New York.

## Currency News

**The U.S. dollar was little changed** at \$1.3486 per euro as of 9:46 a.m. in Tokyo today after earlier touching \$1.3498, the weakest since Nov. 7.

**The ringgit strengthened** 0.7% to 3.1898 per dollar as of 9:35 a.m. today in Kuala Lumpur, the steepest increase since Oct. 28.

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
13-Nov-13	1,270.27	3.64	106.1	29.15	1.67	1.99	1.25	116.50	9318.80	79.77	2.57	34.99	25.30	3,171.81
14-Nov-13	1,282.08	3.55	107.12	30.17	1.68	1.98	1.25	116.24	9328.36	79.62	2.57	35.04	25.29	3,184.43
% Change	0.93	-2.47	0.96		0.44	-0.50	0.07	-0.22	0.10	-0.18	0.10	0.15	-0.03	0.40

# Economic & Financial News

Research & International Division

16/11/2013

*...China Issues Detailed Reform Roadmap...  
...Malaysia's Economy Grew in Q3...*

## South East Asia

**Cash remittances from Filipinos overseas rose to a nine-month high in September** amid steady demand for skilled and professional workers. Remittances in September grew 5.3% to US\$1.94 billion, bringing the nine-month tally to US\$16.5 billion. The nine-month figure was also 5.8% higher than last year's level.

**Indonesians were apparently less optimistic in their current financial status in Q3 2013** compared to previous quarters, as the economic slowdown affected their investment sentiments, a recent survey by Manulife finds. Only 51% of Indonesians felt they were on track to achieving their financial goals in Q3. The figure fell from 61% in Q2 and 70% in Q1.

**The Lao government needs over US\$1 billion** in investment in national priority projects, enhancing capacity building and improving the living conditions of the country's poorest people over the next by 2015, according to Deputy Minister of Planning and Investment, Mr Somchit Inthamit.

**The European Union has pledged assistance** of up to €90 million per year for rural development, education, governance and peace-building in Myanmar from 2014 to 2020.

**Malaysia's economy grew** 5% on year in the Q3 from 4.4% in the Q2, fuelled by robust domestic demand and an improvement in exports, Bank Negara Malaysia said. The services and construction sectors were the key drivers on the supply side while private and public consumption led the demand side.

**Singapore's September retail sales rose** 0.5% August, mainly due to strong motor vehicle sales. Excluding motor vehicles, retail sales fell by 2.5%, the Department of Statistics said.

**Thailand's Primary Industries and Mines Department will spend THB147 million** to develop six key industries this fiscal year to lower logistics costs by THB3.5 billion.

## North East Asia

**China has issued a detailed reform roadmap**, which promises to allow some families to have two children instead of one. The reform is part of a plan to stimulate the decelerating Chinese economy. The plans include

requiring state firms to pay the government larger dividends and allowing private companies a bigger role in the economy.

**China's electricity consumption rose** 9.5% y-o-y in October. The growth was lower than September's 10.4% rise and August's 13.7% increase, according to National Energy Administration.

**China has kept its position as the world's largest gold consumer**, requiring 210 tonnes in Q3 this year, said the World Gold Council. The figure is an 18% increase over the same period last year in jewellery, bullion and coin sectors.

**South Korean non-life insurance firms saw their operating losses from auto-related policies** surged US\$386 million on-year in the H1 of fiscal 2013, due to the sector's rising loss rates.

**Hong Kong economy expanded moderately** in Q3 2013, by 2.9% in real terms over a year earlier, slightly slower than the 3.2% growth in Q2.

## Australasia

**Total volume of New Zealand retail sales rose** 0.3% q-o-q in Q3, from a 1.5% q-o-q pace in Q2, as growth in sales of cars and auto parts was offset by weak consumer spending in the core sectors.

## Indian Sub-Continent

**India's inflation rose** to 7% in October, despite efforts by the central bank to rein in prices by hiking interest rates. Higher prices for food and fuel hit the hundreds of millions of poor Indians living on \$2 per day.

## Middle East and North Africa

**Standard & Poor's Ratings raised its long and short-term foreign and local currency sovereign credit ratings on Egypt** to „B-/B“ from „CCC+/C“. This reflected that the Egyptian authorities have secured sufficient foreign currency funding to manage Egypt's short-term fiscal and external financing needs.

**Turkey's unemployment rate increased** to 9.8% in August, from 9.3% in July. The number of people unemployed, which was 2.4 million in August of last year, went up to 2.8 million this year.

**The prices of premium gasoline, diesel and industrial fuel will decrease** starting from today in Morocco, the Ministry of General Affairs and Governance said. The price of premium gasoline will decrease by MAD 0.43 cents (US\$0.05), the diesel down by MAD 0.30 cents (US\$0.04), and industrial fuel shrink by MAD 252.29/ton.

## Western Europe

**The European Union issued stern warnings to France, Spain and Italy** on Friday that they must hold unwaveringly to their budgets for 2014, saying that they were at risk of missing targets.

**Inflation across the Eurozone fell** to 0.7% in October, the lowest level in the 17-country currency area for four years, the European Union said.

**The French economy is shrinking again.** National Statistics Agency (Insee) said that GDP fell 0.1% in Q3.

**French government has reiterated its plans to raise the country's VAT** by 0.4% starting 1 January 2014 but appealed to retailers not to pass on the hike to consumers, Finance Minister Pierre Moscovici said.

## North America

**The number of Americans initially applying for unemployment benefits inched down** by 2,000 in the week ending Nov. 9 to 339,000 from the previous week of 341,000, but remained well above the pre-shutdown level, the Labour Department reported.

**Prices for US exports fell** 0.5% in October, a worrisome sign of global economic weakness, while the cost of imports declined 0.7% due to a sharp drop in the price of oil, the Labour Department said.

**US industrial production fell** 0.1% in October after advancing 0.7% in September, as output at power plants and mines declined, the Federal Reserve said.

**Canadian home resales dipped** 3.2% last month, Canadian Real Estate Association reported. That still leaves 8.3% increase from October 2012.

**Canadian manufacturing sales jumped** 0.6% in September to C\$49.9 billion on strength in the auto and food industries.

## South America

**Chile is in a good position** to deal with the "normalisation" of global monetary conditions, central bank chief Rodrigo Vergara said. Open, export-dependent Chile's economy relies greatly on the health of the global economy and world demand for its key product copper.

## Oil & Gas News

**WTI crude for December delivery advanced** 8 cents to settle at \$93.84 a barrel on the New York Mercantile Exchange.

## Commodities News

**Soybeans for January delivery dropped** as much as 0.3% to \$13.09 a bushel on the Chicago Board of Trade and were at \$13.1225 by 10:33 a.m. Nov.15 in Singapore.

**Copper for delivery in January gained** 0.6% on the Shanghai Futures Exchange to 50,770 yuan (\$8,335) a ton yesterday.

## Currency News

**The Australian dollar rose** 0.3% to 93.44 yen as of 5:03 p.m. yesterday in Sydney, heading for a 0.5% gain since Nov. 8. It rose 0.2% to 93.32 U.S. cents.

**The pound climbed** 0.3% to \$1.6106 at 4:29 p.m. Nov.15 London time after reaching \$1.6135. It has increased 0.6% this week.

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-Nov-13	1,282.08	3.55	107.12	30.17	1.68	1.98	1.25	116.24	9328.36	79.62	2.57	35.04	25.29	3,184.43
16-Nov-13	1,290.18	3.66	108.5	29.64	1.68	2.00	1.25	116.61	9286.78	80.34	2.56	34.92	25.33	3,201.27
% Change	0.63	3.10	1.29		-0.07	1.00	-0.10	0.32	-0.45	0.90	-0.21	-0.32	0.17	0.53



# Economic & Financial News

Research & International Division

19/11/2013

*... Singapore's Trade Surplus Increased...  
... Iran State Gas Is Facing Collapse ...*

## South East Asia

**It is highly unlikely that the prices of subsidised fuel will be raised again next year**, said the Indonesian government, in its first reference to the issue since the latest current-account statistics showed that the fuel-price hike in June had failed to reduce oil imports.

**Indonesian government collected Rp 721.7 trillion (US\$62.1 billion) of taxes as of 7 November 2013**, equals to 72.5% of the 2013 target. The latest tax collection figures represent an increase of 7.5% from the same period last year.

**Malaysia is not at risk of twin deficits**, as the country is expected to maintain a healthy current account surplus while being on track to reducing its fiscal deficit, according to Minister Datuk Seri Abdul Wahid Omar.

**The resources of the Philippines' banking system continued to grow in September**, reflecting the strength of the industry despite the weakness of the global economy. Total resources of the system went up 17% to Php 11.692 trillion from Php 9.971 trillion in the same period last year. Banks accounted for 81% of the system's resources, while the remaining 19% was held by non-banks.

**Singapore's trade surplus increased** to SG\$6.69 billion in October of 2013 from SG\$3.51 billion a year ago. Non-oil exports rose 2.8% on the year, after shrinking by 1.2% in the previous month, as higher sales of non-electronics outweighed the decline in electronic shipments.

**GDP growth of Thailand expanded** for the Q3 of 2013 by 2.7% y-o-y, lower than the 2.9% market expectation mainly to a decline in domestic consumption and private investment, Arkhom Termpittayphaisith, director general of the National Economic and Social Development Board said.

**Vietnam's export figures for October were up by a healthy 12.8%**, compared to the previous month, reaching total revenue of US\$12.61 billion. Imports rose by 11% to US\$12.51 billion.

## North East Asia

**Property prices in China's major cities continued to rise** in October. Shanghai, with a 21.4% increase from the same period last year, led the price hike list. Beijing ranked second, with a 21.2% jump, the National Bureau of Statistics said.

**The Japanese government confirmed a plan** to draw up an additional economic stimulus package by early December, aiming to prevent the economy from slowing down due to a consumption tax hike due next April.

**South Korea's producer prices declined** 1.4% in October from a year earlier, compared with a 1.8% on-year decline in September, as oil prices fell and the local currency strengthened against the U.S. dollar, the Bank of Korea (BOK) said.

**Hong Kong's jobless rate remained stable** in October 2013 at 3.3%, on the back of resilient domestic demand. Although total employment went

## Australasia

**New Zealand's economic recovery continues to be led by the regions**, the latest ANZ Regional Trends report released today shows. The report highlights that 12 out of 14 regions recorded a rise in economic activity in Q3.

## Indian Sub-Continent

**The era of easy money for Indian banks may be coming to an end.** Unlimited access to relatively cheap overnight funding from the Reserve Bank of India was tightened about midyear as part of measures to support a plunging rupee, and now the central bank is eager to use the restrictions to help it deepen money markets.

## Middle East and North Africa

**Iran state gas company said it is facing collapse**, the latest sign of deepening economic distress from international sanctions as Tehran seeks urgent relief in talks with world powers.

**Egypt's unemployment rate inched up** 0.1% in Q3 of 2013, amounting to 13.4% of the country's total labour force, according to the state-run statistics body CAPMAS. Number of unemployed Egyptians increases by 30,000 during period between July and September.

**The Central Bank of Oman has issued a warning to licensed banks** operating in the sultanate to abide strictly by the Royal Orders of His Majesty Sultan Qaboos bin Said regarding the standardisation of grades and salaries of the staff of the civil sector, including all its units, bodies and institutions.

**Saudi Arabia boosted its October oil exports by 300,000 barrels a day** from September even as it produced less. Saudi Arabia's oil production fell to 9.75 million barrels a day in October.

## Western Europe

**In September of 2013, Euro Area's trade surplus in goods increased** to €13.1 billion, from €8.6 billion a year earlier. Exports rose by a non-seasonally adjusted 2.7% on an annual basis, while imports remained unchanged.

**French Prime Minister Jean-Marc Ayrault said he wanted to simplify the tax system**, announcing a consultation process with the aim of proposing a broad tax reform to parliament by 2015.

**French weak economic growth was causing a €5.5 billion shortfall** in 2013 tax receipts, Budget Minister Bernard Cazeneuve said. There is a €1 billion shortfall on VAT, €4 billion shortfall on corporate taxes and income tax revenue also fell by €500 million.

**Germany is growing solidly** and its upturn will likely be consolidated in the coming months, helped by domestic demand and an improved global environment, the Bundesbank said.

**Italian government will present plans for a round of privatisations this week.** The government is looking to reduce Italy's massive public debt, which stands at over €2 trillion, around 130% of GDP, via privatization of State assets, including real estate, Premier Enrico Letta said

**Spain's economy is weighing on Spanish banks** and is the main risk factor as lending shrinks and real estate prices fall, the EU said.

## South America

**Chile's GDP expanded** 4.7% in the Q3 of 2013 over a year earlier, up from a revised 4% in the Q2. The expansion was mainly boosted by mining and agriculture.

## Oil & Gas News

**WTI for December delivery was at \$92.95 a barrel** in electronic trading on the New York Mercantile Exchange, down 8 cents, at 1:49 p.m. Sydney time today.

## Commodities News

**Bullion for immediate delivery dropped** as much as 0.4% to \$1,270.97 an ounce, and was at \$1,273.16 at 9:59 a.m. today in Singapore. Bullion, which has slumped 24% this year, declined to \$1,270.15 yesterday.

## Currency News

**Rupiah one-month non-deliverable forwards gained** 0.5% to 11,423 per dollar as of today 9:51 a.m. in Jakarta and reached 11,365 earlier.

**The dollar fell** 0.1% to \$1.3518 per euro as of 10:40 a.m. in Tokyo from yesterday, when it touched \$1.3542, the weakest since Nov. 6.

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-Nov-13	1,282.08	3.55	107.12	30.17	1.68	1.98	1.25	116.24	9328.36	79.62	2.57	35.04	25.29	3,184.43
19-Nov-13	1,274.18	3.62	108.01	29.84	1.68	2.01	1.25	117.12	9340.56	80.37	2.56	35.00	25.35	3,200.10
% Change	-0.62	1.97	0.83		0.14	1.26	-0.22	0.76	0.13	0.94	-0.21	-0.09	0.23	0.49

# Economic & Financial News

Research & International Division

20/11/2013

*...OECD Joins EU in Telling Italy to Cut Debt...  
...South Korea Hikes Electricity Rates to Cut Energy Consumption...*

## South East Asia

**Palm oil shipments from Indonesia climbed to the highest level in eight months in October** as a decline in supplies of substitute oils in India and China spurred demand from the biggest buyers. Exports increased 13% to 1.86 million metric tons from 1.64 million tons in September.

**75.7% of Indonesians had no sufficient literacy on financial products and services**, a recent survey by the Financial Services Authority revealed.

**Private insurance in Myanmar is still in its infancy** and will need time to fully develop after more than half a century of domination by a government-owned company.

**Philippines recorded a sharp drop in its balance of payments surplus in October from a year ago.** The surplus plunged 99% to \$5 million in October from \$604 million in the same period last year. The figure was also lower than the \$465 million surplus recorded in September.

**Individual Thai taxpayers will save at least THB7,500 each** annually under a new approved law. The income tax brackets will be expanded from five to seven during the 2013 /2014 tax years, while the maximum tax rate was lowered from 37% to 35%. Those with taxable income below THB150,000 a year will remain exempted, THB150,000-300,000 will be subjected to a 5% rate and above THB4 million will be get the maximum rate.

**Vietnam hit a trade deficit of US\$145.5 million dollars** in the first 10 months. The country's total export turnover in the first 10 months reached over US\$108.7 billion, a rise of 16% y-o-y, and import turnover was nearly 108.9 billion dollars, up 15.9%.

## North East Asia

**China's central bank will cease regular intervention in the foreign-exchange market**, allowing the market to play a basic role in the formation of the foreign exchange rate. The government will widen the Yuan trading band in an "orderly" manner as it seeks to promote a more flexible currency under a managed floating exchange rate regime, said the central bank.

**Foreign investment into China rose 5.8% on year** for January-October. FDI into China, which excludes financial sectors, totaled US\$97 billion in the first 10 months.

**Japan's trade deficit nearly doubled in October**, as growth in imports outpaced robust increases in exports to the U.S. and China. A weakening in the Japanese yen over the past year helped exports, but it also increased the cost in yen terms for imports, especially of oil and natural gas.

**South Korea's short-term foreign debt** declined in Q3 on a fall in banks' overseas borrowing. The country's short-term external debt totaled US\$111.5 billion as of Q3, down US\$8.1 billion from Q2.

**The South Korean government will raise electricity rates** by an average 5.4% in an attempt to deter the country's heavy use of electricity. Starting from 21 November, the average price of electricity for households will be raised by 2.7%, industrial sector and large office buildings will be hiked by 6.4% and 5.8%, respectively.

**The Financial Supervisory Commission of Taiwan plans to set up an automatic approval system** for domestic banks seeking to set up overseas branches in an effort to help local financial institutions venture into the broader Asian market.

## Australasia

**The Reserve Bank of Australia (RBA) decided to keep the cash rate unchanged at 2.5%.** Low interest rates are helping boost Australia's economic activity, RBA said in the minutes of its November board meeting.

**The construction sector is one of largest in the New Zealand economy** employing 7% of the workforce and growing, a new Government report shows. The construction sector generates annual revenues of more than NZ\$30 billion to the New Zealand economy.

## Indian Sub-Continent

**India is in need of urgent reforms** to its infrastructure spending and fuel subsidy policy in its battle against slowing economic growth, according to Caroline Keen.

## Middle East and North Africa

**Saudi Arabia is the second largest market for Islamic funds** globally with assets under management (AUMs) exceeding \$6 billion, Thomson Reuters said. The Kingdom accounts for 20% of the global Islamic funds market.

**Turkey's central bank kept its main policy rate, the one-week repo rate, at 4.50%**, its borrowing rate at 3.50% and its overnight lending rate at 7.75%. The central bank said it would keep monetary policy tight as it worries about a withdrawal of US monetary stimulus.

## Western Europe

**The next German government's welfare plans and the introduction of a minimum wage** would endanger competitiveness, the leader of Germany's employers' federation said.

**Italian government was doing the right things to encourage economic recovery**, but that it could use prodding to do even more. Italian government policies are to slash public spending to free up resources to cut taxes in growth-stimulating ways, such as reducing the cost of labour. Italy is successfully reducing its budget deficit, but failing to reduce its public debt relative to GDP, the OECD said in its recent Economic Outlook.

## North America

**The US economy has made significant progress since the depths of the recession** but remains far from where the Fed wants to see it and that the US central bank is still committed to its stimulus policies, Federal Reserve Chairman Ben Bernanke said.

**The Canadian housing market is 21% overvalued**, and Canadian national home prices have rapidly increased over 130% since 2001, outpacing income growth over the same period by over 80%, after taking into account momentum and inflation, Fitch Ratings said in a report.

## South America

**Brazil maintained fiscal stability** while promoting wealth distribution and job creation even though it was hit by the international financial crisis, President Dilma Rousseff said.

**Chile's central bank cut its key interest rate** by a quarter of a percentage point to 4.5%, the second reduction in as many months, to try to stimulate a cooling economy.

## Oil & Gas News

**WTI for December delivery was at \$93.60** in electronic trading on the New York Mercantile Exchange, up 26 cents at 11:39 a.m. today Sydney time.

## Commodities News

**Copper** for delivery in February on the Shanghai Futures Exchange rose 1% to 50,320 yuan (\$8,260) a ton.

**Rubber** for May delivery on the Shanghai Futures Exchange gained 0.5% to 19,330 yuan (\$3,172) a ton.

## Currency News

**The dollar slipped** 0.1% to \$1.3555 as of 10:04 a.m. today in Tokyo and earlier reached \$1.3579. The U.S. currency bought 100.08 yen from 100.14.

**The euro rose** 0.1% to 135.66 yen after touching 135.95, the strongest since October 2009.

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-Nov-13	1,282.08	3.55	107.12	30.17	1.68	1.98	1.25	116.24	9328.36	79.62	2.57	35.04	25.29	3,184.43
19-Nov-13	1,274.18	3.62	108.01	29.84	1.68	2.01	1.25	117.12	9340.56	80.37	2.56	35.00	25.35	3,200.10
% Change	-0.62	1.97	0.83		0.14	1.26	-0.22	0.76	0.13	0.94	-0.21	-0.09	0.23	0.49

# Economic & Financial News

Research & International Division

21/11/2013

*...India's CB Launches Reforms to Shore Up Rupee...  
...Peru is The Largest Producer of Gold in Latin America...*

## South East Asia

**Bank Indonesia welcomed the government's plan to increase the tax on imported consumer goods** in an effort to reduce the country's current account deficit. The government had announced earlier that it planned to raise the withholding tax on imported goods (under Article 22 of the Taxation Law) for importers who had an import license to 7.5% of total import value, from the existing 2.5%.

**Malaysia maintains its stance on keeping the export duty structure** for palm oil and palm oil products under the Trans-Pacific Partnership Agreement (TPPA) negotiations, said Ministry of International Trade and Industry (MITI) officials.

**The Bangko Sentral ng Pilipinas may need to revise inflation targets for 2015** given the foreseen upticks in the rate for this year and the next following the devastation by typhoon Yolanda, according to the Bank of the Philippine Islands. The central bank has a 3% to 5% inflation target for this year and the next, and a 2% to 4% range for 2015.

**Thai government is prepared to kick off the THB2 trillion infrastructure investment plan next year**, after the borrowing bill unexpectedly won the Senate's approval on last Tuesday night.

**Vietnamese credit institutions have restructured** nearly VND300 trillion (US\$13.63 billion) in debts, accounting for 10% of total outstanding loans. According to Governor of the State Bank of Viet Nam, Nguyen Van Binh, measures used to restructure the repayment period meant large amounts of outstanding loans would remain as such, instead of becoming non-performing loans.

## North East Asia

**Chinese Finance Minister Lou Jiwei stressed the need for transparency in the national budget system** and fairness of the tax system as the country pushes forward reforms to revitalise and restructure the economy.

**A surge in car shipments spurred Japanese exports** to their biggest annual increase in three years in October. The 18.6% increase in exports in the year to October accelerated from a 11.5% gain in September, data from the Ministry of Finance showed.

**South Korea needs to maintain relatively low corporate tax rates** in order to help sharpen its competitive edge in businesses and boost corporate investment, the finance ministry said. Currently, the corporate tax rate on taxable income stands at 22%, which is higher than 16.5% in Hong Kong, 17% in Singapore and 17% in Taiwan.

**South Korea's credit card spending increased 5.1%** on-year in October, accelerating from the previous month's 1% on-year gain, Credit Finance Association said. South Korea's credit card spending totaled US\$43.3 billion last month.

**Export orders received by Taiwanese companies in October increased 3.28%** from a year earlier to US\$39.59 billion, the Ministry of Economic Affairs said.

## Australasia

**IMF Article IV Consultation 2013 said there are a number of challenges facing the Australian economy.** Excess capacity in the non-mining sector could hold back investment plans and a strong Australian dollar may continue to create headwinds for overall growth.

## Indian Sub-Continent

**India's central bank governor announced short-term measures** to stabilise the country's troubled economy and tumbling currency. The existing banks would be able to open new domestic branches without RBI permission and that long-awaited new banking licences would be issued by January.

**India's steel production growth eased 2.8%** in January-October this year. Global industry body World Steel Association (WSA) data today showed India produced 66.387 million tonnes (MT) steel during the first ten months of the current year compared to 64.556 MT in the same period last year.

## Middle East and North Africa

**Saudi Arabia remains unconcerned by surging US shale output**, which threatens to eat into OPEC's market share, and sees no need to cut production to support prices, Deputy Oil Minister Prince Abdulaziz Bin Salman Bin Abdulaziz said.

**Saudi Arabia's crackdown on foreign workers has thrown millions of lives into turmoil** and caused rioting in big cities, but the economy should benefit in the long run as Saudi nationals fill the gaps and cut their dependence on the state.

## Eastern Europe

**Russian agricultural production rose** in October and retail sales were up 3.5%. But Russia's economy will still be slow in the fourth quarter thanks to increasingly stagnant industrial production.

## Western Europe

**Printing money is not the way out** of the euro zone crisis, European Central Bank policymaker Jens Weidmann said, resisting the possibility raised by others at the ECB of buying assets to aid a weak recovery.

**France will introduce reforms to make taxes** more progressive for households and fix inequities that have fuelled rising frustration, the country's prime minister said.

**The Italian and French governments released a joint statement calling for "more harmonisation" of tax policies** and for gradual movement toward giving the euro zone "real financial capacity" to invest in economic growth and job creation. At the same time they called for harmonisation of taxing powers to better handle shocks that hit parts of the currency union.

## North America

**U.S. CPI dropped** 0.1% in October from the previous month on a seasonally adjusted basis due to declining energy prices, reported the Labor Department. Energy prices decreased 1.7% in October after a 0.8% increase in the prior month. Gasoline prices dropped 2.9%.

**U.S. retail sales increased** 0.4% in October, the Commerce Department said, after being flat the previous month. That jump shows that many consumers remain

willing to spend as the all-important holiday shopping season nears.

**Bank of Canada Governor Stephen Poloz emphasised weak inflation and growth** as top concerns on Wednesday and signaled he differed with the Organization of Economic Co-operation and Development's suggestion that he should start raising interest rates as soon as late 2014.

## South America

**Peru is the largest producer of gold in Latin America.** High gold prices and increasing production have thus far been a boon to Peruvian and international gold barons, but recently falling prices have begun to worry mining investors and metals producers.

## Oil & Gas News

**WTI for January delivery dropped** as much as 45 cents to \$93.40 a barrel on the New York Mercantile Exchange. The contract was at \$93.68 at 1:26 p.m. Sydney time. It decreased 4 cents to \$93.85 yesterday.

## Commodities News

**Bullion for immediate delivery fell** 0.2% and gained 0.4%, before trading \$4 higher at \$1,248.89 an ounce at 9:03 a.m. today in Singapore. Gold for December delivery dropped 0.9 percent to \$1,246.80 an ounce on the Comex.

## Currency News

**The yen slid** 0.4% to 100.39 per dollar as of 11:01 a.m. after earlier touching 100.52, the weakest since Sept. 11.

**The pound advanced** 0.2% to \$1.6150 at 4:37 p.m. London time after increasing to \$1.6178, the highest level since Oct. 28.

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
20-Nov-13	1,275.20	3.56	107.28	30.13	1.68	2.01	1.25	116.77	9320.53	80.11	2.56	34.96	25.36	3,194.51
21-Nov-13	1,247.72	3.67	107.75	29.36	1.69	2.00	1.24	117.09	9346.67	80.42	2.56	35.03	25.46	3,169.93
% Change	-2.15	3.09	0.44		0.15	-0.14	-0.22	0.27	0.28	0.39	-0.08	0.20	0.39	-0.77

# Economic & Financial News

Research & International Division

23/11/2013

*...Russian Parliament Leaves Minimum Wage Below Poverty Line...  
...Italy Will Not Change 2014 Budget ...*

## South East Asia

**Local business groups have urged the Indonesian government** not to introduce policies that could potentially hurt the domestic economy and disrupt long-established, mutually beneficial economic relations, as Indonesia-Australia ties continue to fray over the phone-tapping controversy.

**Malaysia's inflation was up 2.8% in October** compared to 0.4% in September. Between January and October, the CPI increased 1.9%.

**The Malaysian government has allocated RM1.2 billion** on 68 water supply projects nationwide, including 18 new ones, under the 2014 Budget, as the water reserves in some states were less than 10% according to Energy, Green Technology and Water Minister.

**Business confidence in the Philippines rose in the fourth quarter**, boosted largely by favourable macroeconomic conditions and higher consumer demand during the Christmas season. According to the latest Business Expectations Survey, the business confidence index improved to 52.3% in Q4; better than the 42.8% in the previous quarter.

**The CPI of Ho Chi Minh City of Viet Nam increased in November** by 0.17% from the previous month and 4.97% y-o-y. The highest price increase was recorded in the groups of housing-power-water-fuel and construction materials at 0.58%.

## North East Asia

**One of the early priorities for Beijing's economic reforms** will likely be to force state-run PetroChina to allow private producers fair access to natural gas pipelines. China's largest oil-and-gas producer, PetroChina, built and runs nearly three quarters of the 54,000-km natural gas pipeline system across China.

**Monthly average income of South Korean households** with more than two family members grew 2.9% from a year earlier to US\$4,000 in the Q3, according to Statistics Korea.

**Local Taiwanese workers averaged monthly earnings** of NT\$46,778 (US\$1,582) in the January-September period, down 0.23% from the same period last year.

**Taiwan's jobless rate remained unchanged** at 4.24% in October from a month earlier, reflecting the sluggish pace of the country's economic growth, the Directorate General of Budget, Accounting and Statistics.

## Australasia

**New Zealand needs policies to address private sector savings** and to raise economic flexibility in order to address its overvalued currency, a senior Reserve Bank of New Zealand official said.

## Indian Sub-Continent

**Leading banks in India continue to grow** their retail banking business. A report by the Reserve Bank of India said that even in a period of overall slowdown in credit growth, retail credit maintained its growth.

## Middle East and North Africa

**Qatar's annual inflation** touched 2.8% in October due to higher rents and rising costs of food and entertainment, the Ministry of Development Planning and Statistics said.

**Oman proposed tax on remittances as budget pressure rises** that would hit about 1.5 million migrant workers, who send money home from Oman, which has a total population of 3.9 million. Currently such money transfers are not taxed.

## Eastern Europe

**Russian lawmakers rejected an amendment** yesterday to raise the country's minimum wage to match its national poverty line starting in January. Russia's current minimum wage of 5,205 rubles (US\$158) a month is 27% below the government's own national average poverty threshold, set at 7,095 rubles (US\$215) in July.

**Overall foreign investment into Russia's economy in the first three quarters of 2013** grew by 15.7% y-o-y, rising to US\$132.4 billion, the Federal State Statistics Service reported.

## Western Europe

**A robust rise in domestic demand overshadowed weak exports** to drive a 0.3% expansion in the German economy in Q3, giving the government ammunition in its showdown with Brussels over euro zone trade imbalances.

**The European Central Bank would temporarily suspend early repayments** of the three-year Longer Term Refinancing Operations (LTROs) over year-end period in view of the expected low interest and the concentration of other operations.

**Italy will not change its 2014 budget** significantly and new measures it is taking to pay down debt will be good for the country and the economy, Economy Minister Fabrizio Saccomanni said.

**The Spanish government should consider strengthening the power of the Bank of Spain**, which has recommended banks restrict cash dividends this year, so it can force them to cap payouts, the IMF said.

## North America

**Canadians paid 0.7% more for goods and services** in October than a year earlier, as lower gasoline prices slowed inflation, the government statistical agency announced.

**Mexican inflation picked up** 3.51% in the first half of November compared to 3.27% rate in the first half of October, due to electricity costs.

## South America

**Argentina's government is sending a bill to Congress that would increase taxes** on high-end cars and other imported luxury goods, Cabinet Chief Jorge Capitanich said.

**Argentina's trade surplus rose** 25% on the year to US\$710 million in October, in a rare piece of good news for an economy suffering from foreign currency shortages.

**Brazil posted a current account deficit** of US\$7.1 billion in October, which higher than in September's deficit of US\$2.6 billion. As a result, the country's 12-month current account deficit in October reached US\$82.2 billion, or 3.7% of GDP, after coming in at US\$80.5 billion, or 3.6% of GDP, in September.

**The jobless rate in Brazilian economy dropped** to 5.2% from 5.4% in September and from 5.5% from October 2012.

**Brazil's economy added 94,893 net payroll jobs** in October, the labour ministry said. The economy added 211,000 payroll jobs in the previous month.

## Oil & Gas News

**WTI for January delivery slid** 60 cents, or 0.6%, to \$94.84 a barrel on the New York Mercantile Exchange.

## Commodities News

**Spot aluminum** on the LME, which rose 0.2% to \$1,738.75 a metric ton on Nov.22, dropped 15% this year.

## Currency News

**The euro gained** 0.7% to 137.28 yen at 5 p.m. New York time after touching 137.25. The shared currency rose 0.6% to \$1.3558 and advanced for a second week.

**The pound weakened** 0.4% to 83.54 pence per euro at 4:11 p.m. London time after appreciating to 83.17 pence. The U.K. currency was little changed at \$1.6193.

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-Nov-13	1,247.72	3.67	107.75	29.36	1.69	2.00	1.24	117.09	9346.67	80.42	2.56	35.03	25.46	3,169.93
23-Nov-13	1,243.80	3.77	111.05	29.46	1.68	2.02	1.25	114.95	9366.80	80.98	2.57	35.07	25.43	3,172.85
% Change	-0.31	2.72	3.06		-0.07	1.06	0.60	-1.83	0.22	0.69	0.57	0.12	-0.11	0.09



# Economic & Financial News

Research & International Division

26/11/2013

*...Singapore's inflation edged up...  
... Saudi Arabia second largest Islamic finance economy ...*

## South East Asia

**Singapore's inflation edged up** to 2% in October from 1.6% in September, due to the increase in private road transport cost, the Ministry of Trade and Industry said.

**Malaysia's debt as at end-June 2013 stood at 28.8% of GDP** or RM284.7 billion, said Deputy Finance Minister Datuk Ahmad Maslan. As of end-September 2013, the federal government's debt was 53.6% of GDP or RM529.2 billion.

**The Malaysian Employees Provident Fund reported a 44% surge in investment income** to RM10.11 billion in the Q3 2013 from RM7.02 billion a year ago, mainly due to more robust equity markets on both domestic and foreign fronts.

**Foreign fund outflows from Indonesia remain low**, despite the rupiah depreciating against the US dollar. The rupiah's exchange rate against the US dollar will likely remain within the range of 10,500-12,000 irrespective of the United States' potential tapering in 2014, said the secretary of Indonesia's National Economic Committee.

**About half of the 59 national mega projects in Lao have commenced** under the Lao government's plan for 2011-2015. The Ministry of Planning and Investment said that the projects under construction are mostly related to infrastructure including roads, airports and other public facilities.

**Petrol prices have been adjusted downward** in Vientiane Capital, the southern provinces and northern provinces of Lao. In contrast, diesel prices have inched up in the same places.

**Over 20,000 workers in the Philippines lost their jobs due to closures of commercial establishments in H1 2013**, the Department of Labor and Employment (DOLE) reported. From January to June, a total of 1,137 commercial establishments closed due to various reasons.

**Collection of excise tax on cigarettes and alcohol in the Philippines increased 63.9%** to P63.6 billion in the first nine months of the year, largely due to increased taxes following the passage of the sin tax reform law.

**Vietnam has allowed power monopoly Electricity of Vietnam (EVN) to increase power prices** by 7% to 10% without prior approval from the government, Prime Minister Nguyen Tan Dung said. The new increase will be applied as of 10 January 2014.

**Vietnam's trade deficit** reached US\$95.5 million in the first 11 months of this year, according to the General Statistics Office. In the first 11 months, export revenue increased 16.2% y-o-y while import turnover increased 16.5% y-o-y.

## North East Asia

**World Bank President Jim Yong Kim has urged Japan to push through its growth strategy**, the third arrow of Prime Minister Shinzo Abe's Abenomics economic policy. Kim called for structural reforms such as promotion of women's participation in society and improvement of the labour market.

**South Korea will focus its efforts on recovering from the economic slump** and creating jobs in drawing up its economy management plans for next year, the finance minister said.

**Taiwan's manufacturing and service sectors continued to weaken** in October, amid global economic uncertainties. The manufacturing index slid 2.08 points in October to 95.91, while the service sector fell 0.82 points to 93.24, the Taiwan Institute of Economic Research (TIER) said.

## Australasia

**Australia's central bank warned of the country's growing challenge** to maintain strong rates of productivity growth and wealth creation into the future, saying living standards could fall as commodity prices slide.

## Indian Sub-Continent

**India's coking coal imports could see a double-digit percentage increase** this fiscal year as a scarcity of high-quality iron ore after a mining ban is forcing steelmakers to use inferior grades that need more coal to process into steel, Reuters said.

## Middle East and North Africa

**Saudi Arabia is the second largest Islamic finance economy** globally, after Malaysia, with assets worth US\$270 billion, Thomson Reuters said. The Kingdom also has the largest Islamic banking market with total assets of US\$217 billion.

## Western Europe

**Confidence of French business leaders about the economy and manufacturing activity was stable** in November, with the monthly sentiment indicator standing at 95, the national statistics bureau Insee said.

**The European Central Bank (ECB) had no choice but to cut its key refinancing rate** by 25 basis points after core eurozone inflation fell alarmingly to only 0.7%, far below the ECB's 2% target.

**Small and medium-sized enterprises (SMEs) now compose 93% of all enterprises** in the European Union and are the main driver of the bloc's economy, the Eurostat said.

**Italy's trade surplus has doubled** in 12 months thanks to a rise in exports, particularly to China and the United States. The surplus reached €2.9 billion in October, compared to €1.4 billion in October 2012.

**Spanish domestic economy is showing signs of improvement** though the pace of the recovery remains weak and does not invite complacency, Bank of Spain's governor Luis María Linde said.

## North America

**The effects of shale oil and gas production in North America could impact oil prices** in the medium to long term, according to a report by Standard and Poor's, although the effects of the shale boom on the GCC's oil and gas producers are minimal at present.

**Total U.S. credit card balances rose** 6.4% in October from a year earlier, with the total number of retail-issued cards reaching 183 million, according to a report from Equifax Inc. The credit reporting firm said total credit-card balances exceeded US\$56 billion last month.

**The National Association of Realtors said its index of pending U.S home sales slipped** to 102.1 in October, down 0.6% from last month and 1.7% y-o-y.

## Oil & Gas News

**WTI for January delivery gained** as much as 25 cents to \$94.34 a barrel on the New York Mercantile Exchange. It was at \$94.33 at 10:40 a.m. today Sydney time.

## Commodities News

**The price of gold fell** to \$1,243 an ounce at the London afternoon fix on Nov. 25, from \$1,693.75 on Jan. 2 this year.

## Currency News

**The euro depreciated** 0.4% to \$1.3508 at 12:19 p.m. yesterday in New York after earlier falling as much as 0.5%.

**The yen fell** 0.4% to 101.67 per dollar at 5 p.m. yesterday New York time after reaching 101.92. It slid 0.1% to 137.43 per euro after touching 137.99.

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-Nov-13	1,243.80	3.77	111.05	29.46	1.68	2.02	1.25	114.95	9366.80	80.98	2.57	35.07	25.43	3,172.85
26-Nov-13	1,252.07	3.81	111	29.13	1.70	2.03	1.25	114.65	9361.54	81.20	2.58	35.06	25.53	3,174.94
% Change	0.66	1.06	-0.05		0.69	0.35	0.10	-0.26	-0.06	0.27	0.21	-0.05	0.38	0.07

# Economic & Financial News

Research & International Division

27/11/2013

*...Millions in Spain have electricity cut during economic crisis...  
...Philippines imports continued to pick up...*

## South East Asia

**The Indonesian government plans to introduce incentives** for industries that implement green practices into their operations. Industry Minister MS Hidayat said the package would be focus on things that would encourage green practices such as remove import taxes on goods necessary for green industries. The sector accounted for 21% of GDP and generated US\$116.15 billion last year.

**The Malaysian government needs to push private investment** to drive the country's economy as relying on private consumption is not sustainable in the long run, Malaysian Institute of Economic Research, Executive Director Dr Zakariah Abdul Rashid said.

**Philippines imports continued to pick up** in September, rising 7.2% (US\$5.237) compared to the same month a year ago from US\$5.327 due to the increase in purchases of electronic products and four other commodity groups from overseas for the holiday season, the National Statistics Office said.

**Thai exports could shrink this year** and face further difficulty next year, while inflation could come in lower than expected - or even tip over into deflation - if the political turbulence eats away at the confidence of foreign traders and domestic consumers, the Commerce Ministry said.

**Vietnam sees marginal rise in CPI in November.** Consumer Price Index (CPI) in November edged up 0.34% compared to the previous month and 5.78% y-o-y with nine out of 11 commodity groups posting increase in price.

## North East Asia

**China will accelerate to market-based deposit rates** and capital account convertibility as the government hopes these reforms will act as an engine to carry the economy forward, central bank Governor Zhou Xiaochuan said.

**Reducing the corporate tax rate is an effective way** to enhance the competitiveness of Japanese companies and reinforce the foundations for national economic growth, Prime Minister Shinzo Abe said.

**Japan's total zinc exports fell** 11% to 92,468 tons in the first nine months of this year from a year earlier, the finance ministry's trade data showed.

**The amount of land owned by foreign investors or companies in South Korea** came to 225.76 million square meters as of the end of September, up 0.01% from three months earlier, according to the Ministry of Land, Infrastructure and Transport.

**Taiwan's down exports** showed a marked increase during the first 10 months of the year reached US\$271.58 million, up 35.2% from the same period of a year earlier, the Council of Agriculture (COA). The country's total down exports amounted to US\$253.48 million for all of 2012.

## Australasia

**New Zealand's trade deficit narrowed** to NZ\$168 million last month, from NZ\$216 million in September, narrowing the annual trade gap to NZ\$1 billion from NZ\$1.55 billion, as milk powder, butter and cheese shipments drove exports, according to Statistics New Zealand.

**The housing market remains one of the biggest threats** to New Zealand's economy next year, according to the New Zealand Institute of Economic Research.

## Indian Sub-Continent

**GDP growth likely edged up** to 4.6% last quarter, which is better than the 4.4% in the previous three months. A moderate recovery in Indian factories and exports were probably the main drivers for an increase in overall growth in the quarter through September. Stronger global demand for India's exports also led to an increase in production.

## Middle East and North Africa

**A surge in contractors' debt** to nearly SAR 90 billion (US\$24 billion) allied with the exodus of thousands of construction workers and other factors aggravate Saudi Arabia's problem of failing projects, fuelling fears of its value doubling in 2013.

**The GCC's petrochemicals and chemicals industry is at a crucial juncture** and must address four key areas in order to meet future challenges such as to ensure competitiveness and enhance efficiency, align itself to international rules and regulations, create local and regional demand for petrochemicals products, and develop industrial parks and R&D laboratories and integrate refining and petrochemicals operations.

## Western Europe

**Italian workers in 'precarious' short-term jobs**, intermittent contracts and other types of employment with few social benefits are at risk of poverty in their old age, the Organization for Economic Cooperation and Development (OECD) said.

**Consumer confidence in Italy got back on a positive path** to 98.3 points this month, up from 97.3 in October, according to Istat.

**More than 1.4 million households in Spain saw their electricity supply cut off** last year for failure to pay their bill. This shows how deeply Spaniards are suffering in the economic crisis. The cost of electricity has soared by 60% in the last five years while the average household income has decreased by 8.5%, according to National Statistics Institute (INE).

**Spanish government envisaged fiscal reform** "must be fundamentally aimed at helping entrepreneurs" in Spain, including a Personal Income Tax reduction in 2015, Prime Minister Mariano Rajoy has emphasized.

## North America

**OECD warned that poverty among Canadian seniors is on the rise** and that current pension safety nets may be inadequate to address the problem.

**Mexico's recent tax overhaul does not do enough to curb the government's dependence on oil revenue** while other major reforms may not boost economic growth as much as authorities forecast, the IMF said.

## South America

**Peru's monetary policy is "between neutral and expansive,"** central bank president Julio Velarde said. The bank surprised the market earlier this month by cutting the benchmark interest rate in a bid to spur economic growth and ward off an extended slowdown.

**Peru has been lauded by trading partners** at a World Trade Organization's global forum for its trade and investment reforms, including the reduction of its applied tariffs, with average duties for industrial goods declining to 3.1% in 2013 from 7.2% in 2007.

## Oil & Gas News

**WTI for January delivery dropped** as much as 25 cents to \$93.43 a barrel on the New York Mercantile Exchange, and was at \$93.49 at 12:42 p.m. Sydney time.

## Commodities News

**Spot premiums in Shanghai rose** 43% to \$192.5 a ton this year, according to data from Metal Bulletin.

## Currency News

**The dollar** bought 101.37 yen as of 10:35 a.m. in Tokyo after falling 0.4% to 101.28 yesterday. It traded at \$1.3559 per euro following a slide of 0.4% to \$1.3572 in New York.

**The pound** was little changed at 83.78 pence per euro after weakening 0.5% in the previous two days. Sterling rose 0.2% to \$1.6185 after advancing to \$1.6240 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
26-Nov-13	1,252.07	3.81	111	29.13	1.70	2.03	1.25	114.65	9361.54	81.20	2.58	35.06	25.53	3,174.94
27-Nov-13	1,244.03	3.87	110.95	28.67	1.69	2.02	1.25	114.96	9414.42	81.13	2.57	35.00	25.61	3,170.50
% Change	-0.64	1.57	-0.05		-0.18	-0.52	-0.07	0.27	0.56	-0.08	-0.10	-0.18	0.34	-0.14

# Economic & Financial News

Research & International Division

28/11/2013

*...Buoyant New Zealand economy attracts Australian workers...  
...UK's GDP grew by 0.8% in Q3...*

## South East Asia

**Indonesia's consumer prices increased just marginally in November** compared with the previous month. The m-o-m inflation rate is expected to be around 0.05-0.1%, according to Indonesia's central bank governor Agus Martowardojo. In October, prices rose 0.09% from September.

**Indonesia's economy is expected to grow 5% y-o-y in Q4** if the US Federal Reserve starts trimming its massive stimulus programme, the slowest pace in more than four years, said President Susilo Bambang Yudhoyono at a business conference. Gross domestic product in the G20 economy expanded by 5.62% in the previous quarter.

**The Philippine economy grew 7% in Q3 2013**, maintaining its robust clip before a deadly typhoon devastated the country this month. Gross domestic product growth in the first nine months stood at 7.4%, compared with 6.7% in the same period last year.

**Thailand's central bank unexpectedly cut its benchmark interest rate a quarter of a point to 2.25%**, saying political tension is affecting investor confidence and there's no sign of exports recovering.

**Thai factory output shrank more than expected in October**, falling 4.02% from a year earlier.

**Vietnam rice exports had plunged 16% in volume and 19% in value compared to the same period last year.** The fall in revenue has happened despite the price of Vietnamese rice going up \$9 per ton y-o-y to nearly \$440 dollars per ton on average in the first 10 months.

## North East Asia

**China's gold imports jump to second highest on record in October.** Rising Chinese demand has supported gold prices this year helping offset outflows from gold-backed exchange traded funds and a drop-off in demand in India where the government struggling bring down a worryingly high current account deficit imposed rules to discourage gold imports.

**China likely to raise refined oil price and the upward adjustment of the refined oil price to be 100 yuan per ton** which will raise the retail price of 93

octane gasoline by 0.1 yuan per liter due to the high level of the moving average of a basket of crude oil prices.

**Japanese retail sales rose 2.3% in October** from a year earlier, in a sign that household consumption may be leading the nation's economic recovery. The figures, released by the Ministry of Economy, Trade and Industry, were led by increases in sales of automobiles.

**The Bank of Japan posted its first profit in five years at the fiscal half-year mark** as a weak yen pushed up the value of its foreign currency-denominated assets. The central bank booked a net profit of 602.1 billion yen (US\$5.9 billion) in the first half of the fiscal year, reversing a 183.3 billion yen loss in the same period a year earlier.

**South Korea's current account surplus rose to US\$7.92 billion in October** as exports grew more than imports, central bank data showed on Thursday, highlighting one of the factors behind persistent upward pressure on the won.

## Australasia

**Sales of new homes in Australia dipped in October after reaching their highest in over two years the previous month.** The Housing Industry Association said total seasonally adjusted new home sales fell by 3.8% in October 2013 following a rise of 6.4% in September.

**Jobs being generated by New Zealand's growing economy are attracting the attention of an increasing number of Australian candidates.** According to the IMF, economic growth in New Zealand is expected to pick up to 2.9% in 2014, compared to a rate of 2.8% in Australia, and business and consumer confidence is on the rise.

## Middle East and North Africa

**Saudi Arabia is poised to post a budget surplus of SR266 billion in the current year (2013)**, and it will continue to have surplus budgets in the years to come so long as oil price remains above \$100 per barrel.

**Saudi Arabia recently took a decision to ban the import or manufacture of air-conditioning devices** non-compliant with the new or modified Saudi standards related to energy requirements and the minimum energy efficiency of air conditioners.

## Western Europe

**The Office for National Statistics (ONS) confirmed the UK's gross domestic product (GDP) grew by 0.8% in Q3 of the year, making it the fastest growth in three years.**

**Spain's economy showed signs of further improvement at the start of the fourth quarter,** helped by rising car sales and some signs of stabilization in the troubled construction sector, the Bank of Spain said. Car sales among individuals were up 5.8% in October compared with September, an indication that consumers are more willing to spend on big-ticket items. The construction sector also shows sign of improvement with cement production growing in October.

## North America

**The number of Americans filing new claims for unemployment benefits unexpectedly fell last week,** offering signs of a steady improvement in the labour market. Initial claims for state unemployment benefits fell 10,000 to a seasonally adjusted 316,000, the Labour Department said on Wednesday.

## Oil & Gas News

**WTI for January delivery was at \$92.16 a barrel,** down 14 cents. Brent for January settlement gained 9 cents to \$111.40 a barrel.

## Commodities News

**Gold and silver futures declined on Wednesday.** Gold futures for February 2013 settlement declined 0.3% to USD 1,237.9 per ounce.

## Currency News

**Indonesia's rupiah fell weakened 0.7% to 11,966 per dollar In Jakarta** after a failed debt sale added to concern fund inflows are slowing on the prospect of a cut in stimulus by the Federal Reserve.

**The won fell 0.1% to 1,062.34 per dollar in Seoul.**

**The Australian dollar fell due to declining commodity prices and a rally in the US dollar** puts the currency under pressure. It was trading at 90.77 US cents, down from 91.26 cents on Wednesday.

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
27-Nov-13	1,244.03	3.87	110.95	28.67	1.69	2.02	1.25	114.96	9414.42	81.13	2.57	35.00	25.61	3,170.50
28-Nov-13	1,239.20	3.91	11.38	2.91	1.70	2.03	1.25	114.26	9466.11	81.02	2.57	34.89	25.58	3,195.18
% Change	-0.39	1.03	-89.74		0.53	0.52	0.09	-0.61	0.55	-0.14	0.03	-0.29	-0.12	0.78

# Economic & Financial News

Research & International Division

30/11/2013

*...Thai economy was stable despite slowdown...  
...Canadian economy growing faster in Q3...*

## South East Asia

**Demand for money in the Philippines increased** by 32.5% on year to 6.3 trillion pesos (US\$144.04 billion) in October, the country's central bank said.

**The Philippines' economy expanded** 7% y-o-y in the Q3, but growth is expected to slow because of devastation from the super typhoon that hit eastern and central regions earlier this month, the government said.

**Bank loans in Singapore picked up speed in October**, boosted mainly by loans to businesses, according to Monetary Authority of Singapore. Loans and advances by domestic banking units climbed 1.4% in October from September.

**Thailand's economy was stable last month** and the overall private consumption continued to be subdued, and merchandise exports had yet to recover in line with improving global demand, delaying the recovery in manufacturing production and private investment, according to Bank of Thailand.

**Vietnam's state budget paid VND89.5 trillion of debt** (US\$4.26 billion), equivalent to about 11% of the total budget spending, during January-November period of 2013, General Statistics Office said.

## North East Asia

**China saw another bumper year for grain production** in 2013 as output gained 2.1% y-o-y to hit 601.94 million tonnes, data from the National Bureau of Statistics showed.

**Japan's consumer prices increased** by 0.9% in October from a year earlier, the Ministry of Internal Affairs and Communications said in a report.

**Japanese unemployment rate remained** at 4% in October, unchanged from the previous month. The ratio of employment offers to seekers climbed to 0.98 in October, compared with 0.95 in September, which means 98 positions were available for every 100 job seekers.

**South Korea's fiscal deficit widened** 29 trillion won (US\$27.3 billion) during the first nine months of this year up from 5.6 trillion won last year amid increased government-led spending to boost the economy, the finance ministry said.

**South Korea's production in the mining, manufacturing, gas and electricity grew** 1.8% in October from a month earlier, raising hopes that the economy might be picking up its recovery momentum.

## Australasia

**The Reserve Bank's home loan speed limits** appear to be having an effect on New Zealand's housing market. The reduction in high loan-to-value ratio (LVR) lending will help to reduce the risks of a sharp correction in house prices in an already overvalued housing market. Such a correction could be damaging to the financial sector and broader economy.

## Indian Sub-Continent

**Retail inflation for industrial workers rose** to 11.06% in October compared to 10.7% in the previous month mainly on account of rise in price of food items and higher electricity charges, in a Labour Ministry's statement said.

**India's GDP grew** 4.8% in the three months through September, or the Q2 of 2013-14 fiscal year, said Central Statistical Office.

## Middle East and North Africa

**Turkey's foreign trade deficit rose** to US\$7.3 billion in October, from US\$5.5 billion in the same month in 2012, representing a 31.8% increase, according to TÜİK.

**World Bank will loan Egypt US\$2 billion to support development.** The World Bank will finance four new projects in Egypt, Finance Minister Ahmed Galal told Al-Ahram daily on Thursday.

## Eastern Europe

**The total amount of money Russians owe** to banks will rise to 10 trillion rubles (US\$300 billion) by the end of this year, the central bank said.

## Western Europe

**The Bank of England has scaled back a loan program** meant to spur economic recovery, amid fears that cheap mortgages could inflate a housing bubble.

**French consumer spending dropped** 0.2% in October, after falling 0.1% in September, as households held back on energy, national statistics institute data showed Friday.

**French jobless rate fell** to 10.9%, with 3.27 million people registering as jobless, France Labour Ministry said. Unemployment figures fell by 20,500 in October, the first real drop since 2011.

**Monthly wages in Germany grew** 2.5% between July and September compared with the same period last year, the German Federal Statistics Office, Destatis announced.

**German's retail sales were down** 0.8% in October compared with 0.2% in September, the Federal Statistical Office reported.

**The Italian consumer price index fell** by 0.4% in November compared with the previous month, National Statistics Institute Istat said. Y-o-y, Italian inflation was 0.6%. The fall was mainly due to the decline of prices of restaurant and hotels, transport and fuel.

**Italy's unemployment rate was stable** at 12.5% in October, but younger workers faced increasingly difficulty finding jobs, National Statistics Institute Istat said.

## North America

**Canada's economic growth was stronger** in the Q3, advancing at an annualised rate of 2.7%, Statistics Canada reported. The mining sector was a strong performer, as mining and oil and gas extraction were up 2.2% in the quarter.

## South America

**Brazil's primary budget surplus** came in at 6.188 billion reais (US\$2.66 billion) last month, central bank data showed, adding to evidence that the government will miss its fiscal policy target this year.

**Brazil raised its benchmark interest rate** to 10% from 9.5% on last Wednesday lifting borrowing costs back to double-digit territory to battle high inflation in Latin America's largest economy.

**Chilean manufacturing production decreased** 3.2% in October and unemployment, edged up slightly in October to 5.8%, still near multi-year lows, according to the statistics agency INE.

## Oil & Gas News

**Brent for January settlement decreased** \$1.17, or 1.1%, to end the session at \$109.69 a barrel on the London-based ICE Futures Europe exchange and is up 0.8% this month.

## Commodities News

**Gold futures for February delivery rose** 1% to settle at \$1,250.40 an ounce at 12:42 p.m. on the Comex in New York.

**Silver futures for March delivery gained** 1.8% to \$20.033 an ounce on the Comex.

**Copper for delivery in three months rose** 0.5% to \$7,055 a metric ton (\$3.20 a pound) on the LME.

## Currency News

**The euro was little changed** at 139.22 yen at 5 p.m. yesterday New York time, having appreciated 4.2% for the month.

**The pound gained** 0.2% to \$1.6376 at 4:48 p.m. yesterday London time after climbing to \$1.6384. The currency has gained 2.1% 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
28-Nov-13	1,239.20	3.91	110.38	28.23	1.70	2.03	1.25	114.26	9466.11	81.02	2.57	34.89	25.58	3,195.18
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
% Change	1.14	1.02	-0.63	0.45	1.14	0.25	-0.27	0.73	1.17	-0.18	-0.09	-0.12	-0.59	