

Economic & Financial News

Research & International Division

1/7/2015

... Foreigners allowed to own property in Vietnam from July 1 ...
... Net foreign assets at Saudi Arabia's central bank fell in May ...

South East Asia

Indonesia's manufacturing activity contracted for the ninth straight month in June on persistent declines in new orders and production, suggesting Southeast Asia's biggest economy may have cooled further after hitting near 6-year lows in Q1. The Nikkei/Markit Indonesia purchasing manager's index (PMI) rose slightly to 47.8 in June, from 47.1 in May.

Malaysia's pump prices of RON95 and RON97 fuel have increased by MYR0.10 and MYR0.20, respectively. RON95 is now MYR2.15 per litre and RON97 has been fixed at MYR2.55. The heartening news is that the price of diesel remains at MYR2.05 a litre. This will at least help ensure no hike in costs in the transport sector.

The Philippines' public spending for infrastructure and capital outlay in April surged by more than 40% to PHP23.3 billion as the government tried to catch up on disbursements which had been anaemic in the past months. The government would speed up infrastructure spending in H2 2015 to further prop up economic growth, which slowed down to 5.2% in Q1.

A new initiative was launched yesterday in Singapore to help small and medium-sized enterprises (SMEs) build their financial management capabilities. Spring Singapore, an agency under the Ministry of Trade and Industry, will collaborate with the Singapore Exchange to run events that encourage SMEs to work on corporate restructuring, risk management frameworks, corporate governance and internal controls, financial reporting, and investor relations.

Singapore's private residential prices continued to slide in Q2 with a 0.9% q-o-q drop, a seventh straight quarter of decline. This followed a 1% decline in Q1.

The Thai economic recovery continued to be slow and fragile in May, with the main drivers being the tourism sector and public spending on capital expenditure. Merchandise exports remained sluggish and private spending softened in line with contracted merchandise imports.

Foreigners are allowed to own property in Vietnam from July 1. Foreigners are allowed to buy, rent, receive donation and inheritance as well as own less than 30% of apartments in apartment buildings in Vietnam.

Vietnam had a trade deficit of USD3.7 billion in H1 2015. The total import value of the nation in the first half marked an increase of 17.7% y-o-y at USD81.5 billion. Export value gained a surge of 9.3% y-o-y to USD77.7 billion in the first half of 2015.

FDI enterprises in Vietnam marked a 25.5% y-o-y rise in import value, reaching USD50 billion in the first half of this year, while the export value had increased by 15.3% to USD54.88 billion in the same period.

International arrivals to Vietnam declined for the 13th consecutive month in June. The nation welcomed 529,000 international visitors last month, a fall of 8.2% m-o-m and 1.9% y-o-y.

North East Asia

China continued to see a deficit in foreign services trade in May. The country's services trade deficit reached CNY111.7 billion (USD18.3 billion) in May, enlarging from CNY106.1 billion in April. In May, China spent CNY224 billion in international services trade, double the CNY112.3 billion it gained during the period.

China's foreign reserves continued to drop in Q1 2015 due to rising overseas investment and relaxed government controls. Forex reserves fell to USD3.73 trillion at the end of March, down from USD3.84 trillion at the end of last year. Boosted by exports, forex reserves had grown for over a decade before beginning their decline in the third quarter of 2014.

Growth in China's services industry quickened in June, adding to signs of improvement in the world's second-largest economy. The non-manufacturing PMI rose to 53.8 from 53.2 in May.

Japan's debts are expected to reach JPY1,035 trillion (USD8.5 trillion), at the end of next March. The country's primary balance deficit for this fiscal year is about USD133 billion dollars, or 3.3% of GDP.

Japanese manufacturing activity barely expanded in June despite a strong pick-up in export demand, adding to fears of a sharp slowdown in economic activity in Q2. The Nikkei/Markit/ final Japan Manufacturing PMI was 50.1 in June, higher than a preliminary reading of 49.9.

Macau's exports and imports fell in May. Exports fell 5.9% y-o-y to just MOP874 million. Re-exports accounted for 82.2% of all exports. Both Re-exports and domestic exports were down. Imports dropped 4.3% to MOP6.9 billion, resulting in a trade balance deficit of MOP6.1 billion in May.

Macau jobless rate rose to 1.8% in the March-May period from the February-April period. The rate increased by 0.1 percentage point y-o-y. The city's total labour force stood at 405,700 and the labour force participation rate amounted to 74% in the March-May period.

South Korea's exports shrank for the 6th straight month in June. The country's overall exports came to USD46.95 billion last month, down 1.8% y-o-y. In May, the country's exports tumbled 10.9% y-o-y to USD42.39 billion. Imports plunged 13.6% y-o-y to USD36.7 billion last month.

South Korea's consumer prices in June grew less than 1% for the seventh month in a row, a worrisome pace of growth for a country trying to keep deflation at bay. The country's CPI inched up 0.7% last month from a year earlier.

Australasia

Australia's weak economy is driving a sharp contraction in the manufacturing sector, raising fresh fears the unemployment rate will rise further. The Australian Industry Group Performance of Manufacturing Index for June has dropped more than 8 points to a reading of 44.1.

New Zealand's labour productivity in the year to the end of March rose by 1.4%. The increase was the result of stronger growth in outputs, which were up 2.5%, rather than the growth in labour inputs, which rose 1.2%.

Indian Sub-Continent

India's core sector growth revived in May, clocking fastest pace in six months, led by a turnaround in electricity, oil refining, steel and cement sectors. The core sector rose an annual 4.4%, compared to a contraction of 0.4% in April.

Sri Lanka's inflation in June declined marginally to 0.1% y-o-y, from 0.2% in May. Annual average inflation declined to 1.7% in June, from 1.9% in May.

Middle East and North Africa

Algeria's investments in the energy sector reached DZD327 billion (USD3.6 billion) in Q1 2015, an increase of 19% y-o-y. The investments increased despite the drop in oil revenues, as a result of the fall in oil prices.

Egypt's M2 money supply at the end of May was up 15.9% y-o-y. M2 money supply stood at EGP1.72 trillion at the end of May 2015, compared with EGP1.48 trillion at the end of May 2014.

Net foreign assets at Saudi Arabia's central bank in May fell to SAR2.521 trillion (USD672.2 billion), down by USD6.6 billion or 1% m-o-m as the kingdom continued to draw down reserves to cover a budget gap caused by cheap oil.

Turkey's trade deficit in May narrowed by 6.1% y-o-y to USD6.75 billion, as worsening trade with the European Union widened the trade deficit. Exports declined 19% to USD11.11 billion, while imports fell 14% to USD17.87 billion. The trade deficit in the first five months of the year was USD26.97 billion.

Western Europe

Britain's GDP in Q1 2015 grew by 0.4% q-o-q, up 0.1% from the earlier estimate of 0.3%. The figures also showed GDP increased by 2.9% y-o-y in Q1, revised up 0.5 percentage points from the previously published estimate.

Euro area annual inflation is expected to be 0.2% in June, down from 0.3% in May. Looking at the main components of euro area inflation, food, alcohol and tobacco is expected to have the highest annual rate in June, followed by services, non-energy industrial goods and energy.

Eurozone unemployment in May remained stable at 11.1% m-o-m, down from 11.6% a year before. Joblessness was lowest in Germany, at 4.7%, and the highest in crisis-struck Greece, at 25.6% in March.

France's public debt in Q1 2015 rose to 97.5% of GDP to EUR2.089 trillion. The country's debt increased by EUR51.6 billion, pulling the debt-to-GDP ratio up by 1.9 percentage points from Q4 2014.

French consumer spending in May rose a slight 0.1%, after being flat in April. The small rise was helped by a 0.3% rise in energy expenses and a 0.2% gain in car purchases - albeit at a slower rate than the 0.4% increase seen the month before.

German unemployment dropped again in June as the labour market in Europe's largest economy remained robust. The unemployment rate dropped to 6.2% in June, from 6.3% in May. Some 2.71 million Germans were registered as unemployed in the month, a drop of 50,500 over May.

German retail sales in May rose by 0.5% m-o-m. The retail sales in the first five months of 2015 increased by 2.4% y-o-y.

Greece became the first developed country to default on its debt to the IMF, after missing a EUR1.5 billion payment.

North America

Canada's economy shrank for the fourth straight month in April as oil and mining slumped and a rebound in manufacturing remained elusive, opening the door to a second interest-rate cut from the central bank this year. Output shrank 0.1% to an annualised CAD1.65 trillion in the month. Oil and gas, mining and quarrying fell 2.6% in the month, the sixth consecutive decline as crude's slide continued to hammer Canada's resource-rich economy.

US consumer confidence increased solidly in June, with households upbeat about the labour market, supporting views the economy was back on firmer footing after wobbling at the start of the year. The Conference Board said its index of consumer attitudes rose to a reading of 101.4 this month, from 94.6 in May.

Oil & Gas News

Oil prices drop as Greece defaults and output soars. Front-month Brent crude futures LCOc1 were trading at USD63.09 per barrel at 0116 GMT, down 50 cents from their last settlement. US crude futures CLc1 fell 65 cents at USD58.82 per barrel.

Date	Gold Spot	NYMEX Natural Gas (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
30-Jun-15	1,176.95	2.79	61.91	22.19	1.49	2.13	1.35	0.97	9874.59	90.87	2.80	33.43	25.04	3,324.45
01-Jul-15	1,174.12	2.82	62.94	22.32	1.51	2.12	1.35	0.97	9887.28	90.79	2.81	33.49	25.07	3,321.17
% Change	-0.24	1.08	1.66		1.21	-0.31	-0.35	0.16	0.13	-0.08	0.42	0.19	0.13	-0.10

Economic & Financial News

Research & International Division

2/7/2015

*... Indonesia 1H 2015 GDP growth seen at 4.9% y-o-y ...
... Vietnam's purchasing power rises due to macro recovery, low CPI ...*

South East Asia

Inflation rose in Indonesia in June as tens of millions of Muslims observing the Islamic holy month spent extra cash on food. The consumer price index rose 7.26% y-o-y. Inflation in May was 7.15%.

Indonesia's economy likely expanded 4.9% in the H1 of 2015 from a year earlier and full-year growth is expected to climb to 5.2%. In the H2 of 2015, growth of GDP could reach 5.5%. For the Q1 this year, Indonesia reported growth of 4.7%, the slowest rate in six years.

The newly-redesigned Myanmar's MMK10,000 note entered circulation, concerns that the note will fuel inflation came up again, though were more muted than on previous occasions.

The Philippines' international investment position (IIP) posted a net liability of USD43.2 billion in Q1 of 2015, rising 6% from the previous quarter. The Philippine economy owed more to the world during the period due mainly to revaluation adjustments arising from changes in market prices. The net liability rose by USD2.5 billion from Q4, 2014 level of USD40.7 billion.

Thailand's CPI continued weakening in June by 1.07% y-o-y. M-o-m inflation was up slightly by 0.10% from the firming in domestic oil prices. The CPI for the H1 was lower by 0.81% than the same half last year.

The purchasing power of Vietnam posted a four-year high in the H1 of this year due to low inflation. The total retail sales of goods and services reached USD73.121 billion, rising by 9.8% over the same period last year.

Vietnam's index of industrial production (IIP) in the H1 of this year increased 9.6% y-o-y. This is the fourth consecutive increase in production this year, following a 9.1% increase in the Q1, a 9.4% rise in the first four months and 9.2% in five months.

North East Asia

Land prices in Japan rose in 10 prefectures over the year to Jan. 1. In the previous year of measurement, prices rose in eight prefectures. But nationwide prices declined an average 0.4% from a year earlier, for a seventh straight fall.

Macau's gaming revenue fell to the lowest in more than four years amid China's slowing economy and a graft crackdown that deterred high rollers. A surprise easing of Chinese travel restrictions to the city may bring some relief. Gross gaming revenue in June fell 36.2% to MOP17.4 billion (USD2.2 billion).

South Korea posted current account surplus for 39 months in a row, the longest surplus trend in history. Current account surplus was USD8.65 billion in May, up 6.3% from a month earlier.

Online shopping sales in South Korea surged 19% in May, fuelled by brisk demand for clothing, foodstuffs and cosmetics. Total transactions reached just under KRW4.24 trillion (USD3.77 billion) in the cited month, compared with KRW3.56 trillion a year earlier.

Indian Sub-Continent

Bangladesh has become a lower-middle income country with the Gross National Income per capita (GNI), joining those with annual incomes of USD1,046 to USD4,125, according to the World Bank.

Bangladesh's trade deficit swelled by over 50% y-o-y to USD8.49 billion during the July to April period of the just concluded 2014-15 fiscal year as import marked rise on easing political strife in the country.

India's manufacturing activity slowed in June as new business orders eased after a robust performance in the previous month. The Nikkei India Manufacturing Purchasing Managers Index (MPI), eased to 51.3 points in June from the previous month of 52.6.

Pakistan inflation was unchanged at 3.16% y-o-y in June, unchanged from the previous month of May 2015 thanks to stability in food prices

Middle East and North Africa

Egypt amended again a draft budget for the 2015/2016 fiscal year. The new draft projected public expenditure at EGP864 billion (USD113 billion), from EGP885 billion in the previous draft. Projected revenues were raised to EGP622.2 billion from EGP612 billion in the previous draft.

Iran has received 13 tonnes of gold which had been held in South Africa for two years due to sanctions, Iran's Central Bank said.

Kuwait's parliament approved a state budget for the current fiscal year that envisages a budget deficit of KWD8.18 billion dinars (USD27.0 billion), nearly half total spending because of low oil prices.

Personal borrowing in the UAE is picking up with the amount of loans granted to UAE residents in Q1 of 2015 increasing by 6.5% from a year earlier. In just 12 months, between March 2014 and March 2015, consumers in the UAE pocketed a total of AED1.3 trillion (USD355 billion) in personal loans. Romania's government has hiked natural gas prices by 12% as part of a deregulation of energy prices it agreed with lenders and the European Union.

Eastern Europe

The Romania government was increasing gas by 12% from RON53.5 to RON60 per cubic meter, and gas prices will gradually continue to rise until 2021 as agreed with the IMF, the World Bank and the EU. The government increased the minimum monthly salary from RON975 to RON1,050 (USD243 to USD262), the second increase this year.

Russian GDP in the Q1 of 2015 dropped 2.2% from a year earlier. A decline of 1.9% had been forecasted previously for the Q1. Russia's economy is expected to contract by 2.5% in 2015.

Western Europe

The Austrian unemployment rate has increased to 8.3% for the month of June, marked by a massive spike in the number of long-term unemployment. The 381,898 persons currently without work represents a 7.7% y-o-y increase, while the 32,720 long-term unemployed.

Greek premier sets terms for bailout offer. Greek Prime Minister has told international creditors Athens could accept their bailout offer if some conditions were changed. In exchange for the conditional acceptance, Greece asked for a EUR29 billion loan to cover all its debt service payments due in the next two years.

New car sales in Italy rose 14.4% in June from the same month a year ago to 146,682 vehicles, Italy's transport ministry said.

North America

Economic activity in the US manufacturing sector picked up expansion pace in June. The manufacturing index, also known as the PMI, registered 53.5 in June, up from the reading of 52.8 in May, the Institute for Supply Management (ISM) said in a report.

US construction spending hit a new post-recession peak in May, a likely boost for the economy in the Q2 of the year. US construction spending advanced 0.8% to an annual rate of USD1.036 trillion in May, the highest level since October 2008.

South America

Brazil posted a trade surplus of USD4.527 billion in June. After running a deficit at the start of 2015, Brazil's trade balance has turned positive with a surplus of USD2.222 billion in the first six months of the year as a weaker local currency bolsters exports and a shrinking economy weighs on imports.

Oil & Gas News

Oil prices stabilise after sliding on US stock build. Following a 4.2% drop on Wednesday, front-month U.S. crude futures were trading at USD56.94 per barrel at 0420 GMT, down 2 cents from their last settlement. Brent crude futures were trading at USD62.14 per barrel, up 13 cents after dropping 2.5% in the previous session.

Commodity News

Gold languishes below USD1,170 ahead of US jobs data. Spot gold fell USD1 to USD1,167.40 an ounce by 0330 GMT after dropping about 1% in the previous two sessions. The metal hit USD1,166.35 on Tuesday, its lowest in nearly four weeks.

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
01-Jul-15	1,174.12	2.82	62.94	22.32	1.51	2.12	1.35	0.97	9887.28	90.79	2.81	33.49	25.07	3,321.17
02-Jul-15	1,168.22	2.81	62.12	22.11	1.50	2.11	1.35	0.96	9899.03	91.06	2.78	33.49	25.14	3,330.82
% Change	-0.50	-0.35	-1.30	-0.62	-0.33	-0.16	-0.59	0.12	0.29	-1.08	0.00	0.28	0.29	

Economic & Financial News

Research & International Division

7/7/2015

*... Indonesia's government tax revenues slumped to a four-year low in H1 2015...
... The European Central Bank kept Emergency Liquidity Assistance (ELA) steady for Greek banks ...*

South East Asia

Indonesia's government tax revenues slumped to a four-year low in H1 2015. Tax revenue in was forecast to amount to IDR555.2 trillion (USD41.5 billion) or only 37.3% of the targeted IDR1.49 quadrillion by the end of the year.

Foreign currency reserves in Laos remain sufficient to import goods for six months despite the higher value of imports. Meanwhile the income from the country's exports dropped by 11% (USD1.6 billion) over the past six months of the fiscal year 2014-15, compared to the same period last fiscal year. The value of imports in the past six months reached over USD2.4 billion, an increase of 22.9% y-o-y.

Malaysia plans to cut more subsidies and move billions of dollars in government employee housing loans off its balance sheets to bolster its fiscal position. The government will gradually remove subsidies from petrol, liquefied petroleum gas and cooking oil in coming years.

A total of MYR4.9 billion was spent by 6.5 million foreign shoppers in Malaysia in Q1 2015, up 11.4% over the MYR4.4 billion in the same period last year. Although tourist arrivals declined to 6.5 million from 7.1 million in the same period last year, the shopping sector was not affected.

The Singapore economy's direct exposure to Greece is "negligible", reiterating that it keeps a close watch on developments in the Eurozone and global financial markets. The Monetary Authority of Singapore said that Singapore's domestic money and foreign exchange markets "continue to function in an orderly fashion".

North East Asia

Japan's central government tax revenue for fiscal 2014 totalled JPY54 trillion (USD438.4 billion), the highest since 1993, buoyed partly by increased tax receipts on the back of favourable business performance. Tax revenue for the fiscal year climbed 14.9% from the previous year, also attributable to the effect of last year's consumption tax rate hike from 5% to 8%.

Car exports by South Korean automakers fell in H1 2015 due to a flagging demand from emerging markets amid the weakness of the Japanese yen and the Euro. Auto exports registered 1,551,982 units during the H1 period, down 3% y-o-y.

South Korea is working on a contingency plan for Greece's exit from the Eurozone that could increase financial volatility, as Seoul stocks went into a tailspin on news of a Greek vote against bailout terms. More than 60% of Greek voters rejected creditors' demand for tough austerity measures in exchange for a bailout Sunday, triggering concerns over a "Grexit" from the Eurozone and making investors jittery.

The South Korea government submitted a supplementary budget bill to the National Assembly for approval as part of efforts to revitalise the economy struggling with slumping exports and anaemic domestic demand. The KRW11.8 trillion (USD10.5 billion) extra budget is part of a KRW22 trillion stimulus package the government says will help revitalise the economy while also providing much needed financial resources to battle the Middle East Respiratory Syndrome (MERS) outbreak.

Taiwan's CPI fell for the sixth consecutive month in June, dropping 0.56% y-o-y thanks to falling fuel and natural gas prices. But Taiwan's CPI in June was up 0.69% m-o-m and up 0.17% m-o-m after being seasonally adjusted. For the first six months of 2015, the CPI was down 0.65% y-o-y.

Australasia

Australia's central bank kept interest rates on hold at 2% for the second-straight month, saying accommodative monetary policy was needed considering subdued economic growth. The Reserve Bank of Australia has slashed rates by 250 basis points since November 2011 to support the resources-dependent economy as it experiences a sharp fall in mining investment.

Indian Sub-Continent

Bangladesh's export earnings rise 3.4% over the previous year, but still missed the target by 6.4%. Around USD31.2 billion was earned from overseas sale of products and services in 2014-15 FY that ended on June 30.

Middle East and North Africa

Egypt's domestic debt reached EGP2.0 trillion (USD261 billion) at the start of Q3 2015, reflecting the government's reliance on domestic borrowing to finance its deficit. The government is walking a fine line trying to cut its deficit, projected at more than 10% of GDP, in the fiscal year that ended last week.

Oman's balance of payment position remained comfortable last year with a surplus of OMR429 million. Total merchandise exports amounted to OMR20.5 billion in 2014, representing a decline of 5.7% from 2013. Merchandise imports fell by 13% to OMR10.7 billion.

Qatar's real GDP growth in Q1 2015 accelerated by 4.1% y-o-y. However, compared to the previous quarter the growth is 3.4%.

Tunisia's price index of fresh food products recorded an upward trend in the first 15 days of Ramadan, posting a 4.5% drop compared to the first two weeks of June 2015.

Business activity growth in the UAE's non-oil private sector slowed to a 22-month low in June, partly because of the start of the Muslim holy month of Ramadan. The seasonally adjusted Emirates NBD UAE Purchasing Managers' Index, which covers manufacturing and services, fell to 54.7 points last month from 56.4 in May.

Eastern Europe

Ukraine's inflation rate hit 40.7% in H1 2015 driven by higher utility prices. From January through June, utility costs in the East European country went up by 121.7%, while prices of food and clothing soared 36.5% and 18.1%, respectively.

Western Europe

France's trade deficit widened in May from April, as the country's auto-related imports rise and exports slip. France recorded a EUR4 billion trade deficit in May, compared with a deficit of EUR3.3 billion in April. Exports fell by 0.6% and imports increased by 1.2% over the period.

German industrial output stagnated in May, with increases in consumer and capital goods helping to offset weakness in construction. Production in Europe's biggest economy was unchanged m-o-m. The April figure was revised down to a rise of 0.6% from a previously reported gain of 0.9%.

Germany phasing out some worst-polluting coal plants by 2020 and is scrapping plans for a levy on the most-polluting coal-fired power stations. About 13% of Germany's total lignite-burning power plant capacity will be put into a reserve role and then phased out entirely after four years.

The European Central Bank kept Emergency Liquidity Assistance (ELA) steady for Greek banks. Greece voted Sunday against accepting bailout conditions from the country's so-called "troika" of lenders in return for unblocking desperately needed credit. Meanwhile, Prime Minister Alexis Tsipras said that a "no" vote will put the Greeks in a stronger position.

Swiss consumer prices fell on a yearly basis for the eighth month in a row in June. Consumer prices fell 1% from a year ago, less than the 1.2% fall in the previous month which was the steepest drop since mid-2009.

North America

Canadian capital spending will decline this year for the first time since the 2009 recession, led by a plunge in the oil and gas industry. Planned expenditures non-residential construction and machinery and equipment will drop 4.9% from 2014 to CAD251.8-billion. Investment plans by oil and gas, mining and quarrying businesses will drop 18.7% to CAD67.9-billion.

US unemployment fell to a seven-year low of 5.3% and employers hired at a solid pace in June, but other gauges of the job market drew a bleaker picture. The economy gained 223,000 jobs last month, and unemployment edged down from 5.5% in May.

South America

Auto production in Brazil tumbled in June to the lowest level since January 2009, putting more jobs at risk in the country's fragile car industry and undermining hopes for an economic recovery. Output of cars, trucks and buses dropped 12.5% and sales slipped 0.1% in June from May despite two extra weekdays. Compared to a year ago, auto output fell 14.8% and sales plunged 19.4%.

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02-Jul-15	1,168.22	2.81	62.12	22.11	1.50	2.11	1.35	0.96	9899.03	91.06	2.78	33.49	25.14	3,330.82
07-Jul-15	1,168.07	2.77	57.24	20.66	1.49	2.10	1.35	0.99	9885.33	90.64	2.82	33.40	25.03	3,336.26
% Change	-0.01	-1.42	-7.86		-0.51	-0.45	0.45	2.80	-0.14	-0.46	1.35	-0.27	-0.45	0.16

Economic & Financial News

Research & International Division

8/7/2015

... New FDI pledged to South Korea tumbled in H1 2015 ...
... Brazilian government temporarily introduced reduced work hours and salaries ...

South East Asia

Indonesia's government will not introduce new taxes or raise existing ones this year in order to achieve its revenue collection target, raising prospects of a wider fiscal deficit unless spending is cut. The government collected only 37% of its full year tax revenue target of IDR1,489.3 trillion in H1 2015.

Indonesia is planning a 20% annual increase in state spending in the 2016 state budget as the President looks to spend more on growth-generating infrastructure projects next year. Total spending next year would be increased to IDR2.2 quadrillion, compared with IDR1.98 trillion in the revised 2015 state budget.

Indonesia forex reserve down on rupiah stabilisation effort against the US dollar at the end of June, from the position of at the end of May. The reserve reached USD108.030 billion at the end of June, falling from USD110.770 billion at the end of May.

Malaysia central bank's international reserves last month rose 0.96% to MYR398.1 billion, as compared to MYR394.3 billion as at May 29. The central bank said the reserves' position is sufficient to finance 8.2 months of retained imports and is 1.1 times the short-term external debt. Foreign currency reserves make up USD96.9 billion or 91.8% of total international reserves.

The Philippines' inflation rate is at their slowest pace in two decades in June amid sufficient supply of food and moderate price pressures in energy and petroleum products. Inflation eased further to 1.2% in June, from 1.6% in May and 4.4% in June last year. For H1 2015, headline inflation averaged at 2% while core inflation settled at 2.3%.

North East Asia

China's central bank has injected CNY50 billion (USD8.2 billion) into the money market through open market operations. This marked the fourth consecutive cash injection through the central bank's regular reverse repurchase agreement (repo) on Tuesdays and Thursdays since June 25. The yield for the latest seven-day reverse repo was set at 2.5%.

Foreign currency reserve assets of Hong Kong fell by 1.2% to USD340.8 billion as of the end of June, the Hong Kong Monetary Authority reported.

Japan logged a current account surplus for the 11th straight month in May, as declining crude oil prices continued to push down imports and a weaker yen boosted income from abroad. The surplus stood at JPY1,880.9 billion (USD15.37 billion), the largest in eight years for the reporting month. Exports dipped 0.1% y-o-y to JPY5,707.2 billion, while imports fell 10.3% to JPY5,754.5 billion, shrinking the goods and trade deficit by JPY651.4 billion to JPY47.3 billion.

New FDI pledged to South Korea tumbled in H1 2015 due mainly to a high-base effect, yet the amount was the second-highest for H1. Fresh FDI committed to the country came to USD8.87 billion in the same period, down 14.2% from USD10.33 billion pledged over the same period last year.

South Korea's exports of industrial parts and materials reached a record high for the H1 this year with the country's trade surplus in the field also climbing to a new high. In the H1, outbound shipments of industrial parts and materials amounted to USD134.3 billion, up 0.5% from the same period last year. The amount accounts for 49.9% of the country's overall exports in the H1, while it also marks the highest ever for the H1.

Growth of household loans extended by South Korean financial institutions slowed sharply in May from a month earlier due mainly to a policy loan program aimed at improving the quality of household debt. Outstanding household lending by local lenders and non-banking institutions totaled KRW768.2 trillion (USD682.2 billion) as of the end of May, growing KRW2.9 trillion from the previous month.

Taiwan's exports in June contracted 13.9% y-o-y, the fifth consecutive month in which they registered a drop. June exports amounted to USD23.07 billion, while imports in the same month fell 16.1% y-o-y to USD20.89 billion.

Australasia

New Zealand might hit its oft-promised budget surplus in the fiscal year to June 30, 2015. The New Zealand had recorded a core surplus of NZD1.2 million (USD800 million) in the 11 months to May 31 versus a forecast surplus of NZD193 million.

Indian Sub-Continent

Rising food prices in June pushed up Bangladesh's annual inflation rate to 6.25%, ending a brief slowdown. Food inflation rose to 6.32% from 6.23% in May, while non-food inflation inched up to 6.15% from 6.14%. The annual inflation rate eased in May for the first time since February. The government expects inflation to ease to 6.2% in the 2015/16 fiscal year that started from July 1, on falling global commodity prices.

The Indian government has increased minimum wage across the country to INR160 a day from INR137 with effect from this month. It raised the threshold after two years on the basis of average increase in the CPI for industrial workers during this period.

Middle East and North Africa

Egypt's foreign currency reserves in June climbed to USD20.079 billion, up 2.7% from USD19.559 billion at the end of May 2015.

Kuwait's inflation inched down in May to 3.3% from 3.4% in April, amid a slowdown or stabilisation across all components, with the exception of healthcare and local food inflation.

Tunisian inflation rate in June dropped to 5%, from 5.3% in May. The decrease, recorded for the second month in a row, is due to a slowdown in the general level of prices between June and May.

Turkey's economy is expected to expand between 2% and 2.5% this year, falling far short of a government target of 4%, after a June election failed to produce a single-party government.

Eastern Europe

Russia's international reserves in June grew by USD4.801 billion to USD361.571 billion. Russia's international reserves fell by USD124.135 billion or 24.4% y-o-y to USD385.46 billion as of 1 January 2015.

Western Europe

EU government expenditure accounts for nearly half of GDP in 2014. The total EU government expenditure amounted to EUR6,701 billion, represented 48.1% of EU GDP in 2014, compared with 48.6% in 2013. In the euro area, the share stood at 49% in 2014, compared with 49.4% in 2013.

Frustrated European leaders gave Greece until Sunday to reach an agreement to save its collapsing economy from outright catastrophe after an emergency summit meeting on yesterday ended without the Athens government offering a substantive new proposal to resolve its debt crisis.

The official Swiss unemployment rate fell for the fourth consecutive month in June. The jobless rate fell to 3.1%, from 3.2% in May but remained above the 2.9% level recorded in June 2014.

The Swiss National Bank's (SNB) foreign exchange reserves fell in June for the third month in a row, despite the central bank's acknowledgement it intervened in currency markets in a bid to weaken the franc. The SNB held CHF516.240 billion in foreign currency at the end of June, compared with CHF517.718 billion in May.

North America

Canada's trade deficit for May widened to CAD3.34 billion from a slightly revised CAD2.99 billion deficit in April. Overall, exports declined 0.6% in May, as volumes fell 2.5% while prices rose 1.9%. Imports advanced 0.2%, on a 0.3% rise in volumes and a 0.1% drop in prices.

Mexico's consumer confidence index rose to a seven-month high in June, pointing to strengthening consumer demand in the economy. Consumer confidence climbed 2% to 93.8 from an upwardly revised 92.0 in May, data from the national statistics institute showed.

The US trade deficit widened in May, fuelled by a drop in exports that could heighten concerns over weak overseas demand and a strong US dollar. The increase in the trade gap to USD41.9 billion.

South America

Brazilian government temporarily introduced reduced work hours and salaries in order to avoid layoffs. Through the Programa de Proteção ao Emprego (Program to Protect Employment), companies in dire financial situations in designated sectors can reduce salaries by up to 30%. The temporary measure will then be in force until December 31, 2016.

Oil & Gas News

Oil prices fell as China share crisis worsens, outweighs expected US stock draw. Brent crude was 13 cents lower at USD56.72 a barrel, following an almost 6% drop between Monday and Tuesday.

Date	Gold Spot	NYMEX Natural Gas (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
07-Jul-15	1,168.07	2.77	57.24	20.66	1.49	2.10	1.35	0.99	9885.33	90.64	2.82	33.40	25.03	3,336.26
08-Jul-15	1,153.60	2.70	56.63	20.97	1.49	2.11	1.35	0.99	9834.78	90.71	2.81	33.37	25.06	3,308.14
% Change	-1.24	-2.53	-1.07		0.06	0.28	0.07	0.14	-0.51	0.08	-0.08	-0.09	0.13	-0.84

Economic & Financial News

Research & International Division

9/7/2015

*... Australia's job market looks to have stabilized ...
... Cambodia saw a nearly 40% hike in tax revenue ...*

South East Asia

Brunei's June car sales rise by 12.4% compared to the previous month making it the first double-digit percentage rate increase since March. A total of 1,334 passenger and commercial vehicles were sold in June. This is 147 more than the 1,187 cars sold in May. The market has been experiencing dwindling sales on a m-o-m comparison since January 2015.

Tax revenues saw a nearly 40% hike in Cambodia to about USD700 million in the H1 of this year, up from about USD510 million in the same period last year, an increase largely attributed to improved incentive schemes. The government collected a total of USD706.75 million in tax revenues for the H1 of this year, compared with USD510.25 million in the same period last year.

North East Asia

China's consumer inflation remained below 2% in June, leaving the central bank plenty of scope for further policy easing. China's CPI rose 1.4% in June from a year earlier, a slight pick-up from the 1.2% y-o-y rise in May.

China's producer price index (PPI) slid 4.8% y-o-y in June, official statistics showed.

Japan's core machinery orders grew 0.6% in May for a third straight month, with the total value reaching a 7-year high and adding to recent evidence of a steady pickup in business spending seen as vital for a durable economic recovery. That followed rises of 3.8% in April and 2.9% in March.

South Korea's central bank kept its policy rate on hold at an all-time low of 1.5% after lowering it by a quarter percentage point the prior month to counter flagging domestic demand caused by the outbreak of Middle East Respiratory Syndrome (MERS).

South Korea's exports of ICT products grew slightly from a year earlier in June despite a large cut in overall exports. Outbound shipments of ICT products amounted to USD13.95 billion in June, up 0.2% from the same month last year. Imports dropped 2.4% to USD7.28 billion. The country posted a trade surplus of USD6.67 billion, compared with a surplus of USD6.47 billion in June 2014.

South Korea's home transactions reached a new high in the H1 of the year, indicating an apparent recovery in the real estate market. In the H1 period, the number of home transactions came to 610,796, up 29.1% from the same period last year.

South Korea will invest nearly KRW10 trillion (USD88 billion) over the next three years to help boost its exports. The move comes as the country posted an on-year drop in its exports for six consecutive months since January. In the H1 of the year, overall exports came to USD269.01 billion, down 5% from the same period last year, while imports plunged 15.6% to USD222.31 billion.

South Korea raised the minimum wage by 8.1% for next year, a decision that failed to satisfy both labor and management. South Korea's minimum wage was set at KRW6,030 (USD5.31) per hour for next year, compared with KRW5,580 from this year.

South Korea's M2 money supply expanded at the fastest clip in almost five years in May, due mainly to increased liquidity of households. The M2 surged 9.3% on-year to KRW2,170.5 trillion (USD1.9 trillion) in May, quickening from a 9% increase in the previous month.

Australasia

Australia's unemployment rate climbed to 6% in June, from a revised 5.9% in May. The number of people employed rose by 7300 to 11.77 million, seasonally adjusted. This net gain was the result of 24,500 new full-time workers and 17,200 fewer part-timers. However, the participation rate also rose, from 64.7% to 64.8%.

Middle East and North Africa

Morocco's economy grew 4.3% y-o-y in Q2 of 2015 y-o-y, up from 4.1% in the previous three months, due to higher agricultural output. Morocco is on course to harvest a record cereal crop of 11 million tonnes this year after favourable rainfall. Agriculture accounts for more than 15% of the Moroccan economy.

Turkish industrial production rose 2.4% y-o-y in May. On a m-o-m basis, calendar and seasonally-adjusted industrial production fell 2%. Turkey's economy is expected to expand between 2 and 2.5% this year, falling far short of a government target of 4%, after a June election failed to produce a single-party government.

Yemen is running critically short of imported food and fuel as war has cut internal supply lines and a near-blockade by Saudi-led naval forces has held up shipping to the country, the Arab world's poorest even before fighting erupted.

Eastern Europe

Russia's consumer prices rose 0.7% in the week to July 6, mostly driven by the increase in utility tariffs. Consumer prices have increased 9.3% since the beginning of the year, compared with a growth rate of only 5.3% in the same period of 2014. The Bank of Russia recently cut its key interest rate to 11.5% and is expected to cut rates further at the next policy meeting.

Western Europe

Greece made a request for aid from Europe's bailout fund as it rushed to deliver details of its proposed economic reforms in time to secure the country's future in the euro and avoid a descent into financial chaos. The government has asked for a three-year loan program and insisted the rescue will be accompanied by major economic reforms. No amount was mentioned.

North America

Mexico unveiled news measures to protect its struggling steel industry as slack global demand, oversupply from China and cheap imports from Russia have hammered steelmakers in Latin America's second largest economy. An Economy Ministry statement said the measures include adding 86 steel products to the "sensitive merchandise" list, flagging them for extra scrutiny, as well as beefing up customs controls to prevent avoidance of quotas. It had 31 anti-dumping quotas in places, and nearly half are imposed on Chinese products.

South America

Brazil's consumer prices in June climbed as the central bank continues to raise interest rates in the face of a looming recession. Monthly inflation benchmark IPCA index accelerated to 0.79% from 0.74% in May. Inflation in the 12 months through June quickened to 8.89% from 8.47% a month earlier.

Chile's inflation picked up pace in June, and will probably help to keep the benchmark interest rate on hold for longer than anticipated despite persistently weak economic growth. The CPI rose 0.5% in June, as prices for transportation, housing and basic services increased. Inflation in the 12 months to June was 4.4%. Core inflation was 0.5% in June.

Oil & Gas News

Crude oil prices bounced today following losses earlier in the week, with Chinese stocks picking up after the government launched new steps to stop a rout that had knocked off a third of the country's share market value. Brent crude was 70 cents higher at USD57.75 a barrel. That is over 4% below last Friday.

Commodity News

Copper hits six-year low as the dollar gained on the potential for financial instability created by the Greek debt crisis and Chinese equity market losses. Benchmark copper on the LME fell nearly 6% to USD5,261.50 a tonne earlier in the session, its lowest since July 2009.

Gold languishes near 4-month low on tepid safe-haven demand. Spot gold was little changed at USD1,158.38 an ounce by 0205 GMT, above Wednesday's low of USD1,146.75, the weakest since March 18.

Date	Gold Spot	NYMEX Natural Gas (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
08-Jul-15	1,153.60	2.70	56.63	20.97	1.49	2.11	1.35	0.99	9834.78	90.71	2.81	33.37	25.06	3,308.14
09-Jul-15	1,157.81	2.69	57.76	21.47	1.49	2.09	1.36	0.99	9840.58	89.98	2.81	33.34	25.07	3,269.46
% Change	0.36	-0.37	2.00		-0.05	-0.68	0.30	0.41	0.06	-0.81	-0.28	-0.08	0.05	-1.17

Economic & Financial News

Research & International Division

11/7/2015

*... Taiwan's tax revenue rose last month ...
... Kuwait's financial reserves grew in the year to March 31...*

South East Asia

Electricity sales in Lao PDR reached USD385 million in the first half of the current fiscal year, totalling 6.07 billion kwh with domestic consumption estimated at USD152 million (1.78 billion kwh). Electricity exported in the first six months was estimated at USD233 million (4.28 billion kwh).

The Lao government will increase taxes on beer, liquor and tobacco next year. The measure calling for increased taxes is the result of the high demand for expenditures for national development and the fact that the government is currently experiencing a shortfall in revenue collection.

Lao energy and mine sector's GDP reached LAK6.5 trillion (USD800 million) in the first half of the current fiscal year. Yet the figure represents a 4.5% decrease when compared to the same period in the last fiscal year. The shortfall in GDP growth in the sector is due to lower prices on the world market, as the energy and mines sector recorded a 9.1% increase in production.

Malaysia's industrial production index (IPI) for May grew at a faster pace of 4.5% y-o-y, as manufacturing picked up. The rise in May's output was led by positive growth in manufacturing (3.2%), mining (9.0%) and electricity (1.2%).

The Philippines' exports tumbled the most in more than three years in May as demand from major trading partners China and the US faltered, raising pressure on officials to step up government spending to restore slowing economic momentum. Exports in May fell 17.4% y-o-y, the steepest drop since September 2011, with shipments for the month reaching USD4.9 billion.

The inflow of FDI to the Philippines in April declined 43% y-o-y, largely because of lower placements in debt instruments. Investments from non-residents amounted to USD382 million, compared to the USD671 million reported in the comparable 2014 period. Net equity capital investments increased 120.8% to USD25 million from USD11 million.

Vietnam's cement consumption was estimated at 34.16 million tonnes in the H1 2015, posting a 6% y-o-y rise and meeting 47% of the whole year's target. Of this, domestic consumption was 5% higher than the same period last year, reaching 25.97 million tonnes.

North East Asia

China's auto sales fell in June, as a slowing economy and rollercoaster stocks hit demand in the world's largest car market. Vehicle sales in China declined 2.31% y-o-y last month to 1.80 million units. Passenger car sales alone decreased a sharper 3.36% y-o-y to 1.51 million.

Japan's producer price index (PPI) dropped for the eighth straight month in June due chiefly to falls in petroleum, coal and chemical product prices stemming from lower crude oil prices. The PPI declined 2.5% y-o-y to 100.7 against 100 for the base year of 2010. The size of the drop was bigger than the 2.1% in May, also due to the fall in electricity fees reflecting fuel price changes.

Japan's total tax revenue at the local level in fiscal year 2014 rose 4.8% y-o-y to JPY38.42 trillion, up for the fifth consecutive year. The growth in the year ending in March reflected a sharp rise in corporate and consumption tax revenue, on the back of improved corporate earnings and the consumption tax hike in April 2014.

Taiwan has collected TWD445.4 billion (USD14.26 billion) in tax revenue last month, an increase of 17.4% y-o-y, as companies and individuals made more money and paid more taxes. Personal income tax revenue jumped by 34.2% to TWD180.5 billion last month, while business income tax rose 11.5% to TWD195.6 billion.

Indian Sub-Continent

India's industrial output growth slowed in May amid weakness in consumer and capital goods. Industrial output grew 2.7% y-o-y, slowing from April's 3.4% rise and missing market expectations for a 3.6% increase. April's growth was revised from a previously reported increase of 4.1%.

Middle East and North Africa

Dubai's real estate market recorded its first quarterly fall in prime rents in Q1 2015. Knight Frank's Prime Global Rental Index, which showed that rental values rose 1.4% over the past 12 months, also revealed a 0.6% drop during Q1.

Egypt's annual urban consumer inflation in June dropped to 11.4%, from 13.1% in May. Inflation spiked in Egypt after the government slashed energy subsidies in July 2014.

Kuwait's financial reserves defied a slump in oil prices by growing to USD53 billion in the year to March 31, to hit a record KWD179.2 billion (USD592 billion) at the end of the 2014/15 financial year.

Property prices in Saudi dropped up to 30% in some parts of the country. From the start of the year until May, deals worth SAR278 billion were finalised, down 14% from the same period last year.

Turkey's current-account deficit widened to USD3.99 billion in May from USD3.65 billion in the same month last year, as imports rose faster than exports. The country's annualised current-account gap widened to USD44.6 billion in May, or to 5.6% of GDP, from USD44.3 billion in April.

Western Europe

House prices rose by 0.9% in the euro area and by 2.5% y-o-y in the European Union (EU) in Q1 2015. Compared with Q4 2014, house prices rose by 0.3% in the euro area and by 0.6% in the EU.

French industrial production in May rose by 0.4% after falling 0.8% a month earlier. France also reported improved performance in manufacturing which increased by 0.6% compared to a 0.8% fall in April and grew by 1.4% on a yearly basis.

Germany's trade surplus widened to a new record in May as exports from the country increased strongly, outpacing a rise in imports. Exports rose 1.7% m-o-m in May to EUR102.1 billion. Imports rose 0.4% to EUR79.3 billion, for a surplus of EUR22.8 billion. The previous record of EUR22.3 billion was set last month.

Greece has submitted a 13-page set of proposals to its European creditors that is intended to act as a foundation to free up a new three-year, EUR53.5 billion bailout package to save the nation from bankruptcy. These include proposals such as sales tax reforms, spending cuts, pension reforms, public sector reforms, tax administration, and privatisations.

Spanish unemployment rate to drop to 21.1% by the end of the year, from 23.8% now, and dip below 20% in 2016. Spain's stubbornly high unemployment rate has been one of the biggest drags on an economic recovery. The government said 602,000 jobs would be created in 2015.

UK's construction industry contracted sharply in May, raising fears the economy has entered a rough patch. Construction output fell 1.3% between April and May, having shrunk by a revised 0.5% last month.

Britain's trade deficit narrowed to the least in almost two years in May as imports fell and exports to the euro region climbed. The trade gap in goods narrowed to GBP8 billion, from GBP9.4 billion in April. Exports fell 0.1% and imports declined 4.1%.

North America

Canada's unemployment rate was unchanged for the fifth consecutive month in June, at 6.8%. In June, the economy lost a net 6,400 jobs as losses in part-time positions offset a jump in full-time positions. Employment increased 1% y-o-y with 176,000 jobs.

Mexican industrial output took its steepest drop in more than a year in May as manufacturing and construction activity tumbled. Industrial output sank by 0.4% m-o-m in May.

US wholesalers boosted their stockpiles in May by the largest amount in six months, while sales rose by a modest amount. Wholesale stockpiles rose 0.8%, double the gain in April and the largest one-month rise since November.

The number of US citizens seeking unemployment benefits rose last week to the highest level since late February. But the increase likely reflected temporary auto plant shutdowns rather than any underlying labour market weakness. The number of people filing applications for unemployment benefits rose by 15,000 to 297,000.

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-Jul-15	1,157.81	2.69	57.76	21.47	1.49	2.09	1.36	0.99	9840.58	89.98	2.81	33.34	25.07	3,269.46
11-Jul-15	1,163.74	2.77	58.73	21.20	1.50	2.08	1.35	0.99	9866.80	90.42	2.81	33.49	25.15	3,279.88
% Change	0.51	2.97	1.68		0.35	-0.81	-0.58	-0.38	0.27	0.50	0.08	0.45	0.31	0.32

Economic & Financial News

Research & International Division

14/7/2015

*... Exports in China have risen ending three months of decline ...
... Saudi Arabia ramped up its crude production to a record high ...*

South East Asia

The Bank of the Lao PDR proposed to suspend the establishment of private commercial banks until next year at the 9th Ordinary Session of the National Assembly (7th legislature).

Tourist arrivals in May grew at the fastest pace in the Philippines this year. Visitor arrivals in May reached 413,937, a double-digit gain of 13.5% y-o-y. Total arrivals in the first five months of the year reached 2,229,139, an 8.2% increase over the same period last year. Likewise, visitor receipts or expenditures incurred by tourists over the course of their stay grew 2.7% to PHP93 billion in the first five months of 2015.

Singapore's Q2 GDP grew by 1.7% y-o-y as it took a hit from the manufacturing sector, and was lower than the 2.8% growth logged in the Q1. The manufacturing sector contracted by 4% on a y-o-y basis, extending from the 2.7% decline in the previous quarter. This was largely due to a fall in output in the biomedical manufacturing and transport engineering clusters. The construction sector expanded by 2.7%, improving from the 2.1% growth in the previous quarter, supported by a stronger expansion in public sector construction activities.

Thailand's consumer confidence index remained low in June, reflecting consumers' continued lack of confidence in the economy. The index for June stayed at 38.9, the same figure as the previous month, according to the Commerce Ministry's Trade Policy and Strategy Office.

Vietnam's low-income housing projects have lagged far behind demand, because the State lacked funds and the private sector needed more investment incentives. Another reason was that private developers were not interested in such housing projects because the return on investment was low. Since the Government introduced a policy to build cheap apartments for low-income earners, only 40,000 (mostly small) have been built so far, housing about 200,000 people.

Vietnam's export growth in H1 this year was affected by a decline in export turnover of the agricultural and aquatic sectors and fuel and minerals. The turnover declined by nearly USD3.2 billion compared to the same period last year, and Vietnam recorded a trade deficit of USD3.7 billion in H1.

The domestic steel industry in Vietnam saw strong growth in consumption in the home market in H1 this year. The purchase of building steel products gained a y-o-y surge of 24.4% to reach three million tonnes in the H1 of this year. Vietnam had the largest consumption volume at 696,059 tonnes, accounting for 22.78% of the total domestic consumption in H1.

North East Asia

China's total trade slumped in H1 this year, falling well short of the government's targets and dealing a blow to the global economy from its biggest trader in goods. Two-way trade for the H1 of the year fell 6.9% to USD1.9 trillion.

Exports in China have risen ending three months of decline in June. Exports rose 2.1% in local currency terms compared with a year ago, up to CNY1.17 trillion (USD187 billion). But imports fell for the eighth month in a row, down 6.7%, taking the trade surplus 45% higher to CNY284.2 billion.

China's June crude oil imports rose 27% y-o-y, putting the world's second largest economy into contention again for topping the US as the biggest buyer of the commodity on international markets. China imported 2959 million tonnes, or 7.2 million barrels per day (bpd) in June, up 31% from a 19-month low in May as demand remains strong amid weak global oil prices.

Japan's industrial output fell 2.1% in May from the previous month, revised upward slightly from a preliminary 2.2% decrease. The revision is mainly due to the robust sales of coffee, tea and alcohol beverages.

Growth of South Korean consumers' overseas direct purchases sharply slowed in H1 as demand waned on economic concerns, unfavourable exchange rates and other factors. South Koreans ordered some USD770 million worth of goods from abroad in the H1, up 7% from USD720 million the year before.

South Korea's cigarette tax revenue jumped in H1 2015 from a year earlier on the back of the country's new tax policy that began as of January. The government has raked in KRW4.3 trillion (USD3.8 billion) from cigarette sales, up 36% from the KRW3.2 trillion posted a year earlier.

Australasia

Australian consumer confidence has slipped 3.6% in the week ending July 12, which followed a 4.6% fall in the previous week, to its lowest level in one year, according to ANZ-Roy Morgan.

Indian Sub-Continent

Higher food prices pushed India's retail inflation to an eight-month high in June, dampening hopes of an interest rate cut by the central bank in the near future. Retail prices rose to 5.4% y-o-y in June, higher than the 5.01% print in May.

India's finished steel imports surged 53.1% to 2.5 million tonnes in the Q1 of fiscal 2015-16 compared to the corresponding period last year, highlighting the continuing trend of cheap imports from countries such as China, Japan and Korea putting pressure on domestic firms.

Remittance inflows reached all-time high of USD18.5 billion during the fiscal year 2014/15 in Pakistan, surpassing the USD16.7 billion target set by the government. Pakistan received remittances sent by Pakistani migrant workers worth USD18.5 billion from July 1, 2014 to June 30, 2015, up 16.5%, compared with USD15.8 billion in the preceding year.

Sri Lanka's apparel exports saw strong demand in Q1 2015 while the Lankan apparel industry expanded at the rate of 9.8%, on the backdrop of 8.8% and 10.9% demand growth from the US and EU apparel markets.

Middle East and North Africa

Abu Dhabi average consumer prices went up 1.2% in Q2 2015 compared with the Q1, with the restaurants and hotels category contributing for the greatest increase of 3%.

Algiers import bill of pharmaceuticals decreased to USD626.1 million during the first 5 months of 2015, against USD1.0 billion over the same period of 2014, i.e. a decline of nearly 39%.

Saudi Arabia's inflation edged up to 2.2% in June. Prices of housing and utilities rose 3% from a year earlier in June; food and beverage prices climbed 2.2%. Saudi CPI rose to 2.1% y-o-y in May, up from 2.0% in April, was mainly due to a lower base effect.

Saudi Arabia ramped up its crude production to a record high in June, reaffirming its strategy of defending market share and feeding a rise in global as well as domestic demand. Saudi Arabia said it pumped 10.6 million barrels per day (bpd) of oil last month, up 231,000 bpd from May.

Saudi Arabia's imports dropped 5.1% y-o-y in May, while non-oil exports were down 16.7%. The non-oil exports traditionally account for around 12% of the overall exports of Saudi Arabia.

Tunisia's manufacturing exports increased 10.3% in H1 2015, while exports of textiles declined 6% and those of phosphate still pose a problem, Minister of Industry, Energy and Mines.

Turkish vehicle production and exports are set to hit a record this year as large investments in capacity last year yield results and sales to Europe increase. Automakers spent USD4.5 billion in 2013-2014 in a bid to raise production capacity. Production is likely to rise almost 5% this year to a record 1.2 million vehicles with 925,000 for export.

Eastern Europe

Ukraine plans to reduce its oil and gas extraction royalty fees to boost oil production from 55% to 29%, which will contribute to the growth of oil and gas production in our country.

Western Europe

UK retail sales growth strengthens in June, boosted by warm weather at the end of the month and an early start to summer sales. The British Retail Consortium said total spending in June was 2.9% up on the year, the strongest month since January 2014.

North America

The US government ran a budget surplus in June. The surplus in June totalled USD51.8 billion, compared to a surplus of USD70.5 billion a year ago. However, the larger 2014 monthly surplus was heavily influenced by a timing quirk that had moved June benefit payments into May last year because June 1 fell on a Saturday.

Date	Gold Spot	NYMEX Natural Gas (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
11-Jul-15	1,163.74	2.77	58.73	21.20	1.50	2.08	1.35	0.99	9866.80	90.42	2.81	33.49	25.15	3,279.88
14-Jul-15	1,156.13	2.87	57.46	20.02	1.51	2.10	1.35	0.99	9837.68	90.69	2.81	33.41	25.13	3,315.37
% Change	-0.65	3.61	-2.16		0.57	0.91	0.23	0.39	-0.30	0.29	0.08	-0.24	-0.08	1.08

Economic & Financial News

Research & International Division

16/7/2015

*... Qatar's GNI fell 12% ...
... UK inflation rate dropped to zero in June...*

South East Asia

Cambodia's gaming tax revenue reached USD12 million in the H1 of the year, a 20% increase over the H1 of 2014, due to a greater number of Thai nationals crossing into Cambodia to gamble.

Indonesia posted a USD477 million trade surplus in June, narrowing from a revised USD1.1 billion in May as exports of coal and palm oil continue to fall. Indonesia shipped USD13.4 billion worth of goods in June, down 13% from a year ago, while imports dropped 17% to USD12.9 billion.

Bank Indonesia has kept its benchmark interest rate unchanged at 7.5% for the fifth consecutive month at a policy meeting, amid the falling rupiah and an expectation of higher inflation in the coming months.

Indonesia's y-o-y loan growth in May was 10.4%, the same pace as April's. But earlier this month, the central bank eased lending rules in an effort to stimulate credit expansion. The central bank sees loan growth at 11-13% this year. Meanwhile, broad money supply (M2) rose 13.4% y-o-y in May compared with 14.9% in April.

Remittances from overseas Filipino workers (OFWs) continued to increase in May, given a sustained global demand for skilled manpower from the Philippines. Earnings sent home by OFWs during the month rose 5.5% to more than USD2.3 billion from about USD2.2 billion a year ago.

Malaysia's consumer prices rose 2.5% last month following the increase in petrol prices. The weaker ringgit as well as the goods and services tax (GST) also contributed to inflationary pressure.

Singapore's non-oil domestic exports (NODX) rose by 4.7% in June on year. The gain was in contrast to the 0.3% decline in the previous month, and mainly driven by expansion in both electronic and non-electronic NODX. On a yearly basis, electronic exports grew by 7.6% in June, after the 2.5% decline in the previous month.

Thailand's spending on ICT is expected to grow 3.8% to nearly USD20 billion in 2015 because of a weak economy and sluggish investment.

Vietnam's domestic coal industry has been facing a difficult business environment. Consumption of coal in the H1 of the year reached 18 million tonnes or 97.2% of the consumption during the same period last year.

North East Asia

China's economy posted 7% growth y-o-y in the Q2 of 2015, unchanged from the Q1. Q2 GDP grew 1.7% over the previous quarter. The growth has come after the government's bold moves in macro-control and adherence to structural reforms as the economy plateaus.

Industrial output in China grew 6.3% y-o-y in the H1 of 2015, slightly down from a 6.4% increase in the Q1. The growth rate has gradually recovered from 5.6% in March. In June, China's industrial output rose by 6.8% from a year ago for a third straight month of increases.

China's retail sales grew 10.4% y-o-y in the H1 of 2015 to CNY14.16 trillion (USD2.32 trillion). The growth was down 0.2 percentage point from the rate seen in the Q1. In June alone, retail sales went up 10.6%, accelerating 0.5 percentage point from May.

China's fiscal revenue rose 13.9% y-o-y in June to CNY1.53 trillion (USD251.39 billion). Combined fiscal revenue in the H1 hit CNY7.96 trillion, a y-o-y increase of 6.6%. The growth was 4.1 percentage points lower than the rise seen in the same period last year.

China's fixed-asset investment grew 11.4% y-o-y in June to CNY23.71 trillion (USD3.88 trillion) in the H1. The growth pace was flat from the figure for the first five months but was lower than the 13.5% growth registered in the Q1.

China's property investment continued to soften in the H1 of this year, putting the sector, once a growth engine of the economy, under greater pressure. Real-estate investment rose 4.6% y-o-y to CNY4.4 trillion (USD708.8 billion) in the H1 of 2015. The increase was 3.9 percentage points slower than that in the Q1.

Growth in China's electricity consumption further recovered in June but remained low, suggesting persistent tepidity in the world's second largest economy. Power use rose 1.8% y-o-y to 472.3 billion kilowatt hours in June, up slightly from a 1.6% rise in May and a 1.3% rise in April.

South Korea posted trade surplus for 41 straight months as imports reduced at a faster pace than exports. Revised figure for the June trade surplus was USD9.98 billion. It was higher than an USD6.27 billion surplus in May. The surplus trend came as imports declined at a more rapid pace than exports. Imports sank 13.6% from a year earlier to USD36.7 billion in June, and exports slid 2.4% to USD46.68 billion.

South Korea's jobless rate edged up in June as the MERS outbreak caused a sharp slowdown in growth of new hirings by the service sector. The jobless rate stood at 3.9% last month, up from 3.8% in May. The number of employed people reached slightly more than 26.20 million last month, a gain from 26.18 million tallied in May.

Australasia

New Zealand's growth in the manufacturing sector has picked up strongly, despite a drag caused by the reduced dairy payout. The BNZ-Business New Zealand Performance of Manufacturing Index rose by 3.2 points from the previous month to 55.2 points in June.

Indian Sub-Continent

The Delhi government increased the Value Added Tax (VAT) rates on petrol and diesel. The VAT on petrol has been increased from 20% to 25% and on diesel from 12.5% to 16.6%, thereby resulting in an increase in the price of petrol by INR2.78 per litre (approx.) and in the price of diesel by INR1.83 per litre.

Wholesale prices in India slipped further in June, marking the eighth straight month of deflation and going against the trend in retail inflation that rose to a nine-month high in the same month. Inflation based on wholesale price index fell to -2.4% in June compared with a -2.36% in May.

FDI inflows into Pakistan fell 58.2% in the last fiscal year of 2014/15 even through a range of other economic indicators during the period pointed to a speed-up in the economy. The FDI inflows dropped to USD709.3 million in July-June FY15, compared with USD1.698 billion during the preceding fiscal year.

Middle East and North Africa

Algeria's foreign exchange reserves dropped by USD19.02 billion to USD159.9 billion in the Q1 of 2015 due to the collapse in global crude oil prices. It recorded a trade deficit of USD6.3 billion in the first five months of 2015, compared to a USD3.44 billion surplus a year earlier.

The value of production requirements in Egypt reached EGP 208.2 billion in 2013/2014 compared to EGP 148.8 billion in 2012/2013, an increase of 39.9%. The value of wages in economic bodies reached EGP 18.4 billion compared to EGP16.3 billion in 2012/2013, an increase rate of 13%.

Morocco's trade deficit fell 24% to MAD77 billion (USD7.87 billion) in the H1 of 2015 compared with the same period last year, thanks to lower energy import prices as oil prices fell.

Qatar's gross national income (GNI) fell 12% y-o-y to QAR169.53 billion in the Q1 of this year. The GNI was down 3.5% compared to the Q4 of 2014. The country's gross national savings declined 23% y-o-y to QAR94.49 billion and it was down 9% against Q4, 2014.

Turkey's unemployment rate decreased to 9.6% in April from 10.6% in March. The unemployment rate was back to a single digit level after nine months. The rate of employment was at 46.2% in April, with the number of employed persons at 26.6 million.

Western Europe

Italy's public debt has risen to a new record of EUR2.2 trillion, up by EUR23.4 billion in May. Italy's debt-to-GDP ratio is above 132%, up from 130% in 2013 and 120% in 2010.

French CPI was slightly down by 0.1% in June from a month earlier on falling energy and manufacturing prices. The index grew 0.3% y-o-y. In June, prices of manufactured products. Moreover, prices of petroleum products and food also went down.

Spain's consumer prices rose 0.1% in June when compared with the same month of a year earlier. The annual inflation rate of June is 0.3% higher than that of May, especially due to higher prices of electricity that had fallen in June 2014.

The UK inflation rate dropped to zero in June, offering a boost to consumers at a time of when household wages are growing. The rate fell slightly compared to 0.1% in the year to May amid falls in food and clothing prices, and rises in air fares last year.

North America

The Bank of Canada lowered its key lending rate by 0.25 point to 0.5%, the second time the Canadian central bank has cut rate in order to boost the country's sluggish economy.

The US producer prices index (PPI) continued to rise 0.4% in June, following a 0.5% increase in May. On y-o-y basis, the PPI declined 0.7%, the fifth straight 12-month decrease. Nearly two-thirds of the increase in PPI can be attributed to prices for final demand goods, which rose 0.7% in June.

The US industrial production rose for the first time in three months in June, but the output of the manufacturing sector remained flat in the month. The industrial production of the US rose 0.3% in June, compared to a 0.2% decrease in the previous month.

Americans cut back their spending at stores and restaurants last month, a sign that they remain cautious despite robust job growth in the past year. Retail sales fell 0.3% in June, the weakest showing since February's harsh winter weather kept shoppers indoors.

South America

Chile's central bank held the benchmark interest rate at 3%, maintaining its neutral bias amid signs of a nascent recovery and persistently high inflation. The economy of the top copper producer has been slow to recover after hitting a five-year low in 2014.

Peru's economic growth rate slowed in May as metals refining and the iron and steel industries slumped, offsetting gains in banking, fishing, electricity and telecommunications, the government said. GDP growth was 1.2% compared with 4.3% in April and 2.7% in March.

Oil & Gas News

Oil prices rose on Thursday morning after data showed that US crude inventories dropped and refinery demand was high. Front-month U.S. crude futures CLc1 were trading at USD51.71 per barrel at 0115 GMT, up 30 cents from their last settlement. Front-month Brent crude LCOc1 was up 39 cents at USD57.44 a barrel.

Commodity News

Gold price holds near 4-month low as US rate hike looms. Spot gold was off 0.3% at USD1,145.85 an ounce by 0241 GMT, close to Wednesday's trough of USD1,143.43, its weakest since March 17.

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-Jul-15	1,156.13	2.87	57.46	20.02	1.51	2.10	1.35	0.99	9837.68	90.69	2.81	33.41	25.13	3,315.37
16-Jul-15	1,147.72	2.92	57.66	19.75	1.50	2.13	1.36	0.98	9797.20	90.70	2.79	33.20	25.01	3,346.31
% Change	-0.73	1.74	0.35		-0.47	1.59	0.68	-1.08	-0.41	0.02	-0.59	-0.64	-0.47	0.93

Economic & Financial News

Research & International Division

22/7/2015

*... Australian headline inflation jumped to 0.7% in the Q2 ...
... UAE's inflation rate edged down to 4.2% ...*

South East Asia

The prices of staple foods in Indonesia continue to be stable following the Islamic festival of Eid Fitr, according to Trade Minister. The Trade Ministry has deployed teams to monitor the prices of foodstuff in regions that are prone to price hikes.

Consumer confidence in Singapore has dropped again this month, according to the ANZ-Roy Morgan Singapore Consumer Confidence Index, which saw a m-o-m decrease of three points to 126.4. Respondents who said that their families are "better off" financially than they were a year ago fell from 29% to 27%. Meanwhile, 8% said that they are "worse off", up from 7% previously.

Singapore's financial sector grew 7.7% last year, as assets under management (AUM) rose to a record high. AUM rose 30% from SGD1.8 trillion in 2013 to over SGD2.3 trillion in 2014, while foreign exchange trading jumped 40% y-o-y to USD480 billion in October 2014, adding that Singapore already commanded 60% of infrastructure financing transactions in ASEAN.

A total of 1.16 million Vietnamese were unemployed in Q1, 2015 accounting for 2.43% of the country's total labour force. Nearly 25% were unemployed for longer than 12 months.

Vietnam's garment and textile export turnover to countries taking part in the Trans-Pacific Partnership (TPP) negotiations increased by 69.66% in the first five months compared with the same period last year. Exports to this market also accounted for 66.8% of the sector's total export turnover.

The retail price of petrol was reduced by VND260 to VND20,120 (93 US cents) per litre yesterday. The price of biofuel E5 RON 92 was reduced by VND425 to VND19,625 (USD0.90) per litre, while the price of diesel has come down by VND1,112 to VND14,681 (USD0.67) per litre.

North East Asia

Foreign investment into China rose 8.0% in the first half of this year as mergers and acquisitions by overseas companies more than quadrupled in value. FDI totalled USD68.41 billion in January-June.

Macau's composite consumer price index (CPI) for June rose 4.91% y-o-y, down slightly from the 4.93% growth in the previous month. Last month's increase was mainly due to higher housing rents and the rising cost of eating out and renting parking spaces.

Taiwan's unemployment rate in June hit 3.71%, up by 0.09 percentage points from May but down by 0.21 percentage points from a year earlier.

White goods shipments in Japan in June rose 5.9% from a year before to JPY265.4 billion, up for the second straight month. The increase is partly because of a slump in the same month last year following a hike in consumption tax from 5% to 8% in April.

South Korea's top central banker raised worries that the local tourism industry is unlikely to recover quickly from the impact of the Middle East Respiratory Syndrome (MERS) outbreak, a setback that may hamper growth in Korea. The decline in foreign tourists was seen as one of the biggest factors that have lowered Q2 GDP.

Australasia

Australian headline inflation jumped from 0.2% to 0.7% in the June quarter. However, core inflation such as fuel and food fell slightly. The rise in CPI for the three months to the end of June took the annual rate to 1.5%, following inflation of 1.3% in the March quarter.

Middle East and North Africa

The UAE's inflation rate edged down to 4.2% y-o-y in June from 4.3% the previous month amid continuing upward pressure from the cost of housing and utilities.

Western Europe

Standard & Poor's yesterday raised Greece's credit rating by two notches to CCC+ after the debt-laden country began paying billions of euros to its creditors and reopened its banks. The announcement came after the IMF confirmed that Greece is no longer in default on its loans after remitting about EUR2 billion (USD2.2 billion) to make up for missed loan repayments.

Greece repaid the European Central Bank on Monday, clearing a key obligation worth about EUR4.2 billion with one of its top lenders, after receiving temporary funding while it negotiates a bigger bailout deal. Athens received a EUR7 billion temporary or bridge finance facility late last week so it could quickly repay its most urgent debts, even before its EUR86 billion bailout was in place.

Greek banks opened their doors yesterday for the first time in over three weeks, a move that the government hopes will help the economy get back to normal following a period dominated by fears over the country's future in the euro. Still, strict controls on the amounts individuals can withdraw remain and new austerity taxes demanded by the country's European creditors mean that most everyday items are more expensive.

North America

Unemployment rates fell last month in 21 U.S. states and were unchanged in 17, as widespread job growth and a shrinking workforce reduce the ranks of those out of work. The figures point to widespread improvement in the nation's job market. There also is evidence the falling unemployment rates in many states could be boosting wage growth, according to an analyst note, a trend that could emerge at the national level.

Date	Gold Spot	NYMEX Natural Gas (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
17-Jul-15	1,147.72	2.92	57.66	19.75	1.50	2.13	1.36	0.98	9797.20	90.70	2.79	33.20	25.01	3,346.31
22-Jul-15	1,094.25	2.88	56.57	19.64	1.48	2.13	1.37	0.99	9732.36	90.70	2.78	33.03	25.16	3,368.32
% Change	-4.66	-1.37	-1.89		-0.89	0.23	0.75	0.77	-0.66	0.00	-0.67	-0.49	0.60	0.66

Economic & Financial News

Research & International Division

23/7/2015

*... Indonesia has raised the import duty for many consumer goods ...
... The ratio of Italian government debt to the country's GDP reached 135.1% ...*

South East Asia

Indonesia has raised the import duty for many consumer goods, from food and beverages to clothing. The finance minister decree took effect today, following an evaluation of recent economic conditions.

CPI for the month of July rose in Vietnam's two largest cities, Hanoi and HCM City. The July CPI in Ha Noi grew by 0.18% against the previous month's level and 0.77% over the same month last year.

North East Asia

Japan's trade deficit narrowed sharply last month as exports picked up while a sky-high energy import bill continues to fall. The country's trade deficit came in at JPY69.0 billion (USD556 million), plunging 91.7% from JPY834.0 billion deficit a year ago.

Japan's exports increased in June, boosted by growth in automobile and electronic parts. The value of overseas shipments rose 9.5% from a year earlier and export volumes were unchanged.

South Korea's economic growth slowed more than expected in Q2, as MERS curtailed private spending. The economy grew 0.3% in Q2, down from 0.8% in the Q1.

Australasia

New Zealand's central bank cut its benchmark interest rate by 25 basis points to 3%, to counter headwinds posed by tumbling dairy prices.

Indian Sub-Continent

Pakistan's current account deficit narrowed 27% to USD2.28 billion in the last fiscal year of 2014/15. Pakistan recorded current account deficit of USD3.13 billion in the fiscal year of 2013/14.

Western Europe

The ratio of Italian government debt to the country's GDP reached 135.1% at the end of Q1 of 2015.

Italian retail sales fell to -0.1%, from 0.7% in the preceding month.

The unemployment rate in Spain fell last month. Spanish unemployment rate fell to an annual rate of 22.37%, from 23.78% in the prior month.

North America

Retail sales in Mexico fell unexpectedly last month, official data showed. Mexican retail sales fell to a seasonally adjusted 4.1%, from 4.6% in the prior month.

Sales of previously owned US homes climbed to an eight-year high in June. Closings on existing homes, which usually occur a month or two after a contract is signed, climbed 3.2% to a 5.49 million.

Date	Gold Spot	NYMEX Natural Gas (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
22-Jul-15	1,094.25	2.88	56.57	19.64	1.48	2.13	1.37	0.99	9732.36	90.70	2.78	33.03	25.16	3,368.32
23-Jul-15	1,097.90	2.88	56.07	19.47	1.49	2.12	1.37	0.99	9795.28	90.65	2.78	33.16	25.33	3,373.36
% Change	0.33	0.00	-0.88	0.53	-0.44	-0.45	-0.21	0.65	-0.06	0.08	0.38	0.69	0.15	

Economic & Financial News

Research & International Division

25/7/2015

*... China Manufacturing hit 15 months low ...
... Japan's Cabinet approves 2016 budget guidelines ...*

South East Asia

Indonesia has announced it is looking to spend almost half of its budget in the Q3 in a sign that growth-generating infrastructure projects will be sped up to energise the country's sluggish economy. The Public Works and Public Housing Ministry's annual budget was set at IDR118 trillion (USD8.8 billion) this year.

The Indonesian central bank estimated the country's July monthly inflation at 0.76%, rising from 0.54% in June. The bank is optimistic about inflation being controlled within the range of the targeted 3-5% by the end of the year. The country's inflation from January to June stood at 0.96%.

The Philippines value of merchandise imports fell 13.4% annually to USD4.391 billion in May, the worst performance since the 16.8% drop recorded in October 2009. The drop was also significantly bigger than the 3.9% fall logged in 2014's comparable month.

Philippine imports fell y-o-y by 13.4% to USD4.39 billion in May. The drop was due to negative performance of eight out of the top 10 major imported commodities for the month. Transport equipment, mineral fuels, lubricants and related materials, and iron and steel dropped by 32%, 24.8% and 19.1% respectively.

Singapore's manufacturing sector contracted for the fifth straight month in June, with industrial output shrinking 4.4% on a y-o-y basis, due to broad-based declines in all clusters save chemicals. Excluding biomedical output, industrial production would have contracted 5.3%.

Resale prices of Singapore's public housing units built continued to slide in the Q2 of 2015 which were built by Housing and Development Board (HDB). The Resale Price Index (RPI) fell by 0.4% from 135.6 in the previous quarter to 135.0 in the Q2 of 2015, which is the eighth consecutive quarter of decline.

Singapore's CPI in June fell 0.3% on a y-o-y basis, compared with minus 0.4% in May, mainly on account of larger increases in the costs of services, food, and private road transport.

Vietnam first seven months of the year's CPI increased 0.8% – the lowest level of growth over the past 10 years. The CPI rose 0.13% in July over the previous month after a surge in June. The CPI had increased mainly due to the university entrance exam and the hot weather, which together pushed up the prices in restaurants, of liquor and for public transport.

North East Asia

China's job market has remained stable despite prolonged weakness in economic growth. China's registered unemployment rate in urban areas stood at 4.04% at the end of June, edging down from the 4.05% seen in March. A total of 7.18 million new jobs were created in urban areas in the H1 of the year.

China's manufacturing slumped to a 15-month low in July in a fresh sign of deterioration in the world's second largest economy. The manufacturing index based on a survey of factory purchasing managers fell to 48.2 this month from 49.4 in June.

Japan's Cabinet has approved guidelines for the country's fiscal 2016 budget. The guidelines asked that ministries and agencies cut spending on public works projects. But they allow higher spending on policies promoting economic growth. The guidelines call for capping an increase in social security spending.

South Korea's auto exports declined in the Q2 amid surging demand for foreign luxury cars among local consumers. Auto exports by South Korea's carmakers dipped 4.7% from a year earlier to USD11.09 billion U.S. dollars in the Q2. In the Q1, the car shipments increased 8.9%.

Australasia

New Zealand posted a narrow trade deficit in June, once again weighed down by lower dairy exports. The country recorded a NZD60 million (USD40 million) goods, or merchandise, trade deficit for June and a NZD2.8 billion deficit for the year ended June 30. Exports were NZD4.23 billion in June, up 1.3% on the year but down 3% versus May. Imports were NZD4.29 billion, up 9% on the year and up 7.6% on the month.

Indian Sub-Continent

Pakistan received USD5.6 billion in foreign financing in fiscal year 2015, over 90% of which was in the form of loans. The government fell short of its estimates by USD1.8 billion, mainly due to its inability to introduce reforms in the energy sector, and made up for the shortfall with heavy domestic borrowing.

Middle East and North Africa

Algeria will trim spending in its 2015 budget by 1.35%, expecting a slump in oil prices to reduce its energy earnings 50%. Oil and gas account for 95% of Algeria's exports and energy revenues make up 60% of the budget.

Growth in Bahrain's non-oil economy has risen above projections, by 5% during Q1 2015. Bahrain's Economic Development Board (EDB) highlighted real annual GDP growth of 2.9% and strong labour market activity, with employment increasing by 5% compared with the same period last year.

Iran's foreign reserves total between USD115 billion and USD125 billion, including assets in its sovereign wealth fund.

Iraq's southern oil exports have risen above 3.0 million barrels per day (bpd) so far in July, setting shipments from OPEC's second-largest producer on course for a monthly record.

Turkey's central bank kept current interest rate at 7.5%, as a recent drop in food prices eased pressure on inflation and the bank took a cautious tack while efforts to form a coalition government continue after June's elections.

Bank lending growth in the UAE rose to 8.8% y-o-y in June, its highest rate this year, from 8% in May. But money supply (M3) growth dropped to 1%, its lowest rate since July 2012, from a revised 2.8%.

Eastern Europe

Russia plans to launch its own credit rating agency this year, in efforts to satisfy interests of the Russian economy and in response to negative rating of Russia's credit status by Western rating agencies.

Western Europe

Greece has formally submitted a request to the IMF for a new loan facility. Greece is due to begin talks with its EU and IMF lenders on a new bailout deal.

The UK housing market "is beginning to hot up again" as mortgage approvals rose by 8% in a year. The number of mortgages approved for house purchases increased to 44,488 in June, the British Bankers' Association (BBA) said. This was 5,000 more approvals than the average of the previous six months.

Exports lead the way as UK car production rises. In total 793,642 cars were built between January and June. The figure for June was 143,759 with exports increasing by 5.4% on a year earlier.

North America

Canadian retail sales rose 1% in May on stronger sales of new cars and gasoline. The value of Canadian retail sales increased to a seasonally adjusted CAD42.97 billion an all-time high.

Mexico's economy barely expanded in May compared with April and posted its weakest annual growth in nine months. Adjusted for seasonal swings, Mexico's economy grew by 0.1% in May versus the previous month. In April, it expanded by 0.6%, or one tenth of a percentage point less than was originally reported.

South America

Brazil cuts primary surplus and budget for 2015. The Brazilian government announced the reduction of the primary surplus from 1.1% this year to 0.15% due to the decline in federal revenues due.

Oil & Gas News

Oil falls to lowest close since March. Brent September crude fell 65 cents to settle at USD54.62 a barrel, the lowest close since March 19 and off 4.3% for the week.

Commodity News

Spot gold hit the lowest since February 2010 at USD1,077.00 an ounce but was up 0.5% at USD1,096.29 at 2:47 p.m. EDT.

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-Jul-15	1,097.90	2.88	56.07	19.47	1.49	2.12	1.37	0.99	9795.28	90.65	2.78	33.16	25.33	3,373.36
25-Jul-15	1,099.11	2.78	54.62	19.65	1.50	2.13	1.37	1.00	9816.43	90.38	2.78	33.18	25.44	3,352.65
% Change	0.11	-3.47	-2.59	0.79	0.11	0.43	1.17	0.22	-0.30	-0.06	0.06	0.44	-0.61	

Economic & Financial News

Research & International Division

28/7/2015

*... Malaysian consumer confidence index slipped to 89 points in Q2...
... Gasoline prices in South Korea dipped to the lowest level in six years ...*

South East Asia

Indonesia's FDI rose by 18.2% y-o-y to IDR92.2 trillion (USD6.6 billion) in Q2 despite of slowing economic growth. Most foreign investors invested their capital in the sectors of transportation, warehouse services, telecommunication, construction, metal industry, metal and engine industry, electronic and non-metal industries. For the cumulative of FDI in the H1, it scaled up by 16.1% y-o-y to IDR174.2 trillion (about USD12.9 billion).

The Malaysian consumer confidence index slipped to 89 points in Q2, down from 94 in the first quarter, following the introduction of the goods and services tax (GST), as measured by Nielsen. This brings the confidence back to the level achieved in Q4 last year. Malaysia now ranks 24th most confident country globally.

Thailand's exports dropped for the sixth consecutive month in June to USD18.2 billion, registering a 7.9% decline y-o-y due the falling oil price, slow global economic recovery and a marked drop in the export of automobiles and parts. In H1 2015, the country's exports revenue totalled USD106.9 billion, down 4.8% from the same period last year. Meanwhile, imports stood at USD18 billion in June.

Singapore's resale prices of private homes fell again in June, according to Singapore Residential Price Index (SRPI). The SRPI showed overall prices declining 0.3% in June from the previous month. In May, prices fell 0.6% from a month earlier.

Vietnam has attracted USD8.8 billion in FDI in the year-to-date, an 8% fall y-o-y. In the first seven months 1,068 new foreign projects with an investment of USD6.9 billion received investment certificates, marginally up in money terms from last year.

Vietnam's trade deficit was reached USD3.4 billion in the first seven months of this year, USD300 million more than USD3.1 billion in H1 this year. Total import value in the first seven months was estimated to have increased by 16.4% y-o-y to USD95.6 billion.

North East Asia

The world's largest coal producer output continued to decline in H1 2015, but at a slightly slower pace. China's coal production fell 5.8% y-o-y to 1.8 billion tonnes in the first six months, compared with a 6% decrease in the Jan-May period. The country's coal industry has been cooling due to weaker demand in a softening economy and government measures to reduce pollution. Output fell in 2014 for the first time this century.

China's industrial profit down 0.3% in June, down from a 0.6% growth posted in May. It was attributed the decline to the drop in price of industrial goods, rise in unit costs, and a large base of comparison last year. Profits at industrial companies with annual revenues of more than CNY20 million totalled CNY589 billion in June, making total profits CNY2.8 trillion in the H1, down 0.7% y-o-y.

China collected CNY 5.9 trillion (USD969 billion) in taxes in H1 this year, up 6.3% y-o-y. The growth pace was in line with the overall economic growth in the H1. It attributed the growth to China's economic recovery, which posted a better-than-expected growth of 7% in H1, thanks to the government's continued pro-growth policies and reform measures.

Japan's services producer prices rose 0.4% y-o-y in June— up for the 24th consecutive month, the central bank said Monday. The services producer price index stood at 102.9, against 100 for the base year of 2010. In May, the index was up 0.6%.

Hong Kong's exports declined again last month. The city's total exports of goods decreased 3.1% y-o-y to HKD299.5 billion in June, after a y-o-y fall of 4.6% in May. Exports dropped in three of the first six months this year. For the H1 as a whole, the value of total exports of goods rose 0.1% y-o-y.

More than 300 Hong Kong flats will be sold at 80% of market price in the Urban Renewal Authority's first subsidised housing project to target middle-income families who cannot afford private housing but are considered too well-off for the Housing Authority's Home Ownership Scheme.

Gasoline prices in South Korea dipped to the lowest level in six years in H1 this year due to falling crude oil prices. The average gasoline price stood at KRW1,514.5 (USD1.29) per litre in the H1, the lowest since early 2009, when it was KRW1,514.4.

South Korea plans to create 200,000 new jobs for the youth by 2017 while also working to permanently increase employment opportunities for young adults. The country's jobless rate for those aged between 15 and 29 reached 10.2% at the end of June, marking an increase of 0.9 percentage point from the previous month while the country's overall unemployment rate inched up from 3.8% to 3.9% over the cited period.

Indian Sub-Continent

Bangladesh's central bank would provide BDT164 billion (USD2.1 billion) in credits to private banks in the 2015-2016 fiscal year to foster increased food production and help maintain economic growth.

Middle East and North Africa

Jordan's trade deficit narrowed by 14.8% during the first five months of 2015 compared to the same period of 2014. The trade deficit balance in May stood at JOD3.6 billion indicating that the exports coverage of imports stood at 37.3% compared to 36.3% for the same period of 2014. It showed a decline in the national exports by 12.2% as well as a decrease in the imports by 13.4% reaching JOD5.8 billion.

MENA governments are considering tax measures to broaden their revenue base and increase tax yields to preserve economic and social stability and continue with development plans.

Morocco's automotive industry is expected to significantly increase job opportunities in the next 5 years, as Morocco has become a favourite investment destination for many of the world's leading car manufacturers. Car manufacturers in Morocco will create 90,000 new jobs by 2020.

Kuwait June inflation rises to 3.5%, highest since April 2012. Prices of food and beverages, which account for over 8% of the basket, rose 3.6% y-o-y and 0.7% m-o-m. Housing costs jumped 6.5% from a year ago and rose 0.8% from the previous month.

The flow of foreign investments in Tunisia reached TND1,234.7 million in June 2015, that is up by 60.7%, compared with 2014.

The government of the UAE is expected to cut spending by 4.2% this year as it begins to retrench because of low oil prices, which are slashing its energy export revenues, a central bank report said.

Western Europe

Bank lending across the euro zone improved further in June as home buyers dashed for cheap loans and brushed off uncertainty over Greece. Lending growth for home loans was up 1.6% in June, shooting up from growth of 0.1% two months earlier. Consumer credit too grew at 1.8%, compared to a slight contraction in April.

German business confidence climbed in July, as fears over Greece leaving the Eurozone subsided. Research institute IFO said its Business Climate Index rose to a 108 this month from 107.5 in June. It followed two months of contraction.

North America

Mexico's factory exports rose in June, bouncing back from a sharp drop a month earlier, while more consumer imports pointed to improving demand in the country. Manufactured exports rose 3.1% in June compared with May, in seasonally adjusted terms, after contracting by the most in over two years the prior month.

US durable goods orders increased in June by 3.4% in June from a month ago to USD235.3 billion, following two consecutive monthly declines. In May, the durable goods orders fell 2.1%.

The US services sector expanded at a faster clip in July than June as employment and new business growth accelerated. Financial firm Markit said its flash reading of its Purchasing Managers Index for the services sector rose to 55.2 in July from the final 54.8 reading in June.

South America

A rebound in the auto industry drove an expansion in Argentina's industrial sector in June, its first month of growth in nearly two years, adding to signs of a pickup in Latin America's third largest economy. Industrial output grew by 0.9% in June compared with the same month a year earlier.

Date	Gold Spot	NYMEX Natural Gas (\$/MMBtu)	Brent Oil (\$/bbl)	oil/nat. gas ratio	EUR	GBP	USD	AUD	Indo RUP	YEN	MYS RM	Phil Peso	Thai Baht	SGX Index
25-Jul-15	1,099.11	2.78	54.62	19.65	1.50	2.13	1.37	1.00	9816.43	90.38	2.78	33.18	25.44	3,352.65
28-Jul-15	1,094.90	2.84	53.32	18.77	1.51	2.13	1.37	1.00	9827.04	90.16	2.79	33.26	25.43	3,281.09
% Change	-0.38	2.16	-2.38		0.18	-0.04	-0.10	0.10	0.11	-0.23	0.31	0.24	-0.04	-2.13

Economic & Financial News

Research & International Division

29/7/2015

*... Algerian government not considering to end or revise fuel subsidy policy ...
... UK economic growth accelerated in Q2 2015 ...*

South East Asia

Brunei's June consumer prices saw a rise of 0.1% from May 2015. This was mainly due to an increase in the prices of clothing and footwear as well as some food items.

Indonesia's consumer confidence faced an "extreme deterioration" in H1, falling the most in Asia as the outlook for the economy and stock market worsen. The 25.8-point slide from the second half last year to 64.3 on the MasterCard index was the steepest among 17 markets in the region, according to a MasterCard Inc. survey.

The Philippine government's outstanding debt in June rose 3% to PHP5.82 trillion, from PHP5.65 trillion in the same period last year. It was attributed the higher debt figure to the additional loans secured from domestic and foreign sources and the weakening of the peso against the dollar.

Vietnam's goods and services sector continued a stable momentum during H1 2015 as total retail sales hit USD85.8 billion, an increase of 8.3% y-o-y. The country's total retail sales stabilised in Q1 2015. The increase was 8% in the first four months and 8.2% in the first five months. The increase in total retail sales reflected the low increase in the consumer prices.

North East Asia

Centrally-administered state-owned enterprises (SOEs) in China performed well in H1 2015. These SOEs have seen a steady rise of profitability, especially in the Q2 2015. In H1 2015, they garnered an operating revenue of CNY11 trillion (USD1.8 trillion) and reaped CNY643 billion of profits.

Japanese retail sales rose 0.9% in the year to June but the pace of growth slowed for a second straight month, a sign consumer spending has yet to build enough momentum to be a key driver of economic growth. While food and beverage sales increased, bad weather during the month hurt clothing sales at department stores.

The number of non-resident workers in Macau at the end of June rose 16.2% y-o-y to 180,523. The number increased by 1,107 between May and last month. Mainlanders accounted for 65% of all imported labour.

Investment in South Korean venture firms in H1 2015 soared 40% y-o-y due largely to government support measures to foster their growth. A total of 517 venture start-ups received a combined KRW956.9 billion (USD816.1 million) in investment in the January-June period, up 38.4% from KRW691.2 billion tallied the previous year.

Middle East and North Africa

The Algerian government is not considering to end or revise its policy of fuel subsidy, but it relies on the involvement of consumers in preserving this energy product.

Egypt's central bank is expected to keep interest rates on hold on Thursday with inflation still in double digits, despite lower global commodity prices.

Kuwaiti credit growth in May was relatively strong, but annual growth eased to 5.3% y-o-y on basis effects. Lending was up by KWD175 million during the month supported by the household sector and some business sectors.

Qatar's trade surplus in June declined to QAR14.9 billion (USD4.09 billion), registering a decline of QAR16.4 billion (USD4.5 billion), or 52.5% y-o-y. However, the trade balances of goods decreased by QAR0.4 billion, or 2.4% m-o-m.

UAE's consumer confidence index dropped in Q2 due to declining sentiment over job prospects and personal finances. The latest Nielsen Consumer Confidence Index showed that the residents' level of optimism is still highest in the MENA region, but it dropped by seven index points from Q1 to a score of 108. The quarterly decline is the biggest in six years.

The UAE would raise domestic prices for gasoline and cut them for diesel in a politically sensitive reform designed to save the government money and encourage motorists to use fuel more efficiently. The price of a litre of octane 95 gasoline will climb 24% to AED2.14 (USD0.58) at the start of August, while diesel will fall 29% to AED2.05.

The consolidated government revenue of the UAE is expected to fall by 22.4% this year, on account of the sharp decline in oil prices and a reduction in the revenues of local governments.

Eastern Europe

Russia's GDP in June contracted by 4.2% y-o-y, and by 0.1% m-o-m in seasonally-adjusted terms. GDP fell by 4.8% y-o-y in May. Russia's growth prospects deteriorated sharply midway through last year, when an existing slowdown was compounded by Western economic sanctions over the Ukraine conflict and a collapse in the price of oil.

Western Europe

UK economic growth in Q2 2015 accelerated by an estimated 0.7%, helped by a big jump in oil and gas production. The 0.7% growth followed a growth of 0.4% in the previous quarter of the year. Output in the economy during Q2 was 2.6% higher than the same period a year earlier.

North America

Canadian producer prices in June rose 0.5% largely due to higher prices for energy products and vehicles. Prices for energy and petroleum products rose 2% last month, thanks largely to a 5.9% jump in motor gasoline prices. A weaker Canadian dollar helped boost prices for motorised and recreational vehicles by 1.2%.

US home prices rose steadily in May, pushed higher by a healthy increase in sales this year. The Standard & Poor's/Case-Shiller 20-city home price index climbed 4.9% y-o-y in May, down slightly from a 5% pace in April, according to S&P Dow Jones Indices. Home sales have jumped in recent months as an improving economy boosts hiring and enables more people to afford a purchase.

Oil & Gas News

Oil prices fell in Asian trade as concerns over global oversupply outweighed the impact of a likely larger than expected draw in US crude stocks and a weakening dollar. OPEC members pumped 31.25 million barrels per day (bpd) in Q2 against demand of 28.26 million bpd, according to Reuters' data. Brent futures for September delivery LCOc1 fell 14 cents to USD53.16 as of 0236 GMT, after falling 17 cents in the previous session when it hit an intra-day low of USD52.28, its lowest since Feb. 2, on concerns over China's stock market plunge.

Commodity News

Gold wedged below USD1,100 ahead of the Fed's meeting outcome. Spot gold was little changed at USD1,095.25 an ounce by 0029 GMT. The metal hit a low of USD1,077 last week, its weakest since February 2010.

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-Jul-15	1,094.90	2.84	53.32	18.77	1.51	2.13	1.37	1.00	9827.04	90.16	2.79	33.26	25.43	3,281.09
29-Jul-15	1,096.97	2.84	53.14	18.71	1.51	2.13	1.37	1.00	9853.19	90.40	2.79	33.31	25.53	3,282.44
% Change	0.19	0.00	-0.34		0.40	-0.01	-0.25	0.21	0.27	0.26	0.22	0.15	0.37	0.04

Economic & Financial News

Research & International Division

30/7/2015

*... Brunei exports fell by 32% in May ...
... Singapore's unemployment rate up in Q2 ...*

South East Asia

Brunei exports fell by 32% on year in May to BND698.5 million, owing to a sharp decline in oil and gas shipments. Oil and gas exports plunged by 31.4% on year. In terms of value, oil exports fell by 23% on year to BND325 million due to sinking global prices. Average export price fell from USD113.77 per barrel in May 2014 to USD66.79/bbl. Exports of Liquefied Natural Gas (LNG) decreased by 37.8% to BND342 million. Export prices had also dropped from USD16.73 per million metric British thermal units (MMBtu) to USD9.33 per MMBtu.

Subsidies will account for only around 9% of the Indonesia's total budgetary allocations in the state budget plan (RAPBN) for the 2016 fiscal year. Of that total, 4% would be allocated for non-energy subsidies, followed by 3% for fuel subsidies and 2% for electricity subsidies.

The rate of increase in consumer prices is expected to fall below 1% this month in the Philippines due to the sustained drop in prices of food, fuel and electricity. Inflation may settle at 0.7% this month, allowing the Bangko Sentral ng Pilipinas (BSP) to keep policy settings on hold to support robust economic growth.

Singapore's unemployment rate edged up slightly in the Q2 of 2015, after declining for the past four quarters. The unemployment rate rose to 2% in June, up from 1.8% in March, due to "softer economic conditions". Total employment grew by 15,700, following a contraction of 6,100 in the last quarter, boosted by hiring in the construction and services industries.

Thai economy will be able to expand by more than 3% in 2015 as tourism is still going strong. Exports are predicted to pick up in the Q4 with the weaker baht while the process of private investment is still ongoing, but most of the construction and real investment is expected to begin next year.

North East Asia

Credit cards are gaining increasing popularity among Chinese, with payments totalling CNY15.2 trillion (USD2.49 trillion) last year, a report by China Banking Association showed. The volume was up 16% from the previous year. In 2014, around 64 million new credit cards were issued, bringing the total to 460 million.

China will enact several new measures to improve urban underground infrastructure in an effort to upgrade urbanisation and economic development. Better urban underground infrastructure will stimulate investment, increase the supply of public goods, and improve modern urbanisation, which serves as China's new growth engine.

Japan's industrial output rose in June, a seasonally adjusted 0.8% from the previous month, bouncing back from a 2.1% drop logged in May amid recovery in demand for automobiles.

A subcommittee of a Japanese labour ministry panel agreed to recommend that the country's minimum hourly wage be raised by JPY18 on average for fiscal 2015, which started in April. The minimum wage will rise to JPY798 on average if the recommendation by the subcommittee of the Central Minimum Wages Council is implemented.

South Korea's energy imports rise 7.6% in Q2 but their value dropped sharply mainly due to weak international crude oil and coal prices. South Korea imported a little over 77.1 million tons of energy products, including crude oil, coal and natural gas, during the Q2, up 7.6% from a year earlier. The value of the imports, however, plunged 34.9% on-year to USD22.45 billion in the three-month period.

South Korea's housing market continued to show strong signs of improvement in the Q2, aided by a significant rise in the number of home transactions as well as a steady increase in prices. In the Q2, home transactions spiked 39.1% on-year to 340,743.

Indian Sub-Continent

The India Cabinet approved amendments to the goods and services tax (GST) Bill to compensate states for revenue loss for five years once the new nationwide uniform tax regime kicks in. The Cabinet decided that the modalities for levy of 1% tax over and above the GST rate by states as well as the 'band' rate would be finalised while framing the rules. GST will ensure a single tax structure for goods and services throughout the country and make India a common market.

Middle East and North Africa

Saudi Arabia's GDP fell during the Q1 of 2015 by 12% to SAR451.6 billion from SAR413.7bn in the same period of 2014. The value of the government sector's GDP at current prices increased by 38.03% during the Q1 of 2015 and stood at SAR242.1 billion compared with the same period last year.

Saudi Arabian external trade saw a moderation in non-oil export activity in May, recording the second largest slump since February, slowing by 16.7% y-o-y. Total non-oil exports were valued at SAR15.2 billion affected by sharp declines in the largest export categories, plastics, chemical products, and base metals.

Saudi Arabia is planning to cut oil production after summer when domestic energy demand subsides, according to people with knowledge of the matter. The reduction could begin as soon as September and would amount to about 200,000 to 300,000 barrels a day, bringing production to about 10.3 million barrels a day, the people said. Saudi Arabia told the Organisation of the Petroleum Exporting Countries that it produced 10.56 million barrels a day in June, a record high.

Eastern Europe

The unemployment rate in Hungary saw a 1.2% y-o-y decrease to 6.9% in the period of Q2, with the number of unemployed people dropping by 49,000 to 310,000.

Russia's consumer prices were unchanged in the week to July 27, indicating there may be some room for the Bank of Russia to cut rates this week. Consumer prices have increased 9.5% so far this year, compared with a rise of 5.3% in the corresponding period of 2014.

Western Europe

French consumer confidence fell in July as households were slightly less bullish about their recent financial situation. The confidence reading by the national statistics institute, Insee, fell to 93 in July from 94 in June.

The eurozone's household income per capita increased by 0.9% in the Q1 of 2015 in real terms, after an increase of 0.1% in the previous quarter. Eurozone household real consumption per capita increased by 0.8% in the Q1 of 2015, after an increase of 0.2% in the previous quarter.

The European Central Bank decided to leave its emergency credit lifeline for Greece unchanged. The ECB executive board acted in the week when experts from the bank, the EU and International Monetary Fund returned to Athens to discuss a new bailout of up to EUR86 billion over three years.

Spanish retail sales rose in June at their slowest pace in seven months, after a big spike in spending by households in the past year as the economy emerged from a deep crisis. Sales rose 2.3% on a calendar-adjusted basis in June, the 11th straight month in a row. That was down from 3.1% growth in May. On a m-o-m basis, Spanish retail sales dropped 0.8%, the steepest fall in a year and a half.

South America

Brazil's central bank raised its benchmark interest rate by half a point to 14.25%, seeking to fight inflation during a major slump in the local currency. The half-point bump was the largest boost in nine years.

Oil & Gas News

Oil holds steady on big US stock draw. Brent crude for September delivery LCOc1 rose 13 cents to USD53.51 a barrel as of 0647 GMT, after settling 8 cents higher in the previous session.

Currency News

Russian Central Bank froze the purchases of foreign currency after ruble dropped to the lowest level in months. Operations were suspended on Tuesday in order to replenish the international reserves considering the rising volatility on the domestic foreign exchange market.

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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30-Jul-15	1,086.91	2.87	53.63	18.69	1.51	2.13	1.36	1.00	9863.88	90.50	2.80	33.34	25.58	3,249.45
% Change	-0.92	1.06	0.92	-0.13	0.17	-0.18	-0.29	0.11	0.11	0.17	0.11	0.23	-1.01	