

Asian Markets

Monday, 18 February 2013

Line-Up For The Week Ahead

- Later this morning, Thailand will release its fourth quarter 2012 GDP (est. = 15%) and full year GDP numbers (est. = 5.5%). The strong 4Q numbers were due both to stronger exports growth and a low base effect in 4Q 2011 due to the massive floods.
- On Wednesday, Bank of Thailand will release the benchmark interest rate and it's expected to remain unchanged at 2.75%. On the same day, Malaysia will release both Jan 2013 CPI (est. = 1.2%) and fourth quarter 2012 GDP numbers (est. = 5.5%).
- Hong Kong's January unemployment rate (est. = 3.3%) will be out on Thursday, while Singapore and Taiwan will release the 4Q 2012 GDP (Singapore est. = 1.2%) on Friday.
- The markets in China, Taiwan, and Vietnam will open today.**

Forex

- At closing last Friday, the SGD closed higher against the USD at 1.2353/USD while the THB weakened slightly to reach 29.84/USD.

SGD

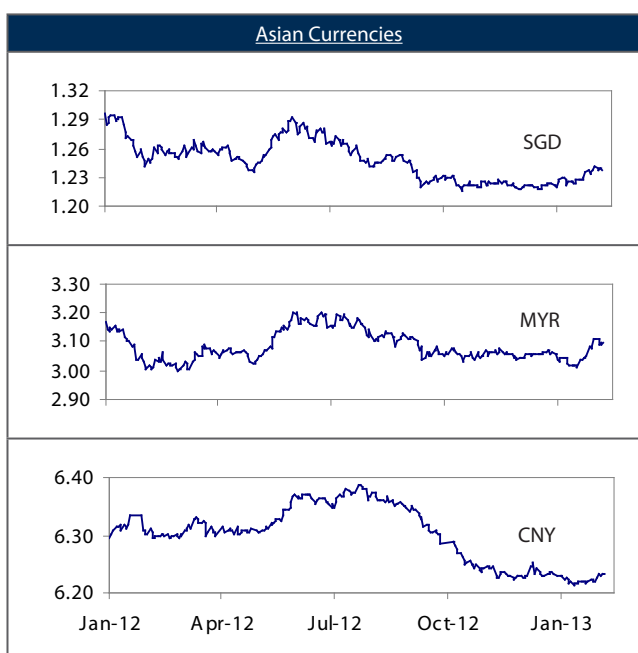
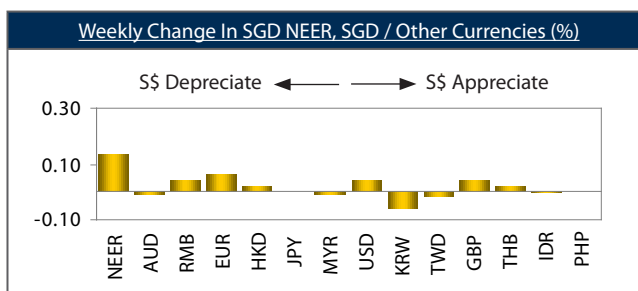
- The USD/SGD traded at a tighter range of 1.2348 – 1.2365 on Friday, and will likely continue to weaken in the near term.** On a trade-weighted basis, the SGD NEER is trading stronger today at 0.12% above the midpoint this morning. We expect it to trade tightly between the midpoint and 0.5% above midpoint today, implying the USD/SGD range of 1.2393 – 1.2331 based on current FX levels.

SGS

- No strong words from G20 will probably see the usual suspect currencies trying to push the envelope, led by the JPY. SGS had a mixed day on the back end. 15y bond outperformed on short covering, whilst the wings are still getting better sellers on upticks. Market is respecting the historical highs in 30y yields, turning focus on setups towards coming out of auction with flatteners.

FX	Asian Close	Asian High	Asian Low	NY High	NY Low
SGD	1.2353	1.2367	1.2347	1.2381	1.2350
MYR	3.0930	3.1000	3.0880	-	-
IDR	9667	9683	9660	-	-
THB	29.84	29.88	29.79	-	-
PHP	40.60	40.62	40.60	-	-
TWD	29.560	29.640	29.540	-	-
KRW	1078.30	1082.50	1076.30	-	-
HKD	7.7550	7.7551	7.7539	-	-
CNY	-	-	-	-	-

Lower-End	1.2648
Upper-End	1.2152
Mid-Point	1.2395



- Opening levels: 2y 99.95/03 0.28/0.24 5y 107.75/95 0.47/0.42 10y 113.40/60 1.60/1.58 15y 114.75/05 2.27/2.24 20y 105.75/15 2.47/2.44 30y 98.30/90 2.84/2.81.

RMB

- This morning, the PBoC fixed the RMB mid-point at 6.2816/USD, higher than previous mid-point of 6.2793 (8th Feb). Previous RMB close was 6.2325/USD.

Equities

- A number of Asian markets closed lower last Friday, and gains were only seen in the Hang Seng (+0.13%), JCI (+0.46%), KOSPI (+0.08%) and PSEi (+0.13%).
- Weak performance in the Nikkei 225 was due to losses in almost all sectors except for the oil & gas (+3.41%) and utilities (+1.64%). Financials (-2.01%), basic materials (-1.85%), and consumer goods (-1.26%) fared the worst.
- The Straits Times index closed lower 2nd day in a row as all except the oil & gas (+0.27%) and healthcare (+1.14%) sectors were down. The biggest losers were consumer goods (-0.79%) and telecommunications (-0.57%) as Singapore's retail sales index for December came out worse than consensus estimates.

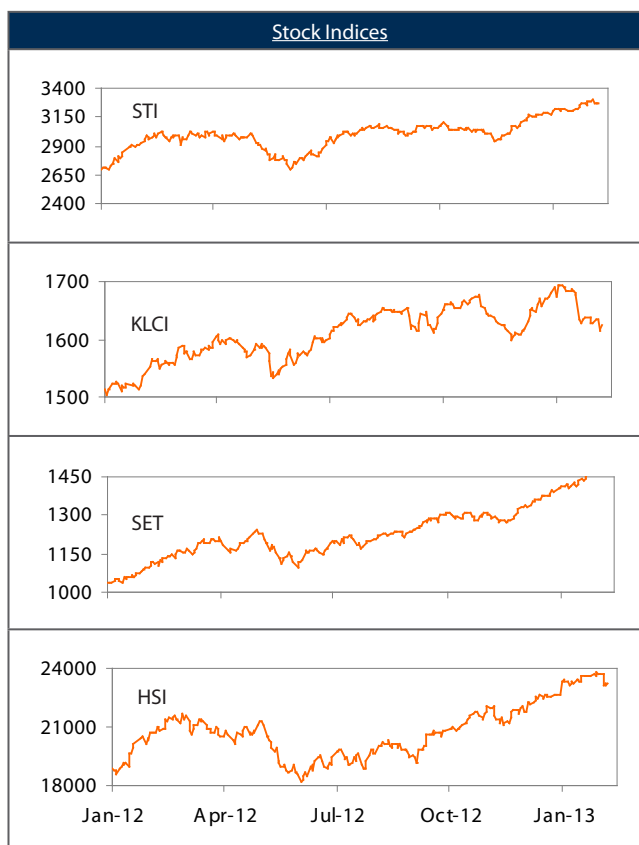
Economic News

- Singapore's January non-oil domestic exports (NODX) grew by 0.5% y/y, better than the 16.3% decline seen a month earlier. However, it was below consensus estimates of a 3.0% growth. The slightly positive NODX performance in January better performance of non-electronic NODX (+3.8% y/y) outweighing the poorer performance of electronic NODX (-5.6%).
- Singapore's retail sales for December 2012 dropped 1.5%, against consensus estimates of a slight improvement of 0.2%, as retail sales of telecommunication/computers fell 12% y/y.
- Overseas remittances in December for the Philippines grew strongly by 9.7% to reach US\$1.975 bil, surpassing consensus estimates of a 7.0% growth.
- Retail sales in China during the week-long CNY rose at the slowest pace in 4 years as crackdown on extravagant spending by officials and state-owned companies limited outlays on food and drinks.

Market Holiday	Date	Event
TH	25 Feb	Makha Bucha Day
TW	28 Feb	Peace Day
SK	01 Mar	Independence Movement Day

Interest Rates	Current	Next CB Meet	UOB's Forecast
SGD 3-Mth SIBOR	0.38%	-	-
MYR O/N Policy Rate	3.00%	07 Mar	3.00%
IDR O/N Rate	5.75%	07 Mar	5.75%
THB 1-Day Repo	2.75%	20 Feb	2.75%
PHP O/N Reverse Repo	3.50%	14 Mar	3.50%
TWD Discount Rate	1.88%	21 Mar	1.88%
KRW Base Rate	2.75%	14 Mar	2.75%
HKD Base Rate	0.50%	-	0.50%
CNY 1-Yr Wking Capital	6.00%	-	6.00%

Stock Indices (as of 15 Feb 2013)	Closing	% chg	ytd % chg
FTSE Straits Times Index	3283.07	-0.22	+3.66
FTSE Bursa Malaysia KLCI Index	1627.93	-0.18	-3.61
Jakarta SE Composite Index	4609.79	+0.46	6.79
Thailand SET Index	1521.52	-0.34	+9.31
Philippines SE PSEi Index	6521.64	+0.13	+12.20
Taiwan SE Weighted Index	-	-	-
Korea SE KOSPI Index	1981.18	+0.08	-0.79
Hong Kong Hang Seng Index	23444.56	+0.13	+3.48
Shanghai SE Composite Index	-	-	-
India Sensex 30 Index	19468.15	-0.15	+0.21



Economic Indicators						
Date	Time	Indicators	Month	Actual	Market Forecast	Previous
15 Feb	1300	SG Retail Sales y/y	Dec	-1.5	0.2	-1.1%
	1530	TH Foreign Reserves USD	Feb	180.9	-	181.6bn
18 Feb	0830	SG NODX m/m	Jan		9.7	1.8%
	0830	SG NODX y/y	Jan		3.0	-16.3%
	1030	TH GDP q/q sa	4Q		0.2	1.2%
	1030	TH GDP y/y	4Q		15.0	3.0%
	1030	TH Annual GDP	2012		5.5	0.1%
19 Feb	-	HK Composite Interest Rate	Jan		-	0.32%
	-	PH Balance of Payments USD	Jan		-	640mn
20 Feb	1100	SK External Short-Term Debt USD	4Q		-	132.6bn
	1530	THB 1-Day Repo	Feb		2.75	2.75%
	1700	MY CPI y/y	Jan		1.2	1.2%
	1800	MY GDP y/y	4Q		5.5	5.2%
21 Feb	1630	HK Unemployment Rate sa	Jan		-	3.3%
22 Feb	1630	HK CPI - Composite Index y/y	Jan		-	3.7%
	1700	TW GDP y/y	4Q F		-	3.42%
	1700	MY Foreign Reserves	Feb		-	140.2bn

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