

MARKET UPDATE

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Asian FX Falls on Rate Risks, Yuan Rattled by Real Estate Woes

Most Asian currencies fell on Thursday as investors digested mixed signals from the U.S. Federal Reserve on its plans to hike rates, while China's yuan sank on growing concerns over a real estate crisis.

The yuan fell 0.2% to 6.7912, trading near three-month lows as investors fretted over a downturn in the Chinese economy. A profit warning from major real estate developer Country Garden Holdings Company Ltd (HK:2007) brewed fresh concerns over a property market slowdown, which threatens to spill over into other facets of the economy.

South Korea's Kakao drops plan to sell stake in taxi-hailing unit

South Korean tech conglomerate Kakao Corp said on Thursday it is no longer exploring plans to sell about 10% of unit Kakao Mobility after objections from unionised employees and other stakeholders.

Kakao holds a 57.6% stake in Kakao Mobility, whose app Kakao T offers South Korea's most popular taxi-hailing service with 31 million registered users.

Asset managers on alert after 'WhatsApp' crackdown on banks

Asset managers are tightening controls on personal communication tools such as WhatsApp as they join banks in trying to ensure employees play by the rules when they do business with clients remotely.

Regulators had already begun to clamp down on the use of unauthorised messaging tools to discuss potentially market-moving matters, but the issue gathered urgency when the pandemic forced more finance staff to work from home in 2020.

Most of the companies caught in communications and record-keeping probes by the U.S. Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC) have been banks - which have collectively been fined or have set aside more than \$1 billion to cover regulatory penalties.



Oil prices hold steady as recession worries offset lower U.S. stocks

Oil prices were little changed on Thursday as investors grappled with falling stockpiles in the United States, rising output from Russia and worries about a potential global recession.

Brent crude futures climbed 15 cents, or 0.2%, to \$93.80 a barrel by 0347 GMT. U.S. crude futures gained 4 cents, or 0.1%, to \$88.15 a barrel.

Prices rose more than 1% during the previous session, although Brent at one point fell to its lowest since February.

Futures have fallen over the past few months, as investors have pored over economic data that has spurred concerns about a potential recession that could hurt energy demand.

British consumer price inflation jumped to 10.1% in July, its highest since February 1982, intensifying a squeeze on households.

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