

**HD Uber's Newest Controversy: 'Surge Pricing' in Sydney Siege -- Market Talk****WC** 1,624 words**PD** 15 December 2014**ET** 19:41**SN** Dow Jones Institutional News**SC** DJDN**LA** English**CY** Copyright © 2014, Dow Jones & Company, Inc.**LP**

0841 GMT [Dow Jones] Ride-sharing app Uber has another controversy on its hands. The **company** received a torrent of criticism online Monday after it automatically raised prices for riders in Sydney amid an unfolding siege at a café. That was the result of an Uber algorithm underpinning its "surge pricing" model, which charges customers more during times of high demand. Some users reported the minimum fare had skyrocketed to \$100 Australian dollars (\$82) for a ride. Uber quickly backtracked, saying trips out of the downtown area would be free for riders. Meanwhile, governments around the world continue to question the **company's** legality, saying it competes unfairly with taxi firms, while earlier this month allegations that an Uber driver raped a woman in India triggered a nationwide ban on smartphone-enabled taxi services. (newley.purnell@wsj.com; Twitter: @Newley)

Editor: KLH

**TD**

0834 GMT [Dow Jones] The USD/TWD is slightly higher on thin volume, lifted by continued foreign fund outflows, say two local traders. The pair closes at 31.342--the highest onshore closing level over 50 months, versus 31.326 late Friday. They say the local central bank is believed to have bought the USD around 31.320 (versus 31.300 Friday) to keep the pair in its target band. "Most market participants believe the New Taiwan dollar has room to depreciate more as its recent declines still lag behind other regional currencies," a trader says. But buying in USD weakened after the USD/TWD rose above 31.330 as some investors turned cautious following rebounds in the JPY and the KRW and ahead of the FOMC meeting, the trader adds. Foreign investors have been net sellers of local stocks for seven straight sessions. (fanny.liu@wsj.com)

Editor: KLH

0818 GMT [Dow Jones]--SEB notes that today the Swedish Premium Pension Authority pays out annual capital to following mutual funds chosen by Sweden's six **million** pension savers. Historically, a large share of the funds are invested in foreign assets which results in negative SEK flows. The general pattern is that EUR/SEK tends to rise ahead of PPM day, and keep on climbing for 5 days, turning down on the sixth day until around 21 days after PPM day. The bank says if the cross follows this pattern, then it will head higher until around December 22, and then fall around January 12. EUR/SEK traded at a 4-year high of 9.4180 both Friday and today, now at 9.4030. gary.stride@wsj.com

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0807 GMT [Dow Jones] **China** government **bonds** are down as liquidity tightens with a slew of IPOs hitting the market, increasing demand for cash ahead of the New Year holiday. The seven-year government bond yield is up at 3.77% vs 3.74%. But investors aren't too worried about the **bonds**, saying some **bonds** are starting to look appealing after their recent falls. On Thursday, 12 IPOs will start to open subscriptions, expecting to raise around \$2.2 **billion** in total. (wynne.wang@dowjones.com)

Editor: KLH

0749 GMT [Dow Jones] The Indonesian rupiah plummeted to its weakest level since 1998 during the Asian Financial Crisis, on Monday, as global investors retreat from risky markets and a commodity slide hurts the country's finances. The Indonesia rupiah touched 12,695 against the U.S. dollar Monday and last traded at 12,660. On Friday, the rupiah closed at 12,455. As the year draws to a close, money managers are looking ahead to 2015 and cutting down on risky or vulnerable positions in emerging markets like Indonesia. Many are also bracing for turmoil in emerging markets as the U.S. dollar strengthens and growth in the U.S. beats much of the rest of the world. The rupiah started the year well, climbing 7.5% until early April, with investors pinning their hopes on the election of pro-reform President Joko Widodo, who would support a good mix of monetary policy and economic reform. But since he took office in late July, the rupiah has fallen close to 9%. (anjani.trivedi@wsj.com; Twitter @anjani\_trivedi)

Editor: KLH

0743 GMT [Dow Jones] Bank lending on real estate projects won't increase in the near term as demand from developers hasn't increased, says Nguyen Tien Dong, head of the State Bank of Vietnam's Credit Department. Dong says banks are still paying the price for their strong lending to properties projects 5-7 years ago. Several banks in Vietnam are burdened with high levels of bad debt, most of which are associated with properties projects. Dong says banks' total outstanding loans will increase 12%-14% this year, adding that lending has risen 11% year-to-date. (trong-khanh.vu@wsj.com; Twitter: @TrongKhanhVu)

Editor: KLH

0736 GMT [Dow Jones] **China's** central bank is likely to inject more money into the banking system this week, says UBS. "We think there is a need for policy support in order for liquidity to remain stable before the **Chinese** New Year," it says. The marginal lending facility, used by the People's Bank of **China** to inject CNY500 **billion**, is due to expire this week. This means the PBOC may choose to inject funds to maintain liquidity, possibly a cut in the reserve requirement ratio, says UBS. (jacky.wong@wsj.com; Twitter: @jackycwong)

Editor: KLH

0728 GMT [Dow Jones] **China's** inflation target for 2015 will mean much more to investors than its goal for economic growth, says CLSA. The CPI target "will give an indication of how much interest rates are likely to be cut," says Francis Cheung, the brokerage's managing director of **China-Hong Kong** strategy. The number "tells you how much easing is in the pipeline," he adds. The surprise rate cut from the People's Bank of **China** has driven an 18.2% rally in the Shanghai Composite and a 7.5% gain for the Hang Seng **China** Enterprises Index since November 21. **China's** CPI rose 1.4% year-on-year in November, decelerating to the lowest rate in five years, while a string of year-on-year declines in producer prices is only months away from marking an unbroken three year deflation streak. (gregor.hunter@wsj.com; Twitter @gregorhunter)

Editor: KLH

0722 GMT [Dow Jones] Vietnamese government says it has completed talks on a free trade agreement with three Customs Union countries, including Russia, Belarus and Kazakhstan. The Customs Union will open its market for Vietnamese farm produce, seafood, garments, footwear products and wooden furniture, the government says, adding that Vietnam will open its market for machinery and transport means for the Customs Union. The agreement is expected to be officially signed early next year. The FTA is expected to help boost annual trade between Vietnam and the three Customs Union countries to \$10 **billion** by 2020 from \$2.7 **billion** in 2012. (trong-khanh.vu@wsj.com; Twitter: @TrongKhanhVu)

Editor: KLH

0640 GMT [Dow Jones] Australia's equities market pared deep and broad losses as the day unfolded, although an ongoing hostage drama in Sydney's business district and a gloomy fiscal update from the federal government ensured shares finished lower for a fifth trading session in a row. The S&P/ASX 200 ended down 0.6% at 5186.1, having been as much as 1.4% lower earlier to echo sharp falls in Europe and the U.S. as worries over global growth and falling **oil** prices build. BHP Billiton (BHP.AU) ended down 0.5% at a fresh five-year low, Rio Tinto (RIO.AU) slipped 0.3% and smaller **iron-ore** producers BC **Iron** (BCI.AU) and Arrium (ARI.AU) lost 2.7% and 3.1%, respectively. The banks were all lower. Qantas (QAN.AU) fell 5.4%. Recall rallied 15% after rejecting a takeover offer from rival **Iron** Mountain. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

Editor: CNG

0613 GMT [Dow Jones] Plummeting global resource prices could damage overall corporate profitability in **China** as lower prices hit margins of most profitable, state-dominated upstream industries, such as **oil** production, without benefiting highly competitive downstream sectors where companies have limited pricing power, says Credit Suisse in a research report. Additionally, while **China** as a net resources importer stands to benefit from low global commodity prices, the drop in prices adds to "deflationary pressure on the country, and might trigger more aggressive policy response from the central bank," the report says. (brian.spegele@wsj.com)

Editor: ALP

0557 GMT [Dow Jones] Taiwan shares end with a 0.4% loss at 8985.63 and analysts say the index will likely to remain in doldrums for the next few weeks as most players are staying low ahead of the holiday season. "Some people are waiting for the 4Q earning results but there is nothing immediate to sway the market," says Henry Miao, a Nan Hua Securities analyst who expects the Taiex to drop to near 8900 Tuesday. Tech names are mostly mixed; world's largest chipmaker TSMC (2330.TW) is up 0.7% to NT\$136 while Apple assembler Hon Hai (2317.TW) is down 2.1% to NT\$87.70. Petrochemical shares are still battered by falling global **oil** prices; Formosa Plastics (1301.TW) falls 1.9% to NT\$66 and Formosa Petrochemical (6506.TW) is down 3.0% at NT\$63.70. (jenny.hsu@wsj.com)

Editor: CNG

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