

Thursday March 1, 2012

Stock Markets Rap (as of Feb 29)

	Close	Chg	(%)
Dow	12,952	-53	-0.4
Nasdaq	2,967	-20	-0.7
S&P 500	1,366	-7	-0.5
VIX	18.43	+0.47	+2.6
MSCI World	1,299	-4	-0.3

	Close	Chg	(%)
FTSE 100	5,872	-56	-1.0
DAX	6,856	-32	-0.5
CAC	3,452	-2	-0.0
Euro Stoxx	2,510	-11	-0.4

	Close	Chg	(%)
ASX 200	4,299	+36	+0.8
Nikkei	9,723	+1	+0.0
Shanghai	2,428	-23	-1.0
HSI	21,680	+111	+0.5
H Shares	11,827	+65	+0.6

	Close	Chg	(%)
STI	2,994	+24	+0.8
Malaysia	1,570	+13	+0.8
PSEi	4,898	+77	+1.6
SET	1,161	+15	+1.3
LSX	916	-8	-0.8
Vietnam	424	+1	+0.3
Indonesia	3,985	+82	+2.1
FTSE ASEAN	579	+9	+1.5

Currencies Rap (as of Feb 29)

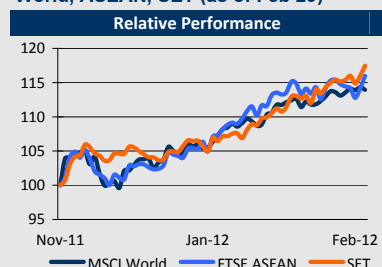
	Last	Chg	(%)
DX	78.82	+0.55	+0.70
THB/USD	30.47	+0.13	+0.43
LAK/THB	261.85	-1.37	-0.52
LAK/USD	7,980.00	-5.00	-0.06
USD/EUR	1.3357	-0.01	-0.71
JPY/USD	81.01	+0.50	+0.62

Commodities Rap (as of Feb 29)

	Close	Chg	(%)
Gold	1,711.30	-77.10	-4.31
Silver	34.64	-2.56	-6.89
Copper	386.35	-5.80	-1.48
WTI	107.07	+0.52	+0.49
Brent	122.66	+1.11	+0.91
BDI	750	+12	+1.63

Source: Bloomberg

World, ASEAN, SET (as of Feb 29)



Source: Bloomberg

INDOCHINA NEWS

- Vietnam - Vietnam Ready to Force Bank Mergers as Bad Loans Hurt Growth
- Vietnam - Vietnam Feb Industrial Production Jumps 22.1% on yr
- Vietnam - Dragon Capital to Raise Vietnam Investment Fund
- Thailand - Thai Central Bank Says It Can Hold Interest Rate as Inflation Risks Rise
- Thailand - Thailand May Get \$200 Million China Investment Quota Under QFII Program
- Myanmar - Myanmar Vice President Speaks Highly of Sino-Myanmar Pipelines Project
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INDOCHINA NEWS

Vietnam - Vietnam Ready to Force Bank Mergers as Bad Loans Hurt Growth

Vietnam's central bank said it's ready to force mergers among weak lenders and keep monetary policy "tight" yet flexible as it grapples with a credit crunch that has forced thousands of companies out of business. "The central bank can take measures to force some merger and acquisition activities if and when needed, in line with the Law on the State Bank of Vietnam," Deputy Governor Nguyen Dong Tien said. The nation has stepped up efforts to overhaul a banking system hobbled by bad debt after rapid credit growth in recent years fueled a trade deficit and Asia's fastest inflation, prompting depositors to favor short-term savings and crimping funding for long-term loans. The central bank said this month that some banks won't be allowed to expand lending this year, as Prime Minister Nguyen Tan Dung ordered the authority to "solve" a shortage of funds within the first quarter. [\[Bloomberg\]](#)

Vietnam - Vietnam Feb Industrial Production Jumps 22.1% on yr

Vietnam's index of industrial production for February jumped an estimated 22.1% from the same month last year, after an annual fall of 2.4% last month, the Planning and Investment Ministry said. For the January-February period the index rose 3.9% from the same period last year, led by an annual 11.7% expansion in utilities industries, the ministry said. Utilities refers to the production and distribution of electricity, gas and water. [\[Reuters\]](#)

Vietnam - Dragon Capital to Raise Vietnam Investment Fund

Dragon Capital, the largest institutional investor in the Vietnamese stock market, is raising up to \$100 million in a new fund that will invest in Vietnam, Laos and Cambodia, and look for investment opportunities as the Vietnamese government embarks on a major effort to privatize state-owned assets, Dragon Capital Chief Executive Dominic Scriven said Wednesday. [\[MarketWatch\]](#)

Thailand - Thai Central Bank Says It Can Hold Interest Rate as Inflation Risks Rise

Thailand can maintain its "accommodative" benchmark interest rate as inflation risks increase while threats to economic growth remain, Bank of Thailand Deputy Governor Suchada Kirakul said. "It's still accommodative but it doesn't indicate that the MPC will have to lower more or to raise it very soon," Suchada, who is a member of the seven-person monetary policy committee at the central bank, said in an interview Wednesday at her office in Bangkok. "If it's accommodative, it can be maintained at the same level for a certain period." [\[Bloomberg\]](#)

Thailand - Thailand May Get \$200 Million China Investment Quota Under QFII Program

The Bank of Thailand may get a \$200 million quota from China for the qualified foreign-institutional investor program, Deputy Governor Suchada Kirakul said. Thailand's central bank plans to sign a custodian agreement with HSBC Holdings to invest in the North Asian market under the so-called QFII program once the quota is allocated from the State Administration of Foreign Exchange. The central bank got approval for the QFII license from the China Securities Regulatory Commission on Jan. 16, she said, adding that the monetary authority requested a \$1 billion allocation. [\[Bloomberg\]](#)

Myanmar - Myanmar Vice President Speaks Highly of Sino-Myanmar Pipelines Project

Myanmar Vice President U Tin Aung Myint Oo on Monday spoke highly of a Sino-Myanmar oil and natural gas pipelines project on Made Island, Rakhine state's Kyaukphyu. The project is being implemented by the China National Petroleum Corporation (CNPC) and related companies. The Myanmar vice president also said that he appreciated the Chinese company's support for Myanmar's charity undertakings. The crude oil pipeline extends onshore to 771 kilometers, while the natural gas pipeline stretches to 793 kilometers onshore within Myanmar's territory. [\[Xinhua\]](#)

Lao PDR - Biofuels a Growing Industry in Laos

According to the government's renewable energy development strategy, Laos' biofuel production will be about 4 million litres by 2015 and biofuels will make up about 10% of total fuel use in the country by 2025. "This is the biggest challenge for Laos," Energy and Mines Deputy Minister Mr Viraphonh Viravong said at the Demonstration of Bio-Diesel Utilisation, held by the ministry and Kolao-Farm & Bio-Energy Co Ltd in Vientiane on Tuesday. Recently Laos has seen many different kinds of plants cultivated for biofuel production, including jatropha, palm, castor, peanut and stone jatropha, by both local people and private investors. The private sector includes Kolao, which has invested in a jatropha tree project. [\[Vientiane Times\]](#)

Lao PDR - Nok Air Introduces Fly 'n' Ride Package on Bangkok-Vientiane Link

Thai budget carrier Nok Air has launched a new air-road link between Bangkok and Vientiane, hoping to bolster passenger numbers on its Bangkok-Udon Thani sector. According to the online Thai publication TR Weekly, Nok Air is teaming up with a bus company to provide an overland connection from Udon Thani airport to Vientiane starting March 14. Udon Keaw Tour provides a transfer bus from Udon Thani airport to the Thai-Lao border in Nong Khai. Once passengers cross the border into Laos, they can board a Trans Express bus into the centre of Vientiane. To introduce the new service, Nok Air offers an all-inclusive fare of Bt3,200 while the standard fare is around Bt4,000. The service can be booked online. [\[Vientiane Times\]](#)

Cambodia - Cambodia's Debt a Concern

An IMF and World Bank report has questioned Cambodia's ability to deal with future financial crises if government borrowing increases. While the report indicated that Cambodia was at low risk for severe debt problems, it highlighted the need for effective management of new debt and rapidly growing build-operate-transfer, or BOT, projects, which include the hydropower dams and road reconstruction conducted by Chinese companies. The joint report estimated Cambodia's debt to countries at about 28% of GDP for both 2011 and 2012. [\[Phnom Penh Post\]](#)