

Friday May 11, 2012

Stock Markets Rap (as of May 10)

	Close	Chg	(%)
MSCI World	1,245	+4	+0.3
Dow	12,855	+20	+0.2
Nasdaq	2,934	-1	-0.0
S&P 500	1,358	+3	+0.3
Euro Stoxx	2,247	+22	+1.0
FTSE 100	5,544	+14	+0.3
DAX	6,518	+43	+0.7
CAC	3,130	+12	+0.4
ASX 200	4,296	+20	+0.5
Nikkei	9,010	-35	-0.4
Shanghai	2,410	+2	+0.1
Hang Seng	20,227	-103	-0.5
H Shares	10,290	-67	-0.6

	Close	Chg	(%)
FTSE ASEAN	565	+0	+0.0
Singapore	2,904	+3	+0.1
Thailand	1,191	-17	-1.4
Malaysia	1,588	+3	+0.2
Indonesia	4,134	+5	+0.1
Philippines	5,192	-23	-0.4
Vietnam	486	-2	-0.3
Lao PDR	1,035	+3	+0.3
Cambodia	812	+38	+4.9

Currencies Rap (as of May 10)

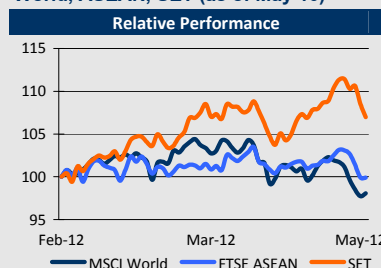
	Last	Chg	(%)
DX	80.11	+0.03	+0.04
USD/EUR	1.2942	-0.00	-0.25
JPY/USD	79.70	+0.06	+0.08
THB/USD	31.14	+0.04	+0.13
VND/USD	20,840	-20.00	-0.10
LAK/USD	8,006.00	+5.00	+0.06
KHR/USD	4,025.00	-0.00	-0.00
MMK/USD	826.18	+1.33	+0.16
VND/THB	669.56	-1.18	-0.18
LAK/THB	257.10	-0.17	-0.07
KHR/THB	129.00	-1.00	-0.77
MMK/THB	26.53	+0.01	+0.03

Commodities Rap (as of May 10)

	Close	Chg	(%)
Gold	1,595.50	+1.30	+0.08
Silver	29.18	-0.06	-0.22
Copper	369.05	+3.10	+0.85
WTI	97.08	+0.27	+0.28
Brent	112.73	-0.47	-0.42
BDI	1,146	-10	-0.87

Source: Bloomberg

World, ASEAN, SET (as of May 10)



Source: Bloomberg

INDOCHINA NEWS

- Lao PDR - Xayaburi Dam on Hold
- Philippines/Lao PDR - PHL, Laos Sign 4 Agreements
- Lao PDR/Myanmar/Vietnam - Australian Aid to Laos to Increase despite Budget Changes
- Vietnam - Vietnam to Tone Down Public Investment Funding
- Cambodia - Exports to Korea Jump 80%
- Myanmar - Myanmar Legislators Pay First-Ever Visit to EU Parliament
- Indonesia - Indonesia Takes Steps to Reduce Cash as Interest Rate Held

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INDOCHINA NEWS

Lao PDR - Xayaburi Dam on Hold

Laos has postponed the construction of Xayaburi Dam amid concerns from neighbouring countries, a Laotian official said. Despite the Ch Karnchang's recent announcement that it had signed a Bt51.8-billion contract with Xayaburi Power Co, Viraphonh Viravong, director-general of the Ministry of Energy and Mines' department of electricity, said there was no construction being done on the Mekong River. He said only preparatory work is being done. "Preliminary works like roads, accommodation and preparing for the power plant when the Lao government approves the project has been under way for a while now. The Lao government will wait for approval from the concerned countries," Viraphonh told AFP in a telephone interview, adding that a new report on the expected impact had been submitted to Laos' neighbours. [\[The Nation\]](#)

Philippines/Lao PDR - Phl, Laos Sign 4 Agreements

The Philippines and Laos signed four agreements to improve bilateral relations. At present, there are no Philippine investments in Laos, in the same manner that there are no Lao investments in the Philippines. Manila wants Lao businessmen to invest in agriculture, textile, mining, energy and tourism. The Philippines exports various products to Laos and the balance of trade as of 2011 of \$524,355 is in favor of Manila. The Cooperation Agreement between the Philippine Chamber of Commerce and Industry and Lao National Chamber of Commerce and Industry was aimed at promoting, strengthening and expanding trade, economic, scientific, technological cooperation and other business relations between concerned organizations and firms. The government-to-government agreements were the MOU to develop academic and educational cooperation; MOU between the Foreign Service Institute of the Department of Foreign Affairs and the Ministry of Foreign Affairs of the Lao People's Democratic Republic; and MOU between the Philippine Sports Commission and the Ministry of Education and Sports of the Lao People's Democratic Sports Cooperation. [\[Philippines Star\]](#)

Lao PDR/ Myanmar/Vietnam - Australian Aid to Laos to Increase despite Budget Changes

The Australian government announced on Tuesday that under its 2012-13 budget it is postponing a real increase in its Official Development Assistance (ODA) next year, but the changes will not affect assistance to Laos. The government will postpone lifting ODA to 0.5% of Gross National Income (GNI) until 2016-17 in order to create a budget surplus. Previously, Australia was scheduled to increase ODA to 0.5% of GNI by 2015, the year when the Millennium Development Goals are supposed to be achieved. According to an Australian government report, Australia's country direct aid to Laos will increase from AU\$31.6 million in 2011-12 to AU\$40.2 million for 2012-13. The report stated that Myanmar will receive the largest increase in aid in East Asia in percentage terms. Australian aid to Myanmar will rise to AU\$63.8 million in 2012-13, up from AU\$48.8 million. Indonesia, Timor Leste, Vietnam, Cambodia and Laos all received modest increases in Australian aid. [\[Lao Voices\]](#)

Vietnam - Vietnam to Tone Down Public Investment Funding

Vietnam is planning on restructuring its economy, which will include cutting down on public investment funding. The restructuring plan will be submitted to the National Assembly at its next session. At the National Assembly meeting it was announced that public investment funding in 2011 had increased, with the total spending last year being VND100,167 billion (US\$ 4.8 million), exceeding by 13.8% the estimated budget. Around 23% of this amount was for development projects. Another factor of concern is that increased public investment funding on construction projects has not been as effective as expected in the eyes of the people. Participants at the NA meeting pointed out that lack of interest and lax supervision of construction projects was the reason that most projects have failed to deliver. [\[VietNamNet\]](#)

Cambodia - Exports to Korea Jump 80%

Cambodia's first-quarter exports to South Korea soared nearly 80%yoy, driven mostly by garments and agriculture products, but imports still accounted for most of the trade between the two countries. Total exports to South Korea jumped to US\$30 million for the first three months of 2012, up 76% from \$17 million in the year-ago period, according to data from the Korea Trade-Investment Promotion Agency (KOTRA) in Phnom Penh. At the same time, Korean imports reached \$130 million from \$101 million, a 29%yoy gain, KOTRA said. "We got increases in the garment industry, with around 20 new garment factories from Korea opening in the last year," KOTRA manager Kim Dohyun said. "That's the main reason for the export increase." More Korean investors are eyeing Cambodia as rising labour costs make China and Vietnam less attractive destinations for garment enterprises, he said. The Kingdom, meanwhile, imported raw materials for its garment and textile industry, vehicles and foodstuffs, according to KOTRA. [\[Phnom Penh Post\]](#)

Myanmar - Myanmar Legislators Pay First-Ever Visit to EU Parliament

Myanmar lawmakers paid the country's first ever visit to the European parliament on Thursday in a new sign of growing warmth between the European Union and the South-east Asian nation. Headed by lower house speaker U Shwe Mann, the delegation, including two other parliamentarians and a dozen officials, was to meet EU president Herman Van Rompuy and the bloc's foreign policy chief Catherine Ashton. The president of the parliament, Mr Martin Schulz, said the talks notably served to recognise reforms carried out so far in the long-isolated nation. [\[Straits Times\]](#)

Indonesia - Indonesia Takes Steps to Reduce Cash as Interest Rate Held

Bank Indonesia will raise the rates on central bank bills and term deposits of all tenors starting today to absorb liquidity. Governor Darmin Nasution and his board held the reference rate at 5.75%, a decision predicted economists. Pressure to reverse monetary easing is mounting in Southeast Asia's biggest economy after inflation accelerated to 4.5% in April, with the government's bid to contain fuel subsidies and a weakening rupiah threatening to boost prices. At the same time, a growth slowdown to 6.3% last quarter has reduced the scope for raising rates. [\[Bloomberg\]](#)