

Thursday May 3, 2012

Stock Markets Rap (as of May 2)

	Close	Chg	(%)
MSCI World	1,292	-5	-0.4
Dow	13,269	-11	-0.1
Nasdaq	3,060	+9	+0.3
S&P 500	1,402	-4	-0.2
Euro Stoxx	2,290	-16	-0.7
FTSE 100	5,758	-54	-0.9
DAX	6,711	-50	-0.7
CAC	3,226	+14	+0.4
ASX 200	4,436	+6	+0.1
Nikkei	9,380	+29	+0.3
Shanghai	2,438	+42	+1.8
Hang Seng	21,309	+215	+1.0
H Shares	11,146	+65	+0.6

	Close	Chg	(%)
FTSE ASEAN	584	+4	+0.6
Singapore	3,006	+28	+0.9
Thailand	1,239	+11	+0.9
Malaysia	1,582	+12	+0.8
Indonesia	4,219	+23	+0.6
Philippines	5,229	+26	+0.5
Vietnam	472	-1	-0.3
Lao PDR	1,022	-7	-0.7
Cambodia	817	-43	-5.0

Currencies Rap (as of May 2)

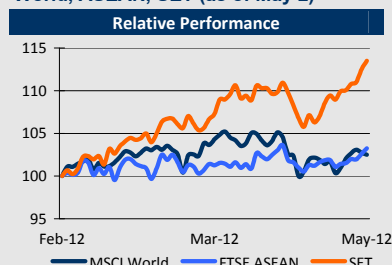
	Last	Chg	(%)
DX	79.13	+0.27	+0.34
USD/EUR	1.3135	-0.01	-0.90
JPY/USD	80.29	+0.41	+0.51
THB/USD	30.88	+0.16	+0.52
VND/USD	20,855	-10.00	-0.05
LAK/USD	7,992.00	+3.50	+0.04
KHR/USD	4,025.00	0.00	0.00
MMK/USD	824.13	+0.06	+0.01
VND/THB	675.79	-3.74	-0.55
LAK/THB	258.85	-1.19	-0.46
KHR/THB	131.00	0.00	0.00
MMK/THB	26.69	-0.13	-0.50

Commodities Rap (as of May 2)

	Close	Chg	(%)
Gold	1,654.00	-8.40	-0.51
Silver	30.65	-0.29	-0.92
Copper	378.70	-5.65	-1.47
WTI	105.22	-0.94	-0.89
Brent	118.20	-1.46	-1.22
BDI	1,149	-3	-0.26

Source: Bloomberg

World, ASEAN, SET (as of May 2)



Source: Bloomberg

INDOCHINA NEWS

- Lao PDR - Central Bank Curbs Lending to Real Estate Projects: ADB
- Lao PDR - Lao Central Airlines Takes to the Skies
- Lao PDR - Chinese Company Bets Big on Laos Casino Project
- Lao PDR - Residents Demand Answers on Xayaburi
- Malaysia - Malaysia's Palm Tax Policy May Come After US\$3b IPO
- Vietnam - Vietnam Bond Yields Fall to 18-Month Low on Cash; Dong Advances
- Myanmar - Thai Industries Hail Myanmar Incentives
- Myanmar - Japan Firms to Help Create Myanmar Bourse

Thanawat Patchimkul
 Global Strategist
 Email: thanawatp@ktzmico.com
 Tel: + 66 2 695 5451
 Assisted by
 Denruthai Krishnamra

INDOCHINA NEWS

Lao PDR - Central Bank Curbs Lending to Real Estate Projects: ADB

The Bank of the Lao PDR has taken steps to limit lending for real estate development, in a bid to rein in inflation. According to the Asian Development Outlook published by the Asian Development Bank (ADB), Lao credit growth has moderated from very high rates in recent years to 34.2% in December 2011. However, the lending rate is still considered very high. The deceleration of credit growth stems from reduced direct lending by the central bank for infrastructure projects and steps the bank took to curb lending for real estate speculation, the ADB says. Property construction in Laos has boomed over the past five years. More people are investing in real estate amid hopes that growing development will result in a higher demand for accommodation due to the increasing number of tourists and foreign residents. [\[Vientiane Times\]](#)

Lao PDR - Lao Central Airlines Takes to the Skies

Lao Central Airlines Public Company will launch its inaugural flight Thursday when a Boeing 737-400 takes off for Bangkok from Wattay International Airport at 9:10am. "Our first flight will be from Vientiane to Bangkok," the company's CEO Ms Savanhphone Phongsavanh said at a press conference on Monday. "After that, we will have three flights a week to both Bangkok and Luang Prabang starting on May 7. They will run on Mondays, Wednesdays and Fridays and customers can make bookings now," she said. Lao Central Airlines will go into operation today after years of preparation. Lao Central Airlines will be Laos' first privately-owned airline to operate commercial services to both domestic and international destinations. [\[Vientiane Times\]](#)

Lao PDR - Chinese Company Bets Big on Laos Casino Project

Near the famed golden triangle where Laos, Thailand and Burma meet, a Chinese company plans to turn huge tracts of jungle and farmland once associated with the opium trade into a tourism magnet. The company, Kings Romans, says it is building a new economy, anchored in part by a glittering new casino. The Chinese-run Kings Romans' casino is one of the most noticeable and flashy features on the Lao side of the Mekong River's Golden Triangle. Kings Romans signed a 99-year lease with the Lao government to develop and run a special economic zone in a stretch of rural land spanning more than 100 square kilometers. The plans are ambitious. "Here will be the airport. Here will be the industrial zone. Here will be a bridge to connect with Thailand and Burma. The whole project will be finished within the next 20 years," [\[Voice of America\]](#)

Lao PDR - Residents Demand Answers on Xayaburi

The topic of Laos's controversial Xayaburi dam yesterday warmed up an international conference here on transboundary river management as dozens of Mekong residents and conservationists demanded a halt to its construction. They called on governments in the Lower Mekong basin - Thailand, Laos, Cambodia and Vietnam - to immediately address the ambiguities that have left the future of Xayaburi dam and other projects in mainstream Mekong unanswered. The group representing residents of eight Thai provinces along the river, from Chiang Rai to Ubon Ratchathani, was allowed to get into the conference venue and have a brief meeting with Mekong River Commission (MRC)'s chief executive officer Hans Guttman. [\[The Nation\]](#)

Malaysia - Malaysia's Palm Tax Policy May Come After US\$3b IPO

Malaysia's policy response to Jakarta's lower export tax for refined palm oil, which has shifted orders away to Indonesia, may come after the government lists its plantation assets in a US\$3 billion initial public offering (IPO), said top industry analyst Dorab Mistry. [\[The Sun Daily\]](#)

Vietnam - Vietnam Bond Yields Fall to 18-Month Low on Cash; Dong Advances

Vietnam's bonds rose for an 11th day, pushing benchmark five-year yields to an 18-month low, on speculation banks will buy debt to improve returns following a drop in money-market rates. The dong advanced. The overnight interbank deposit rate was at 4.66% Wednesday, after dropping 2.41% in April in the third monthly decline, according to data from banks. The rate was 11.8% at the end of 2011. The yield on five-year notes fell seven basis points, or 0.07%, to 10.58%, the lowest level since November 2010, according to a daily fixing from banks compiled by Bloomberg. Three-year yields dropped four basis points to 10.54%. The dong advanced 0.1% to 20,865 per dollar as of 2:45 p.m. in Hanoi. [\[Bloomberg\]](#)

Myanmar - Thai Industries Hail Myanmar Incentives

The Federation of Thai Industries (FTI) last week led members on a four-day trip to the rapidly reforming country including Dawei, the site of an industrial megaproject in which SET-listed Italian-Thai Development is the lead contractor. The FTI executives said they had been awaiting confirmation of Myanmar's investment promotion measures, including a cut in the corporate income tax rate to 25% from 30% at present. Myanmar's industry minister, who met with the FTI delegation, also vowed to waive taxes on repatriated funds, said FTI vice-chairman Tanit Sorat. By having production in Myanmar, Thai companies would enjoy lower taxes for exports to markets such as Australia and the EU. Footwear, for example, is subject to 15% tax if it is made in Thailand and exported to Australia. [\[Bangkok Post\]](#)

Myanmar - Japan Firms to Help Create Myanmar Bourse

Myanmar, the so-called last frontier for business opportunities in Asia, will be establishing a stock market by 2015 with the help of Japan's Daiwa Securities Group Inc. and Tokyo Stock Exchange Group Inc. Daiwa, TSE and the Central Bank of Myanmar reached an agreement April 11 to set up a stock exchange by 2015 and help grow a capital market. Under the agreement, Daiwa will be in charge of helping the country nurture a capital market through various measures, including the training of the stock exchange's workforce and giving advice to set up IT systems necessary in the securities business. TSE will help establish rules and standards to operate a stock exchange. [\[Japan Times\]](#)