

Wednesday May 30, 2012

Stock Markets Rap (as of May 29)

	Close	Chg	(%)
MSCI World	1,202	+11	+1.0
Dow	12,581	+126	+1.0
Nasdaq	2,871	+33	+1.2
S&P 500	1,332	+15	+1.1
Euro Stoxx	2,160	+12	+0.6
FTSE 100	5,391	+35	+0.6
DAX	6,397	+74	+1.2
CAC	3,085	+42	+1.4
ASX 200	4,114	+46	+1.1
Nikkei	8,657	+64	+0.7
Shanghai	2,390	+28	+1.2
Hang Seng	19,055	+254	+1.4
H Shares	9,858	+210	+2.2

	Close	Chg	(%)
FTSE ASEAN	533	+2	+0.3
Singapore	2,802	+15	+0.5
Thailand	1,154	+14	+1.2
Malaysia	1,565	+10	+0.7
Indonesia	3,919	+0	+0.0
Philippines	5,023	+70	+1.4
Vietnam	431	-4	-0.9
Lao PDR	998	+3	+0.3
Cambodia	785	0	0.0

Currencies Rap (as of May 29)

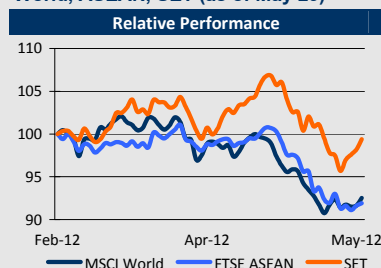
	Last	Chg	(%)
DX	82.48	+0.08	+0.09
USD/EUR	1.2536	-0.00	-0.37
JPY/USD	79.53	+0.18	+0.23
THB/USD	31.73	+0.12	+0.38
VND/USD	20,850	-10.00	-0.05
LAK/USD	8,025.50	+0.50	+0.01
KHR/USD	4,099.15	+15.80	+0.39
MMK/USD	844.33	+3.26	+0.39
VND/THB	657.71	-2.47	-0.37
LAK/THB	253.01	-0.95	-0.37
KHR/THB	128.00	-0.50	-0.39
MMK/THB	26.62	+0.00	+0.01

Commodities Rap (as of May 29)

	Close	Chg	(%)
Gold	1,551.00	-20.20	-1.29
Silver	27.79	-0.59	-2.10
Copper	346.20	+1.40	+0.41
WTI	90.76	-0.10	-0.11
Brent	106.68	-0.43	-0.40
BDI	986	-26	-2.57

Source: Bloomberg

World, ASEAN, SET (as of May 29)



Source: Bloomberg

INDOCHINA NEWS

- ASEAN LINK - Malaysia, Singapore Stock Exchanges To Be Linked By June - Bursa CEO
- ASEAN - JPMorgan ASEAN Fund Wary on Commodity Firms
- Indonesia - Indonesia Bank Ownership Rule Would Be Counter-Productive: DBS
- Vietnam - Vietnam Banks Should Boost Lending to Spur Growth-PM
- Vietnam - Experts Mull Over Banks' Bad Debt Problems
- Vietnam - Vietnam's Bonds Advance on Surplus Funds at Banks
- Lao PDR - Maybank Seeks Banking Licence in Laos
- Myanmar - Yoma Jumps Most in 4 Months on Myanmar Outlook: Singapore Mover

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INDOCHINA NEWS

ASEAN LINK - Malaysia, Singapore Stock Exchanges To Be Linked By June - Bursa CEO

The stock exchanges of Malaysia and Singapore will establish cross-border electronic trading links in June, a step toward a broader plan to link up the exchanges of several Association of Southeast Asian Nations members, the chief executive officer of the Bursa Malaysia Bhd. said Tuesday. Thailand will be connected to the proposed network in August. [\[WSJ\]](#)

ASEAN - JPMorgan ASEAN Fund Wary on Commodity Firms

JPMorgan Asset Mgt has cut its investments in commodity companies as it turns more risk averse due to slowing economic growth in China and India and the debt crisis in the euro zone. "We used to be a big believer of the petrochemical and the coal story; today we are less positive on the outlook for those sectors. So, we have shifted to an underweight position for those global cyclical companies," fund manager Pauline Ng who helps manage JPMorgan's nearly \$3.5 billion ASEAN equities, along with three other portfolio managers. said. The ASEAN fund moved to a more underweight position on Indonesian banks, due to regulatory risks, and shifted some of the money to Thailand, on which it has had a positive bias for many years. [\[Reuters\]](#)

Indonesia - Indonesia Bank Ownership Rule Would Be Counter-Productive: DBS

A possible bank ownership cap ruling by Indonesia would be counter-productive to the banking industry and would fragment it, the chief executive of DBS Group Holdings, Southeast Asia's biggest lender, said on Monday. DBS CEO Piyush Gupta's comments on the industry came after sources told Reuters last week that Indonesia's central bank is set to limit the maximum stake a single shareholder can take in the country's banks to below 50%. That move could scupper DBS's about \$7.3 billion bid for Bank Danamon. DBS plans to buy the 67.4% stake in Danamon held by Singapore state investor Temasek Holdings and has offered a 52% premium to minority shareholders. Indonesia's impending change in bank ownership could force several other large shareholders to sell down their stakes in the country's banks. It could affect CIMB Niaga, controlled by Malaysia's CIMB Group, and Bank Internasional Indonesia, which is controlled by Malayan Banking Berhad (Maybank). [\[Reuters\]](#)

Vietnam - Vietnam Banks Should Boost Lending to Spur Growth-PM

Vietnamese banks with surplus funds should step up lending to the agricultural and export sectors and part of the real estate market, Prime Minister Nguyen Tan Dung said, after inflation this month eased to single-digit levels. Despite a funds surplus, the banking system recorded negative lending growth in the first five months of this year so banks must boost lending to certain areas; Dung was quoted as saying by state-run Voice of Vietnam radio in a Monday broadcast. [\[Reuters\]](#)

Vietnam - Experts Mull Over Banks' Bad Debt Problems

Although the banking sector has had negative credit growth in the first four months of the year, commercial banks are still reluctant to lend because of fear of more bad debt. The banking sector's bad-debt ratio last year reached 3.3% of all outstanding loans, compared to the 2010 figure of 2.14%. Commercial banks have also said that bad debt rose during 1Q12 because many companies could not make payments due to the prolonged recession. Vietcombank's bad debt, for instance, increased from 2.03% earlier the year to 2.87% by March. The bank's credit growth fell by 0.6% compared with 4Q11. In addition, Vietinbank's bad debt also rose to 1.85% from 0.75% in 1Q12. Its credit growth dropped by 2.6%. [\[Vietnam News\]](#)

Vietnam - Vietnam's Bonds Advance on Surplus Funds at Banks

Vietnam's bonds gained, driving down yields by the most in more than two weeks, on speculation banks have surplus cash to invest in debt. The dong was stable. Vietnam's money supply has risen 4.5% this year, according to a government statement. Bank lending fell in the first five month, Prime Minister Nguyen Tan Dung said yesterday, without giving a figure. "Banks have a lot of abundant cash but they can't lend out to companies for fear of high credit risks," said Nguyen Tuan Phong, the Hanoi-based fixed-income manager at Bao Viet Fund Management Co., a unit of Vietnam's biggest insurer. "So they use the funds to buy government bonds." Yields on five-year notes declined nine basis points, or 0.09%, to 9.58%, the biggest drop since May 10. The overnight interbank deposit rate dropped five basis points to 1.56%, the lowest level since June 2009. [\[Bloomberg\]](#)

Lao PDR - Maybank Seeks Banking Licence in Laos

Malayan Banking Bhd (Maybank) is eyeing a banking license in Laos while Hong Leong Bank Bhd (HLB) is hoping to raise the bank's stake in the soon-to-be-listed Bank of Chengdu Co Ltd. Maybank president and chief executive officer Datuk Seri Abdul Wahid Omar said that the bank had applied to open a branch in Laos and this would complete the group's presence in the Asean region. He said the bank was still awaiting approval from the relevant authorities and had not set a target when it would commence operations in Laos. At the same time, Wahid said it was looking to further strengthen its presence in the region, among others, by converting its representative office in Myanmar to a branch office. [\[Malaysia Star\]](#)

Myanmar - Yoma Jumps Most in 4 Months on Myanmar Outlook: Singapore Mover

Yoma Strategic Holdings Ltd., (YOMA) a developer of properties in Myanmar, posted its biggest gain in almost four months in Singapore trading on expectations that housing demand will boost earnings. Yoma climbed 18% to 45 Singapore cents at the close in local trading, the biggest gain since Feb. 13. The company gets almost all of its sales from Myanmar Singapore-based. Yoma has been increasing its investments in Myanmar. Profit more than doubled to S\$6 million (\$4.7 million) in the year ended March 31, it said on May 25. The developer got shareholder approval to buy a 70% stake in Star City, a property in Yangon, from its unit Serge Pun & Associates for S\$91 million. [\[Bloomberg\]](#)