

Monday March 5, 2012

Stock Markets Rap (as of Mar 2)

	Close	Chg	(%)
Dow	12,978	-3	-0.0
Nasdaq	2,976	-13	-0.4
S&P 500	1,370	-4	-0.3
VIX	17.29	+0.03	+0.2
MSCI World	1,299	-6	-0.5

	Close	Chg	(%)
FTSE 100	5,911	-20	-0.3
DAX	6,921	-20	-0.3
CAC	3,501	+1	+0.0
Euro Stoxx	2,546	-1	-0.0

	Close	Chg	(%)
ASX 200	4,273	+18	+0.4
Nikkei	9,777	+70	+0.7
Shanghai	2,461	+35	+1.4
HSI	21,562	+174	+0.8
H Shares	11,739	+136	+1.2

	Close	Chg	(%)
STI	2,993	+15	+0.5
Malaysia	1,584	+10	+0.7
PSEi	5,016	+78	+1.6
SET	1,165	+0	+0.0
LSX	933	+9	+1.0
Vietnam	440	+12	+2.7
Indonesia	4,005	+43	+1.1
FTSE ASEAN	579	+3	+0.6

Currencies Rap (as of Mar 2)

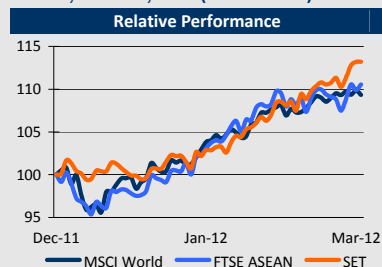
	Last	Chg	(%)
DX	79.40	+0.61	+0.78
THB/USD	30.59	+0.07	+0.23
LAK/THB	261.53	-0.16	-0.06
LAK/USD	7,987.00	+0.50	+0.01
USD/EUR	1.3198	-0.01	-0.96
JPY/USD	81.81	+0.79	+0.98

Commodities Rap (as of Mar 2)

	Close	Chg	(%)
Gold	1,709.80	-12.40	-0.72
Silver	34.53	-1.14	-3.19
Copper	390.30	-2.85	-0.72
WTI	106.70	-2.14	-1.97
Brent	123.65	-2.55	-2.02
BDI	771	+8	+1.05

Source: Bloomberg

World, ASEAN, SET (as of Mar 2)



Source: Bloomberg

INDOCHINA NEWS

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INDOCHINA NEWS

Thailand - PTT Buys Madagascar Coal Mine in US\$50-Million Deal

PTT Plc acquired the remaining shares in the Perth, Australia-based Red Island Minerals (RIM) yesterday through PTT International's wholly owned subsidiary PTT Asia Pacific Mining Pty (PTTAPM). PTTAPM held a 33.5% stake in RIM, which owns a coal mine in Madagascar. PTTAPM had the rights to buy the remaining 66.5% stakes in RIM under the price and terms of an existing investment-and-option agreement, which it did for US\$50.2 million. RIM holds the exploration licences and concessions for the development of a coal mine in Madagascar (the Sakoa Coal Field project) via its 80%-interest subsidiary Madagascar Consolidated Mining Ltd. The Sakoa Coal Field is in the southwest of the country. The field has total Joint Ore Reserves Committee resources of 180 million tonnes of good quality thermal coal of a similar product specification to coal currently exported from South Africa. The project is a likely future supply source to power plants and other industries in India and Western Europe. [\[Bangkok Post\]](#)

Myanmar - Myanmar Nearing Currency Float in Policy Shift

Myanmar is nearing a decision to dismantle its fixed exchange rate, which risked holding back trade and investment as the country seeks economic ties with western nations after five decades of military rule. Authorities will soon announce a shift to a managed float of the kyat, and seek to keep it from rising beyond the informal rate of about 800 per dollar. Officials will then activate an interbank exchange market, in which the central bank will intervene to influence the kyat's value. The managed float would end a 35-year official peg to the IMF's special drawing rights, under which a dollar fetches 6.4 kyat, about 125 times stronger than the informal market rate. [\[Bloomberg\]](#)

Vietnam - Property Sector Offers M&A Potential

Property service provider CBRE expects 2012 to be the year of merger and acquisition activities in Viet Nam's real estate market, increasing its competitiveness and liquidity. It says that during the first nine months of 2011, the total value of M&A reached US\$251 million, third behind consumer goods and finance. While the dominant formula for transactions has been domestic seller and foreign buyer, "we still see great potential in transactions between foreign sellers and local buyers or even between two foreign parties," says a company press release. [\[Vietnam News\]](#)

Vietnam - Banks Face Fund Raising Challenges

Total deposits at credit institutions nationwide fell by 3.29% compared with late 2011, according to the State Bank of Viet Nam. Several lenders, particularly smaller ones, said they were still encountering difficulties in raising funds. The most common interest rates on non-term deposits quoted at commercial banks are between 4% and 6% per year. The rates of deposits with terms of one month or more are 13 and 14% per annum. The country's consumer price index (CPI) remains steady and has yet to decline, another factor in preventing people from pumping their savings into the banking system. Because of this, many people want to inject their savings into safer places, particularly gold, which is rising in price. [\[Vietnam News\]](#)

Lao PDR - EDL, Thai Firm Power up Hydro Study in Luang Prabang

Electricite du Laos (EDL) on Thursday inked a Memorandum of Understanding (MOU) with a joint venture company from Thailand on a feasibility study for the Nam Seng hydropower project in Luang Prabang province. The signing came after the Ministry of Energy and Mines gave its agreement to the project on February 27. The ceremony was attended by representatives from the ministry, Thai Embassy to Laos, EDL and the Thai joint venture company, M.V.S. Development 1688 Co Ltd and Siam-Asia International Co Ltd. [\[Vientiane Times\]](#)

Cambodia - Prasac Seeks Commercial Bank Status

PRASAC, Cambodia's largest microfinance institution by outstanding loans, planned to become a licensed commercial bank in the Kingdom, company officials said. Prasac was preparing its core banking system, management and infrastructure for the transition, and targeting a launch date in 2013 or 2014, General Manager Sim Senacheert said. "We want to transform into a bank because we would be able to offer more services and products to customers," he said, adding that Prasac had not yet applied for a license at the National Bank of Cambodia. The MFI would not have difficulty meeting the NBC's reserve requirement of US\$37.5 million, as shareholders would be on hand to inject capital into the would-be bank. [\[Phnom Penh Post\]](#)

Cambodia - \$100m Fund to Target Kingdom's Growth

Vietnam-based Dragon Capital is raising up to US\$100 million for a new Indochina fund, some of which the private equity firm would invest in Cambodian agriculture and infra-structure, Dragon's chief information officer Bill Stoops said. While the majority of the fund will be invested in Vietnamese companies, Stoops said there was considerable opportunity in Cambodia. "We believe there are a lot of big-ticket projects in Cambodia right now," he said. The firm will also look at some investments in manu-facturing, Stoops said. Dragon Capital has a 20 per cent stake in Prassac, Cambodia's largest microfinance institution by outstanding loans. The firm managed \$1.2 billion in 2010, according to its website. [\[Phnom Penh Post\]](#)

Philippines - ADB sees "Fairly Robust" Growth for the Philippines, Other Asian Emerging Economies This Year

In assessing the growth prospects this year of the emerging Asian economies, the Asian Development Bank (ADB) has tempered its optimism with caution although it expects a "fairly robust" growth of an average of 7% this year for the region. ADB President and Chairman Haruhiko Kuroda said the bank is "cautiously optimistic" on the emerging Asian economies over the short term due to rising oil prices and the still volatile European financial situation. According to Kuroda, although there could still be some slowdown compared with 2010 and 2011, "still we expect a fairly robust growth in Asia, particularly emerging Asia or developing Asia and average growth rate could be 7% or 7% plus." [\[Xinhua\]](#)