

Tuesday March 6, 2012

Stock Markets Rap (as of Mar 5)

	Close	Chg	(%)
Dow	12,963	-15	-0.1
Nasdaq	2,950	-26	-0.9
S&P 500	1,364	-5	-0.4
VIX	18.05	+0.76	+4.4
MSCI World	1,292	-6	-0.5

	Close	Chg	(%)
FTSE 100	5,875	-36	-0.6
DAX	6,866	-55	-0.8
CAC	3,488	-14	-0.4
Euro Stoxx	2,532	-14	-0.5

	Close	Chg	(%)
ASX 200	4,263	-10	-0.2
Nikkei	9,699	-78	-0.8
Shanghai	2,445	-16	-0.6
HSI	21,265	-297	-1.4
H Shares	11,471	-268	-2.3

	Close	Chg	(%)
STI	2,992	-2	-0.1
Malaysia	1,589	+5	+0.3
PSEi	5,031	+14	+0.3
SET	1,158	-7	-0.6
LSX	931	-2	-0.2
Vietnam	457	+18	+4.0
Indonesia	3,985	-20	-0.5
FTSE ASEAN	574	-5	-0.9

Currencies Rap (as of Mar 5)

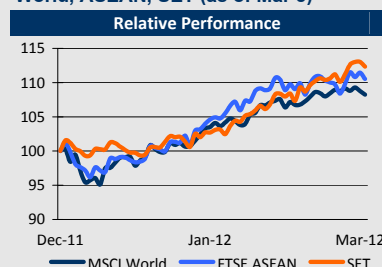
	Last	Chg	(%)
DX	79.30	-0.10	-0.13
THB/USD	30.68	+0.09	+0.29
LAK/THB	260.70	-0.83	-0.32
LAK/USD	7,997.00	+10.00	+0.13
USD/EUR	1.3191	-0.00	-0.05
JPY/USD	81.26	-0.55	-0.67

Commodities Rap (as of Mar 5)

	Close	Chg	(%)
Gold	1,703.90	-5.90	-0.35
Silver	33.70	-0.83	-2.40
Copper	385.95	-4.35	-1.11
WTI	106.72	+0.02	+0.02
Brent	123.80	+0.15	+0.12
BDI	782	+11	+1.43

Source: Bloomberg

World, ASEAN, SET (as of Mar 5)



Source: Bloomberg

INDOCHINA NEWS

- Vietnam - Vietnam Index Up 4%, More Gains Expected
- Vietnam - Vietnam to Buy Bad Debt From Banks to Ease Risk of Collapse
- Vietnam - Vietinbank Refuses to Sell Stakes to Nova Scotia
- Myanmar - General Electric to Sell Goods in Myanmar
- Philippines - Philippine Deficit Widens to Record as Aquino Boosts Spend
- Philippines - Gov't to Auction Idle Mining Assets
- Lao PDR - Construction Supplies Deal Inked for Hongsa Power Plant
- Malaysia - Malaysia Tycoon's \$3Bn Power Assets Sold to Govt Firm

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

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INDOCHINA NEWS

Vietnam - Vietnam Index Up 4%, More Gains Expected

The Ho Chi Minh Stock Exchange's VN Index ended up 4.01% at 457.21 points on Monday, the first day with extended trading hours. As of Monday, trading on Vietnam's stock markets runs in two sessions between 0200-0430 GMT and from 0600 to 0715 GMT, instead of one previously. Viet Capital Securities said "Markets are unbelievably strong today. Most key stocks traded at ceiling and there were no sellers to be found. We're not sure about what is pushing markets, but probably a combination of news: Firstly, February trade deficit is revised down to \$200 million from \$800 million originally. Secondly, (interest) rates remain low. Thirdly, markets talked that the central bank will reduce the deposit rate cap to 13%." "Fourthly, the most important, brokers have reduced rates on margin lending with expectation that margin lending activity will increase more rapidly from today. We estimated an increase of 20% since January, which isn't much, given the low base we were at then." [\[Reuters\]](#)

Vietnam - Vietnam to Buy Bad Debt From Banks to Ease Risk of Collapse

Vietnam will buy bad debt from lenders under a plan approved by Prime Minister Nguyen Tan Dung this month, as the Southeast Asian nation seeks to prevent a collapse in the banking system. The finance ministry will buy collateralized bad-debt from commercial banks to strengthen their balance sheets, under a plan to overhaul the industry by 2015 that was approved by Dung. Vietnam aims to cut bad-debt ratios at state-owned banks to below 3% by 2015, according to a statement posted on the government website on March 2. [\[Bloomberg\]](#)

Vietnam - Vietinbank Refuses to Sell Stakes to Nova Scotia

The Vietnam Bank for Industry and Trade, better known as Vietinbank, will not sell its stake to The Canadian bank of Nova Scotia in 1Q12, said a senior official of the bank. The deal will not be carried out as the latter will pay about VND19,000/share, VND3,000/share lower than the initial plan, said Vietinbank chairman Pham Huy Hung. The Canadian bank has asked for more benefits, including dividend payment for 2011 and some capital surplus for the acquisition, which will reduce the real value of Vietinbank share from VND22,000 to VND19,000/share, he said. Vietinbank sold 10% of its stakes to International Finance Corp (IFC), an investment arm of the World Bank Group, at VND21,000/share early last year. [\[Tuoi Tre News\]](#)

Myanmar - General Electric to Sell Goods in Myanmar

The medical equipment division of General Electric Co has reached a deal with a local partner to sell its products in Myanmar and said it could expand further as the country continues to open up to the outside world. GE Healthcare appointed Sea Lion Co Ltd on February 25 as the national dealer for its products in Myanmar. Asked about GE Healthcare's plans, regional spokesman Khor Jiak Woen said by email: "We have decided to permit the sale of GE Healthcare equipment and services into Myanmar. We will continue to carefully monitor developments in Myanmar and will decide when to permit the sale of other GE products and services as conditions evolve." [\[Myanmar Times\]](#)

Philippines - Philippine Deficit Widens to Record as Aquino Boosts Spend

The Philippines' budget deficit widened to a record in December after President Benigno Aquino accelerated spending on roads and schools to bolster an economy struggling to counter the effects of Europe's debt crisis. The shortfall was 101.5 billion pesos (\$2.4 billion), the government said, compared with 22 billion pesos for November reported earlier. That is the highest since Bloomberg began tracking the data in 1994. The full-year gap was 197.8 billion pesos last year, compared with a record 314.5 billion pesos in 2010. Spending surged 43.2% in December while revenues grew 6.8%. Aquino is increasing spending to a record this year while seeking \$16 billion of investments in mass rail and airports in an effort to boost expansion to as much as 8% annually. Bangko Sentral ng Pilipinas cut its benchmark interest rate for a second straight meeting last week, joining neighbors from Thailand to Indonesia in easing monetary policy to shield growth from a faltering global recovery. [\[Bloomberg\]](#)

Philippines - Gov't to Auction Idle Mining Assets

The Mines and Geosciences Bureau says it will bid out 1,400 idle mining areas throughout the Philippines Mining assets with canceled applications and permits will go on auction after President Aquino signs mining reforms, according to Mines and Geosciences Bureau director Leo L. Jasareno. Within three months of the approval of the mining policy, he said the government could start the bidding process for the vacant mine assets. There are about 1,600 mining areas with cancelled applications and permits. Of the total, 400 are under appeal. That would leave 1,400 mining areas that are ready for bidding, Jasareno said. [\[Philippines Daily Inquirer\]](#)

Lao PDR - Construction Supplies Deal Inked for Hongsa Power Plant

THB Group Solo Company has inked an agreement with the Fujian Construction Company of China and the AC and C Company of Thailand to supply crushed stones for construction of the Hongsa lignite-fired power plant in Xayaboury province. [\[Vientiane Times\]](#)

Malaysia - Malaysia Tycoon's \$3Bn Power Assets Sold to Govt Firm

Malaysian tycoon Ananda Krishnan has sold his \$3 billion worth of power assets to 1Malaysia Development Berhad (1MDB), a government-owned strategic development company, The Star newspaper reported on Monday, quoting sources. Both parties signed the sale and purchase agreement on Friday at an undisclosed price, the report said, citing sources familiar with the deal. It said the sources indicated a price range between 9.92 billion ringgit (\$3.30 billion) and 11.16 billion ringgit (\$3.71 billion). The sale had attracted 12 local and international bidders, including the country's No.2 lender CIMB and the Employees Provident Fund, the Star had reported earlier. [\[Reuters\]](#)