

Vietnam

Agricultural exports up 10.2% yoy for 9M/12 Vietnam's agricultural exports rose 10.2% yoy to US\$20.4bn over 9M/12, with two key exports being rice, up 4.5% to US\$2.8bn (with China the largest single customer), and coffee, up 36.8% to US\$2.9bn (with Germany and the US the largest importers of the product).

View: Growth rate below historical average rate The agricultural export growth rate so far this year remains below the historical average of 15%/annum from 1996-2011. However, in the context of the contraction being faced by other industries in Vietnam this year, the performance of agricultural exports appears relatively robust.

Cambodia

Government to take 70% of Chevron oil output The government has announced that it expects to receive over 70% of any revenue from Chevron's offshore oil Block A. Chevron reported in July 2012 that it did not expect to see production in Cambodia before 2016, well past the government's end-2012 target.

View: Limited detail still on Cambodian oil The Cambodian oil industry remains relatively opaque. Although there are six blocks with major foreign partners, there has been only limited news flow, all regarding Chevron's Block A. However, the country could see a major potential boost to GDP if it could bring into production part of an estimated 2.9bn barrels in offshore reserves.

Laos

Fifth Thai-Laos bridge planned across Mekong Officials have announced plans for a fifth bridge across the Mekong river, between the Northeastern province of Beung Kan in Thailand, and Lao's Bolikhamxai province.

View: Cuts shipping costs, offers more direct Vietnam route Thailand is Laos's largest trading partner, and the bridge will help reduce shipping times and costs for businesses. The bridge will also offer the shortest route for Thailand to access Vietnam by road, as it would be just 150 km across Laos from the bridge to reach the Vietnamese border.

Myanmar

High level talks planned for Dawei port project Thai and Myanmar officials have established a high level committee to drive progress on the stalled Daiwei Port project, after talks between the respective leaders of the two nations, whom were both visiting the UN last week.

View: Funding has been an issue Funding of the port project, being developed by Thailand's Ital-Thai, had been an issue, with the major foreign partner, 25% owner Max Myanmar Group, suggesting that it would pull out of the project. In addition to the port, the project will comprise a Dawei-Bangkok highway and oil pipeline, to facilitate Myanmar's large gas exports to Thailand.

Index	Value	% chg
Thailand	1,298.8	0.99
Vietnam	392.6	-0.20
Laos	1,049.0	0.10
Cambodia	666.7	0.00

Source: Bloomberg

Valuation	P/E	P/B
Thailand	14.2	2.2
Vietnam	9.8	1.4
Laos	5.5	0.7
Cambodia	18.2	n/a

Source: Bloomberg, KT Zmico estimates

Currency	USD:x	% chg
Baht (THB)	30.8	-0.58
Dong (VND)	20,890	0.02
Kip (LAK)	7,989	-0.11
Riel (KHR)	4,045	-0.33
Kyat (MMK)	859	-0.28

Source: Bloomberg

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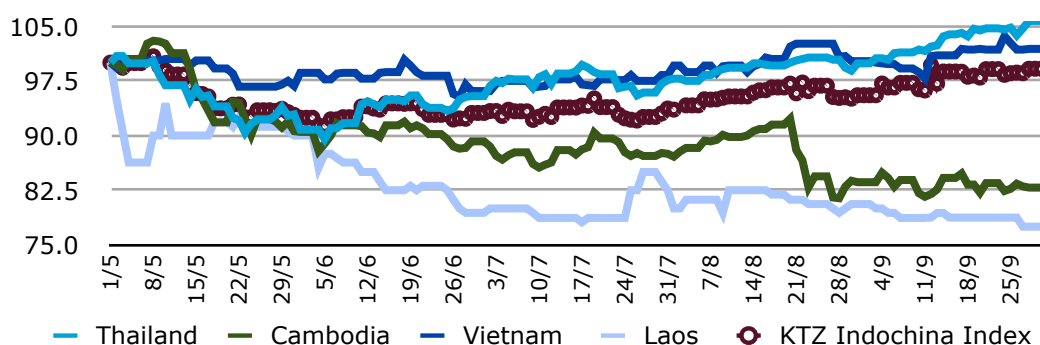
Indochina Markets

Vietnam down 0.2% on Moody's downgrade: The HCM index fell 0.2% to 392.6, following news that Moody's was downgrading its rating of eight major Vietnamese banks, and cutting its rating on government debt to B2, from B1.

Laos up 0.1% The LSX rose 0.1% in Friday's session to 1,048.9, with BCEL up 0.6% to LAK7,450 and EDL remaining at LAK4,900 for a third consecutive session.

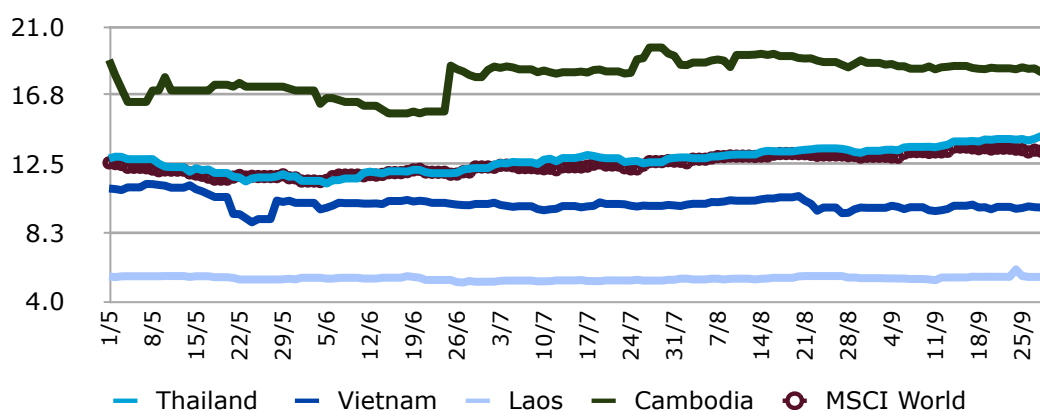
Cambodia traded flat: The CSX (with its single listed stock PPWSA), traded at 666.7 for a second day.

Figure 1: Indochina markets relative index performance



Source: Bloomberg

Figure 2: Indochina markets price to earnings ratio



Source: Bloomberg

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