

Thursday May 17, 2012

Stock Markets Rap (as of May 16)

	Close	Chg	(%)
MSCI World	1,205	-9	-0.8
Dow	12,599	-33	-0.3
Nasdaq	2,874	-20	-0.7
S&P 500	1,325	-6	-0.4
Euro Stoxx	2,175	-3	-0.2
FTSE 100	5,405	-32	-0.6
DAX	6,384	-17	-0.3
CAC	3,049	+9	+0.3
ASX 200	4,166	-101	-2.4
Nikkei	8,801	-100	-1.1
Shanghai	2,346	-29	-1.2
Hang Seng	19,260	-634	-3.2
H Shares	9,742	-343	-3.4

	Close	Chg	(%)
FTSE ASEAN	541	-14	-2.4
Singapore	2,831	-46	-1.6
Thailand	1,171	-13	-1.1
Malaysia	1,536	-25	-1.6
Indonesia	3,980	-65	-1.6
Philippines	4,864	-113	-2.3
Vietnam	450	-6	-1.3
Lao PDR	1,032	0	0.0
Cambodia	774	-	-

Currencies Rap (as of May 16)

	Last	Chg	(%)
DX	81.37	+0.15	+0.19
USD/EUR	1.2711	-0.01	-1.09
JPY/USD	80.41	+0.49	+0.61
THB/USD	31.49	+0.15	+0.48
VND/USD	20,850	-3.00	-0.01
LAK/USD	8,019.00	+5.00	+0.06
KHR/USD	4,032.50	+7.50	+0.19
MMK/USD	829.96	+1.91	+0.23
VND/THB	662.30	-2.80	-0.42
LAK/THB	254.69	-1.10	-0.43
KHR/THB	129.00	0.00	0.00
MMK/THB	26.36	-0.07	-0.26

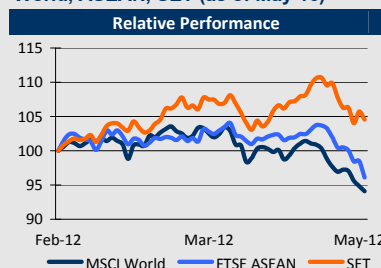
Commodities Rap (as of May 16)

	Close	Chg	(%)
Gold	1,536.60	-20.50	-1.32
Silver	27.20	-0.88	-3.15
Copper	347.80	-3.95	-1.12
WTI	92.81	-1.17	-1.24
Brent	111.71	-0.53	-0.47
BDI	1,137	+7	+0.62

Source: Bloomberg

*Cambodia Stock Index as of May 11

World, ASEAN, SET (as of May 16)



Source: Bloomberg

INDOCHINA NEWS

- Lao PDR - Govt Urged to Revise Special Economic Zone Investment Policy
- Lao PDR - Sepon Mine Output Shines Bright in Q1
- Cambodia - Q1 Exports to Thailand Soar
- Vietnam - Gov't Approves Resolution to Ease Difficulties Against Businesses
- Vietnam - Vietnam's Sacombank Plans \$200 Mln Dollar Bond
- Vietnam - VietinBank Says Plans 20% Stake Sale This Year
- Thailand - FDI up 44% in First 4 Months
- Indonesia - Indonesia Extends Export Duty to 21 Metal Ores

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INDOCHINA NEWS

Lao PDR - Govt Urged to Revise Special Economic Zone Investment Policy

The Ministry of Planning and Investment has asked the government to review its investment promotion policies both within and outside Special Economic Zones, to ensure that businesses receive similar incentives to invest in the same province. Special and Specific Economic Zones are independent economic autonomous regions, and operate under their own fiscal policy. The management of a zone has the right to impose its own tax rates so long as they are not higher than that specified in the Law on Tax. The government also allows Special Economic Zones to import fuel tax-free. These special privileges are now causing concern among policymakers. They worry that more businesses will want to operate exclusively in these zones, which would reduce the amount of revenue received by the government. Zone managers would not hand over all of the taxes they collect as they are only required to pay concession fees to the government. Policymakers also fear that businesses will use the tax exemption policy to import goods and then resell them outside of the zone, to avoid paying import taxes. [\[Vientiane Times\]](#)

Lao PDR - Sepon Mine Output Shines Bright in Q1

Copper production at Sepon continues to benefit from the successful commissioning of the expanded copper plant in 2011, with just over 19,750 tonnes produced in 1Q12. This was 7% above 1Q11 despite the fact that 29% less copper ore was mined, reflecting improved operational efficiencies including the installation of replacement anodes in the copper cell room. Annual production guidance remains unchanged with 78,000-82,000 tonnes of copper cathode forecast to be produced in 2012. Gold production was 92% higher than the previous quarter due to the mining of high grade ore, good plant performance and excellent recoveries. The annual production guidance of 60,000-65,000 ounces of gold is unchanged, as ore availability is expected to decline in the 2H12. The current oxide gold ore at Sepon will be exhausted in 2013. [\[Vientiane Times\]](#)

Cambodia - Q1 Exports to Thailand Soar

Cambodia's exports to Thailand jumped 55% y-o-y in 1Q12 on what experts and officials said was a smoother political relationship between the countries, as well as an easing of Thai border regulations. The Kingdom shipped US\$85.4 million in agricultural products, recycled metal and fish to the western neighbour, data from the Thai Embassy in Phnom Penh showed. Imports of petroleum, processed goods, cement and consumer products from Thailand worth \$1.05 billion, increased 58.4% during the same period. Trades, particularly energy exports to Thailand, were set to increase during the next three years. The completion of a \$3 billion coal-fired power station in Koh Kong province, a joint venture between Cambodian tycoon Ly Yong Phat and Thailand's Ratchaburi Electricity Generating Plc, would see Cambodia's first energy exports. [\[Phnom Penh Post\]](#)

Vietnam - Gov't Approves Resolution to Ease Difficulties Against Businesses

The Government has issued the Resolution 13/NQ-CP which covers a series of measures to ease difficulties against businesses and support the market in the wake of economic hardships. The measures include (1) the extension of value-added six-month extension of value-added tax payment of April, May and June for certain enterprises; (2) nine-month extension of corporate tax payment backwards since 2011; (3) 50% reduction of land lease fees; and (4) exemption of business rates for fish-catching and salt production households in 2012. [\[The State Bank of Vietnam\]](#)

Vietnam - Vietnam's Sacombank Plans \$200 Mln Dollar Bond

Vietnam's Sacombank planned to raise \$200 million via a dollar bond on overseas markets and proceeds would go to its banking business, the lender said. The Ho Chi Minh City-based bank would issue the five-year bond in the second or the third quarter of this year, subject to shareholder approval at a meeting on May 26. Sacombank said it would list the bond on the Singapore stock exchange. The bond issue would follow VietinBank, Vietnam's largest partly private lender by assets, which became the first bank to have issued a dollar bond on overseas markets this year, raising \$250 million at an annual coupon of 8%. Sacombank shares closed up 1.65% at 24,600 dong (\$1.18) on Tuesday. [\[Reuters\]](#)

Vietnam - VietinBank Says Plans 20% Stake Sale This Year

VietinBank, Vietnam's largest partly private lender by assets, said it will conclude talks for the sale of a 20% stake to a foreign strategic investor in the third quarter, and finalise the sale in the fourth quarter. Chairman Pham Huy Hung did not give details of the sale or identify the foreign investor, but said the sale of a stake in the Hanoi-based lender would cut state ownership to 60%, from 80.31% at the end of 2011. Eleven of Vietnam's more than 40 lenders have taken on foreign strategic investors in recent years to bolster their financial positions. Vietcombank sold a 15% stake to a unit of Mizuho Financial Group Inc in September last year. In early March, Hung was quoted as saying VietinBank was seeking to sell a 15% stake to a foreign investor for up to 30,000 dong (\$1.44) per share after rejecting a bid by Canada's Bank of Nova Scotia. [\[Reuters\]](#)

Thailand - FDI up 44% in First 4 Months

Foreign direct investment (FDI) over Jan-April 2012 was up 44% y-o-y, the Board of Investment (BoI) said. Over the period, a total of 407 investment applications with a combined worth of 155.49 billion baht were submitted to the BoI for investment privileges. The number of applications increased from the first four months of 2011 by 21% and by 44% for investment cost. [\[Bangkok Post\]](#)

Indonesia - Indonesia Extends Export Duty to 21 Metal Ores

Indonesia will apply an export duty of 20% to 21 metal ores and concentrates, the finance minister said, extending a list of 14 metals proposed earlier this month to be subject to the duty. In total 65 mineral categories will be affected by the new regulation, effective immediately. [\[Reuters\]](#)