

Wednesday April 18, 2012

Stock Markets Rap (as of Apr 17)

	Close	Chg	(%)
Dow	13,116	+194	+1.5
Nasdaq	3,043	+54	+1.8
S&P 500	1,391	+21	+1.5
VIX	18.46	-1.09	-5.6
MSCI World	1,287	+20	+1.6

	Close	Chg	(%)
FTSE 100	5,767	+101	+1.8
DAX	6,801	+176	+2.7
CAC	3,293	+87	+2.7
Euro Stoxx	2,303	+58	+2.6

	Close	Chg	(%)
ASX 200	4,289	-14	-0.3
Nikkei	9,465	-6	-0.1
Shanghai	2,335	-22	-0.9
HSI	20,562	-48	-0.2
H Shares	10,795	-50	-0.5

	Close	Chg	(%)
STI	2,987	-6	-0.2
Malaysia	1,596	-1	-0.1
PSEi	5,157	+40	+0.8
SET	1,160	-9	-0.8
LSX	999	+8	+0.9
Vietnam	473	+5	+1.0
Indonesia	4,157	+11	+0.3
FTSE ASEAN	572	-1	-0.1

Currencies Rap (as of Apr 17)

	Last	Chg	(%)
DX	79.48	-0.08	-0.10
THB/USD	30.80	-0.01	-0.03
LAK/THB	259.69	+0.04	+0.02
LAK/USD	7,995.00	0.00	0.00
USD/EUR	1.3133	+0.01	+0.84
JPY/USD	80.66	-0.07	-0.09

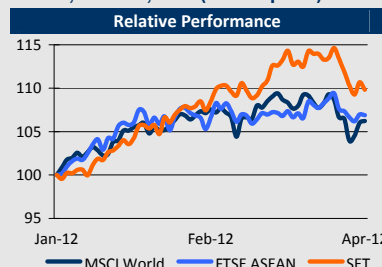
Commodities Rap (as of Apr 17)

	Close	Chg	(%)
Gold	1,651.10	+1.40	+0.08
Silver	31.67	+0.30	+0.96
Copper	365.40	+1.80	+0.50
WTI	104.20	+1.27	+1.23
Brent	118.78	+0.10	+0.08
BDI	989	+14	+1.44

Source: Bloomberg

* LSX as of Apr 12

World, ASEAN, SET (as of Apr 17)



Source: Bloomberg

INDOCHINA NEWS

- Vietnam - Vietnam Takes Top Foreign Investment Position in Laos
- Vietnam - Vietnam's Business Confidence Index Decreases 3% in First Quarter
- Vietnam - Insurance Australia to Buy 30% of Vietnam's AAA Assurance
- Cambodia - Cambodian Stock Market: Stock price will be within 90%-150% on the 1st day
- Cambodia - Leopard Capital Allegedly Sank Seafood Firm
- Thailand - IT Companies Seek M&A Ahead of AEC
- Thailand - Lenders Fine-Tune AEC Plans; Branch Expansion in Asean on the Cards

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

INDOCHINA NEWS

Vietnam - Vietnam Takes Top Foreign Investment Position in Laos

Vietnam expects to remain as the largest foreign investor in Laos after the government finalised arrangements for Vietnamese firms to sink US\$1.4 billion into projects in Laos. The Ministry of Planning and Investment announced last week that the government had given the green light for Vietnamese companies to invest in 11 mega projects in Laos over the first six months of this fiscal year with total investment value of US\$1.4 billion. The approved projects will secure Vietnam's position as the largest foreign investor in Laos amid widespread speculation that China was on track to take the top ranking. During the first six months of this fiscal year, Lao enterprises received permission to invest US\$261 million in 57 projects, while Korean enterprises were given permission to invest US\$136 million in five projects. [\[Vientiane Times\]](#)

Vietnam - Vietnam's Business Confidence Index Decreases 3% in First Quarter

The Business Confidence Index from Vietnamese enterprises declined 3% in the first quarter of 2012 against last year's 4th quarter amid domestic and global economic difficulties, a survey showed on Tuesday. The survey was conducted by the Vietnam WVB Financial Intelligence Services between March 12 and the first week of April, which covered 162 enterprises operating in 11 major sectors in Vietnam, with half of them being small and medium-sized businesses. The results of the survey showed that 44.5% of the interviewees said they would not recruit more, while 14.8% would reduce the number of their employees in the coming year. [\[Xinhua\]](#)

Vietnam - Insurance Australia to Buy 30% of Vietnam's AAA Assurance

Insurance Australia Group Ltd., the Sydney-based insurer formed in 1925, agreed to buy a stake in AAA Assurance Corp., the Vietnamese insurer said. IAG will hold 30% of AAA after the Ho Chi Minh City-based company issues new shares, Do Thi Kim Lien, chief executive officer and chairman of AAA, said yesterday. The stake is valued at less than \$20 million, IAG said in a statement to the Australian stock exchange, adding it has the option to raise its holding to 49%. IAG joins German insurer Talanx AG to tap the non-life insurance market in Vietnam that is growing at a 20 percent annual pace. Talanx in August agreed to buy a 25% stake in PVI Holdings for 1.9 trillion dong (\$91 million) to seek a foothold in the Southeast Asian nation. [\[Bloomberg\]](#)

Cambodia - Cambodian Stock Market: Stock price will be within 90%-150% on the 1st day

Cambodian Securities Exchange (CSX) will officially begin trading on April 18, 2012. The trade executions are two (2) times a day, at 09:00 AM and 11:30 AM, and the settlement date of a transaction is T+2. Base price for the trading of initially listed issues shall be within 90% - 150% of the IPO price. Mr. Hong Sokhour, CEO of CSX. Trading starts from 08:00 to 11:30 am. Trade Executions are two (2) times a day, at 09:00 and 11:30. Trading days shall be from Monday to Friday except public holidays. Daily price change limit shall be $\pm 5\%$ of the Base-Price. The minimum trading unit of equity securities on CSX shall be one (1) share. Minimum price movements are based on price intervals (all amounts are in KHR). [\[Baomoi\]](#)

Cambodia - Leopard Capital Allegedly Sank Seafood Firm

A criminal case is playing out in the Phnom Penh courts in which Leopard, a minority stakeholder in Nautisco Seafood, is being charged with breach of trust and fraud in causing the company's collapse. The majority shareholders, a small group of Canadians who control Nautisco Seafood through a parent company called Nautisco Inc, claim Leopard sought to intentionally sink the seafood processor, capture its assets through a series of complex debt deals, then launch a competitor, Chenla. The Post first reported the legal dispute between the two parties on January 30, less than two years after Leopard Capital's initial investment in Nautisco Seafood. At the time, Leopard Capital Cambodia managing partner Scott Lewis threatened to sue The Phnom Penh Post if it ran the story. But further investigation over the past couple of months has revealed that Nautisco Seafood suffered deep and sustained financial problems for much of its operating history, and that Leopard appeared to use that misfortune to its advantage. [\[Phnom Penh Post\]](#)

Thailand - IT Companies Seek M&A Ahead of AEC

Thai IT firms may merge with other companies in the region or make acquisitions ahead of the establishment of the Asean Economic Community (AEC) in 2015. The companies will be compelled to combine with others in order to remain competitive in the single regional market and become regional players. Siriwat Vongjarukorn, the president of SET-listed MFEC Plc, said he was looking to acquire or engage in joint ventures with cloud-based service companies, internet data-centre operators or software developers in the region. Nart Liewcharoen, CEO of CDG Group, a local information technology and communications provider, said the company is looking to make a few acquisitions in the computer security and law enforcement areas. "The planned mergers and acquisitions will represent our first step in preparation for the AEC," he said, adding that the strategy is needed to jump into the growth areas and create new revenue streams. [\[Bangkok Post\]](#)

Thailand - Lenders Fine-Tune AEC Plans; Branch Expansion in Asean on the Cards

Large local banks have been strengthening their regional networks and preparing for greater business opportunities from the formation of the Asean Economic Community in 2015. Despite a focus on the same market, each bank is going regional with different strategy. Siam Commercial Bank is planning to set up a new unit overseeing foreign banking as business has increased significantly, in particular the contribution from Asean markets. Currently, the bank has 15 regional branches spread across Singapore, Vietnam, Laos and Cambodia. It has also received a representative office licence from Myanmar's central bank and hopes to open an office in the second half of the year. For Bangkok Bank, Thailand's biggest lender, overseas branch opening is the key strategy. It recently opened its 26th international branch in Surabaya, Indonesia. Kasikornbank uses partnerships as a major business strategy to strengthen its international network. It has no branches in Asean but will expand by using the partnership model. [\[Bangkok Post\]](#)