

Friday May 25, 2012

Stock Markets Rap (as of May 24)

	Close	Chg	(%)
MSCI World	1,191	+4	+0.3
Dow	12,530	+34	+0.3
Nasdaq	2,839	-11	-0.4
S&P 500	1,321	+2	+0.1
Euro Stoxx	2,157	+22	+1.1
FTSE 100	5,350	+84	+1.6
DAX	6,316	+30	+0.5
CAC	3,038	+35	+1.2
ASX 200	4,056	-11	-0.3
Nikkei	8,563	+7	+0.1
Shanghai	2,351	-12	-0.5
Hang Seng	18,666	-120	-0.6
H Shares	9,541	-33	-0.3

	Close	Chg	(%)
FTSE ASEAN	531	+2	+0.3
Singapore	2,780	-1	0
Thailand	1,126	+15	+1.4
Malaysia	1,548	+9	+0.6
Indonesia	3,985	+3	+0.1
Philippines	4,904	-24	-0.5
Vietnam	427	-10	-2.3
Lao PDR	996	0	0
Cambodia	785	0	0

Currencies Rap (as of May 24)

	Last	Chg	(%)
DX	82.35	+0.25	+0.31
USD/EUR	1.2532	0	-0.4
JPY/USD	79.6	+0.13	+0.16
THB/USD	31.62	+0.09	+0.29
VND/USD	20,860	+10	+0.05
LAK/USD	8,023.50	+6.5	+0.08
KHR/USD	4,079.95	+34.95	+0.86
MMK/USD	840.33	+1.23	+0.15
VND/THB	659.44	-1.54	-0.23
LAK/THB	253.83	-0.47	-0.18
KHR/THB	129	+0.5	+0.39
MMK/THB	26.58	-0.03	-0.1

Commodities Rap (as of May 24)

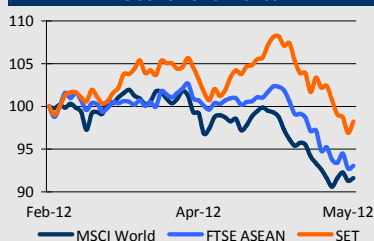
	Close	Chg	(%)
Gold	1,559.80	+9.2	+0.59
Silver	28.16	+0.64	+2.32
Copper	342.85	+3.25	+0.96
WTI	90.66	+0.76	+0.85
Brent	106.55	+0.99	+0.94
BDI	1,058	-42	-3.82

Source: Bloomberg

*Cambodia Stock Index as of May 11

World, ASEAN, SET (as of May 24)

Relative Performance



Source: Bloomberg

INDOCHINA NEWS

- Lao PDR - Laos Achieves Key Economic Policy Reforms: World Bank
- Lao PDR - ETL Dials Up Revenue from Cell Phone Number Bids
- Myanmar - India Plays Catch-Up On Myanmar As China, South Korea Rush In
- Vietnam - Funds Raise Concerns Over Tax Rules
- Vietnam - Restructuring Plan Implementation Still "Under Discussion": WB
- Cambodia - SECC Sets Minimum Capital Requirement
- Cambodia - Sihanoukville Port on Track for Stock Float

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INDOCHINA NEWS

Lao PDR - Laos Achieves Key Economic Policy Reforms: World Bank

Laos has made a number of key economic policy reforms on the road to becoming a member of the World Trade Organisation, the World Bank said. The bank's East Asia and Pacific Economic Update noted that the National Assembly has revised and approved the General Tax Law, introducing a more transparent, turnover-based presumptive tax regime for businesses with a turnover below the VAT registration threshold. The revised law also eliminated the minimum business tax, creating a better investment and business climate to attract more local and foreign investment. The process for acceding to the World Trade Organisation achieved a solid momentum with the conclusion of negotiations with the EU and the US. Laos needs only one vote from Ukraine before it can be accepted as a WTO member. The Lao government is speeding up economic policy reform and hopes to become a WTO member before the Asia-Europe Meeting Summit at the end of this year. [\[Vientiane Times\]](#)

Lao PDR - ETL Dials Up Revenue from Cell Phone Number Bids

ETL Public Company, a major cell phone operator, will hold a bidding session for its most popular cell phone numbers, which is seen as a ploy to gain the maximum benefit from the resources at its disposal. ETL management has announced a bidding session for 10 cell phone numbers, which will be up for auction at prices ranging from 3 million kip to 20 million kip. ETL Public Company is doing its best to boost revenues in every sphere, as it seeks to fill its coffers and make buying shares in the company a more attractive proposition at its Initial Public Offering (IPO). It is still unclear whether and when ETL will issue the IPO but one Lao stock market source said he thought the company would wait until the stock market set up online trading later this year. Officials said the Lao Securities and Exchange Commission is considering a proposal by the Lao Indochina Group to issue an IPO. Also under consideration is a proposal by EDL-Gen to issue additional shares to fund the purchase of more shares in Electricite du Laos and some Independent Power Projects. [\[Vientiane Times\]](#)

Myanmar - India Plays Catch-Up On Myanmar As China, South Korea Rush In

Prime Minister Manmohan Singh seeks to make up lost ground in the charge to secure resources and business ties in Myanmar when he next week becomes India's first leader to visit its eastern neighbor in a quarter of a century. India, which in British colonial days oversaw the monetary and financial system of what was then Burma, ranked 13th last year in investments in Myanmar, with \$189 million pledged in five projects, according to data compiled by IHS Global Insight. China led with \$8.3 billion, and South Korea, whose president visited Myanmar earlier this month, pledged \$2.95 billion. Singh will relax terms on a \$500 million line of credit, announce a new bus service between India's northeast and the tourist city of Mandalay and oversee the opening of branches of Indian banks, according to an Indian foreign ministry official who asked not to be named because he isn't authorized to speak publicly on the matter. [\[Bloomberg\]](#)

Vietnam - Funds Raise Concerns Over Tax Rules

Representatives of investment funds raised concerns over the nation's tax regimes in a recent meeting in Ha Noi, saying that income tax regulations were hindering them from promoting investment. Current tax policy discouraged investors to put money into private equity funds and also limited the accessibility of capital in these funds, they said. Foreign individual and organisational investors (along with domestic individual investors) are imposed a tax of 0.1% on every fund transaction, while domestic organisations are only required to pay a tax of 25% on actual capital gains and domestic individual investors only 20%. Funds would also be required to withhold the 25-per-cent capital gains tax on profits distributed to their institutional investors, either domestic or foreign, consistent with Official Letter No 10945/BTC-TCT issued in August 2010. [\[Vietnam News\]](#)

Vietnam - Restructuring Plan Implementation Still "Under Discussion": WB

The actual implementation of the restructuring plan is still "under discussion" and preparations for a Financial Sector Assessment Program are also "underway", the World Bank said. The unresolved problems in the banking sector are likely to remain a source of concern for Vietnam in the coming years. Vietnam's near-term policy challenge is to maintain macroeconomic stability and restore confidence among investors. [\[Business Times\]](#)

Cambodia - SECC Sets Minimum Capital Requirement

The Securities and Exchange Commission of Cambodia (SECC) has set a minimum capital requirement for securities firms, in order to protect their financial soundness. A statement from the SECC, released yesterday, said that securities underwriters are required to hold a minimum of 40 billion riel (USD 10 million) of their shareholder's equities, and to keep on deposit guarantee money of at least 4 billion riel (USD 1 million). This would be 25 billion riels (USD 6.25 million) for smaller securities dealers, as well as keeping a deposit of 2.5 billion riel (USD 0.625 million), and 6 billion riel (USD 1.5 million) for securities brokers with 1 billion riel (USD 0.25 million) of guaranteed deposit at any time. It also requires securities firms to maintain a net capital ratio not lower than 150% and required them to report on the status of the net capital of their company. [\[Phnom Penh Post\]](#)

Cambodia - Sihanoukville Port on Track for Stock Float

The Sihanoukville Autonomous Port (PAS) was making every effort to speed up preparations for its listing on the Cambodian Securities Exchange (CSX), the port's chief executive, Lou Kim Chhun, said this week. "We feel very close to completion, and we think the listing will not be far away," Lou said in his office in Sihanoukville, but he declined to give a precise date. The 100% government-owned business is one of two companies planning to list on the CSX this year, along with Telecom Cambodia. The Phnom Penh Water Supply Authority listed on the exchange last month. The company would list 15% of its stock to begin with, and would "study the situation carefully" before listing any more, Lou said. [\[Phnom Penh Post\]](#)