

Executive Summary

- ▶ **The Lao Securities Exchange:** The sedative Lao Securities Market could not break out of the Wednesday trance and fell deeper into its bearish stage. BCEL was able to secure a slippery 12,400 Kip per share as another 600 Kip evaporated from the yesterday closing price. Its turnover boiled down to only 1.3 billion Kip, densifying by 37.84 percent. EDL-Gen was soaking in a fairly large trading volume when its price submerged to 7,000 Kip per share. Its total trading value filled up to 2.9 billion Kip, which was 11 percent higher than yesterday.
- ▶ **Plastic goods prices stable as raw material costs rise:** Despite fuel price fluctuations pushing up imported raw material costs, plastic products manufacturers in Vientiane are still doing a brisk trade amid growing demand. Raw materials now cost between 14 million and 16 million Kip (US\$1,800 and US\$2,000) per tonne. They were only 11 million and 12 million kip (US\$1,400 and US\$1,500) in November last year. Saplast Vientiane Company, capturing about 70% of the market, has managed to maintain both production and prices at the same level as last year. Their products are actually about 10 to 15 percent cheaper than imported plastic products. The company's products include plastic chopsticks, spoons, forks, napkin holders, cutlery holders, chairs, bowls and toothpicks. Another pipe producer, Tien Phong SMP, adjusted its service fees slightly upwards last week due to increased transport costs resulting from the recent fuel price increases. There are seven plastics producers in Laos, six of which are located in Vientiane and the other in Savannakhet province – *The Vientiane Times*
- ▶ **Laos has potential for SMEs development:** According to a Japanese business development specialist, the existence of heavy industries such as mining and hydropower in Laos would create opportunities for local and foreign businesses to set up SMEs. Lao government policy is to add more value to domestically produced goods before exporting them. At present, Laos had the potential to establish SMEs such as electrical cable factories and jeweler makers. However, Laos exports all of its gold bars, copper concentrate and most of its copper bars to the world market. Currently, only the Sepon Gold and Copper Mine supplies copper to an electrical cable plant in Vientiane. Jewelry makers have demanded to buy locally made gold from the two mining companies in Laos. However, the mining companies claim they cannot supply gold to domestic jewelers because it would need to be further refined; a process that would not be commercially viable. Overall, the major challenges for Laos include the development of a skilled labor force and the introduction of modern technology – *The Vientiane Times*

Exchange Rates: 16/02/2011

	Bid	Change	Ask	Change
USD	8,035.00	0.00	8,076.00	0.00
CAD	8,002.00	-9.00	8,165.00	-8.00
THB	262.46	0.00	263.76	0.00
EUR	10,849.00	5.00	10,904.00	5.00
GBP	12,771.00	71.00	13,031.00	74.00
CNY	1,169.00	0.00	1,192.00	0.00
JPY	94.60	-0.48	96.5	-0.49
VND	0.33	0.00	0.34	0.00

Exchange rates, quoted for the Lao Kip, by the Lao Development Bank

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Issue Name	Current Price	Change (Kip)	Change (%)	52-weeks	
				High	Low
BCEL	12,400	↓ 400	4.62	15,500	8,000
EDL-Gen	7,000	↓ 350	4.76	8,850	4,550

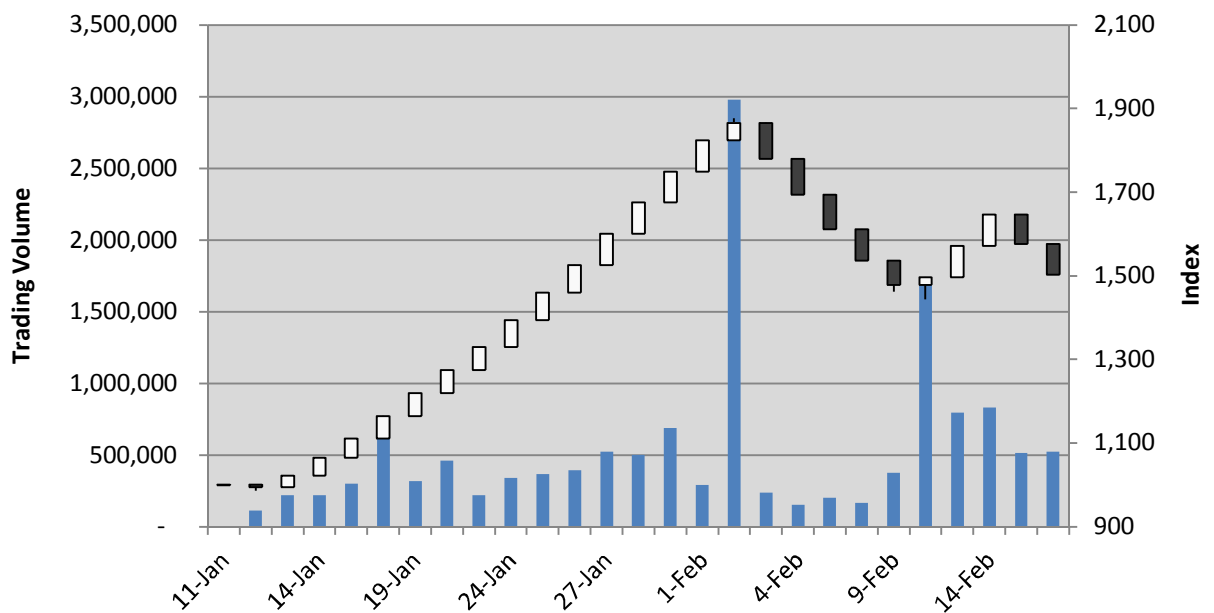
The Lao Securities Exchange

The Lao stock market

‘Every dark cloud has a silver lining.’ The market can still see the budding hopes amid raining prices. The amount of sell-offs has been significantly reduced for both stocks. BCEL was merely trading with 68 percent of the yesterday volume, while its supplying surplus barely rounded off to 52 thousand units, down from the previous 406 thousand. On the contrary, the liquidity of EDL-Gen slightly eased upward by 17 percent, sensing a stopping point for this stock. The size of excessive sells on EDL-Gen also uttered a similar melody by narrowing 72% to only 359 thousand units. All indications are pointing at the imminent turnaround of the Lao Securities Market, the remaining question is when?

The LSX Index 1,502.16 ↓ 74.58 [4.73%]

After thrusting 14 percentage points away from the bottom, the depleted LSX benchmark started to drift backward, almost holing through its 1,500 mark. The Lao Composite Index struggled as another 75 points went down the drain. Not until EDL-Gen is able to regain its stance will the LSX fully recover; the market might see better prospects at the end of this week as stock prices are returning to a more comfortable position.



Stock Boards

▶ Second session: 10:00 – 11:30, Closing

BCEL

Current	12,400
Volume	102,628
Previous Day Closing Price	13,000
Change	↓ 600
Turnover	1,272,587,200

Sell Remaining Qty	11:30:00	Buy Remaining Qty
6,323	13,600	
19,649	13,400	
11,000	13,000	
8,500	12,800	
7,000	12,500	
Exp exe Price	12,400	784
Exp exe Qty		
52,472	Total	784

Opening Price	12,400
High Price	12,400
Low Price	12,400
Price Limit	13,600 12,400

EDL-GEN

Current	7,000
Volume	421,278
Previous Day Closing Price	7,350
Change	↓ 350
Turnover	2,948,946,000

Sell Remaining Qty	11:30:00	Buy Remaining Qty
226,546	7,700	
15,000	7,500	
94,600	7,350	
23,000	7,300	
Exp exe Price	7,000	50,402
Exp exe Qty		
359,146	Total	50,402

Opening Price	7,000
High Price	7,000
Low Price	7,000
Price Limit	7,700 7,000

Appendix

▶ Market Data

LSX Index

Date	Current Index	Change (Kip)	Change (%)	Trading Vol. (Share)	Trading Value (Kip)	High	Low
2011/02/16	1,502.16	↓ 74.58	4.73	523,906	4,221,533,200	1,502.16	1,502.16
2011/02/15	1,576.74	↓ 69.31	4.21	513,442	4,703,989,300	1,595.22	1,576.74
2011/02/14	1,646.05	↑ 74.58	4.75	830,012	6,944,083,600	1,646.05	1,646.05
2011/02/11	1,571.47	↑ 74.58	4.98	793,143	6,186,063,750	1,571.47	1,571.47
2011/02/10	1,496.89	↑ 19.43	1.32	1,717,376	13,466,962,600	1,496.89	1,442.94

EDL-Gen

Date	Closing Price	Change (Kip)	Trading Vol. (Share)	Trading Value (Kip)	Market Cap. (mil. Kip)	High	Low
2011/02/16	7,000	↓ 350	421,278	2,948,946,000	6,080,179	7,000	7,000
2011/02/15	7,350	↓ 350	361,448	2,656,642,800	6,384,188	7,350	7,350
2011/02/14	7,700	↑ 350	732,996	5,644,069,200	6,688,197	7,700	7,700
2011/02/11	7,350	↑ 350	727,737	5,348,866,950	6,384,188	7,350	7,350
2011/02/10	7,000	↑ 100	1,376,504	9,301,297,200	6,080,179	7,000	6,000

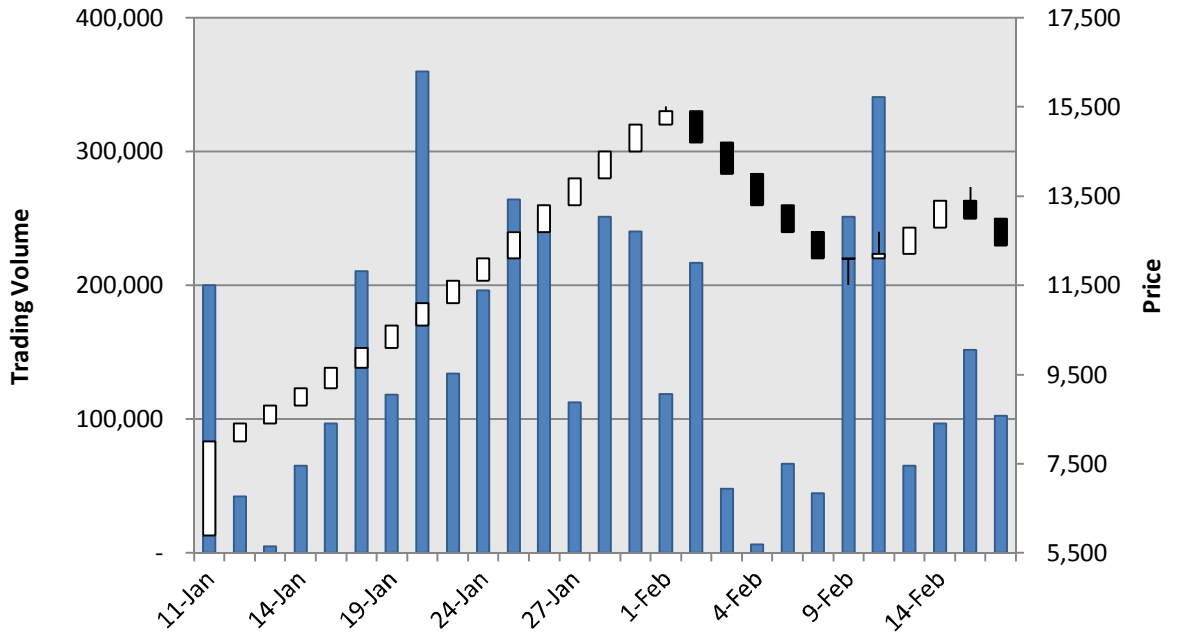
BCEL

Date	Closing Price	Change (Kip)	Trading Vol. (Share)	Trading Value (Kip)	Market Cap. (mil. Kip)	High	Low
2011/02/16	12,400	↓ 600	102,628	1,272,587,200	1,693,562	12,400	12,400
2011/02/15	13,000	↓ 400	151,994	2,047,346,500	1,775,508	13,700	13,000
2011/02/14	13,400	↑ 600	97,016	1,300,014,400	1,830,140	13,400	13,400
2011/02/11	12,800	↑ 600	65,406	837,196,800	1,748,193	12,800	12,800
2011/02/10	12,200	↑ 100	340,872	4,165,665,400	1,666,247	12,700	12,200

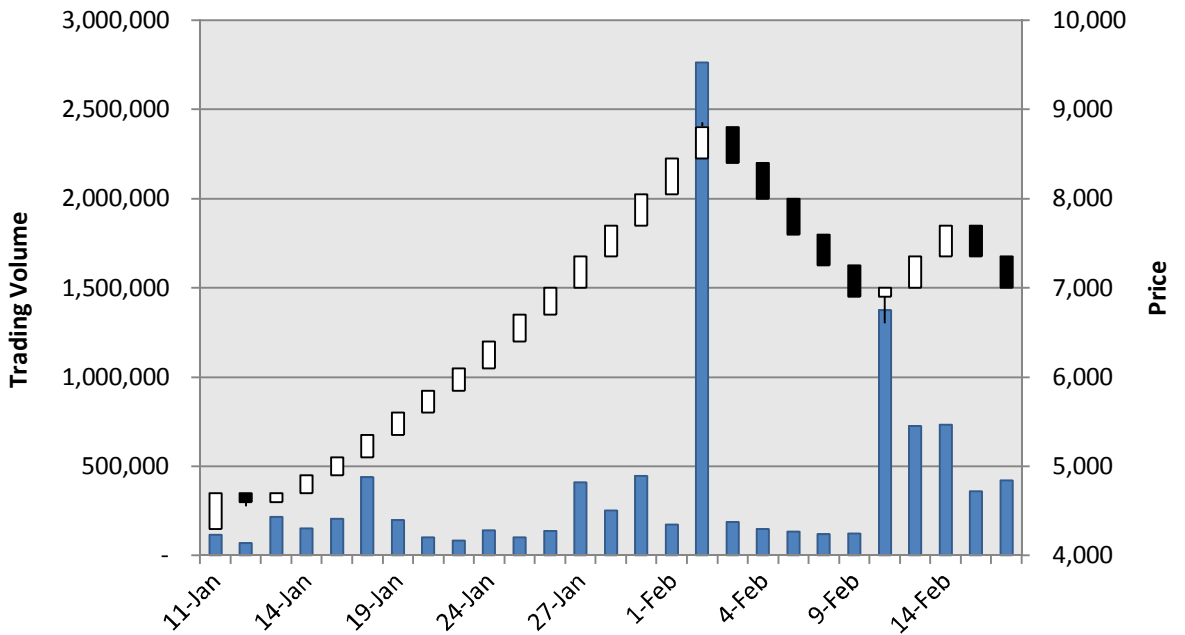
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▶ Market Data (cont.)

EDL-Gen



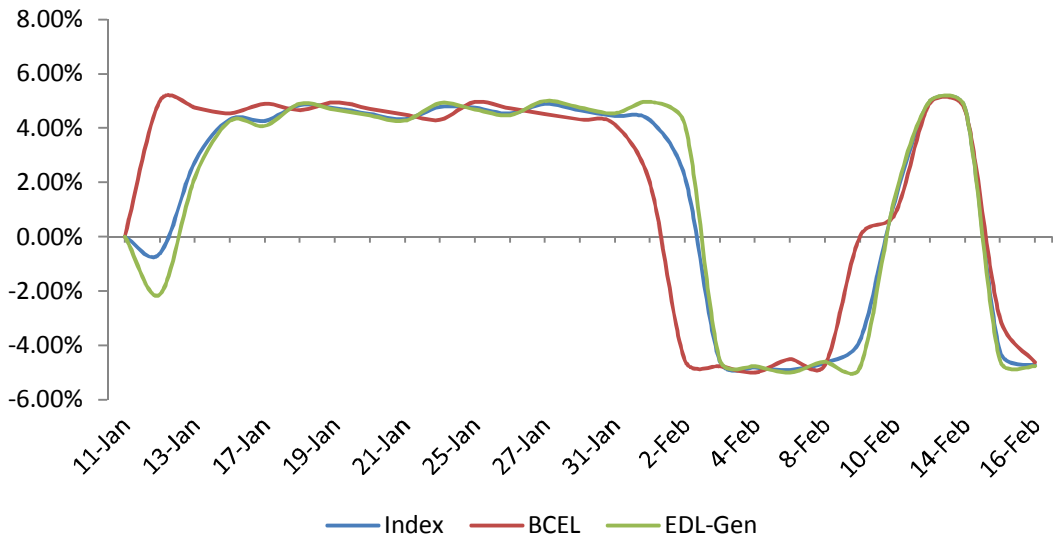
BCEL



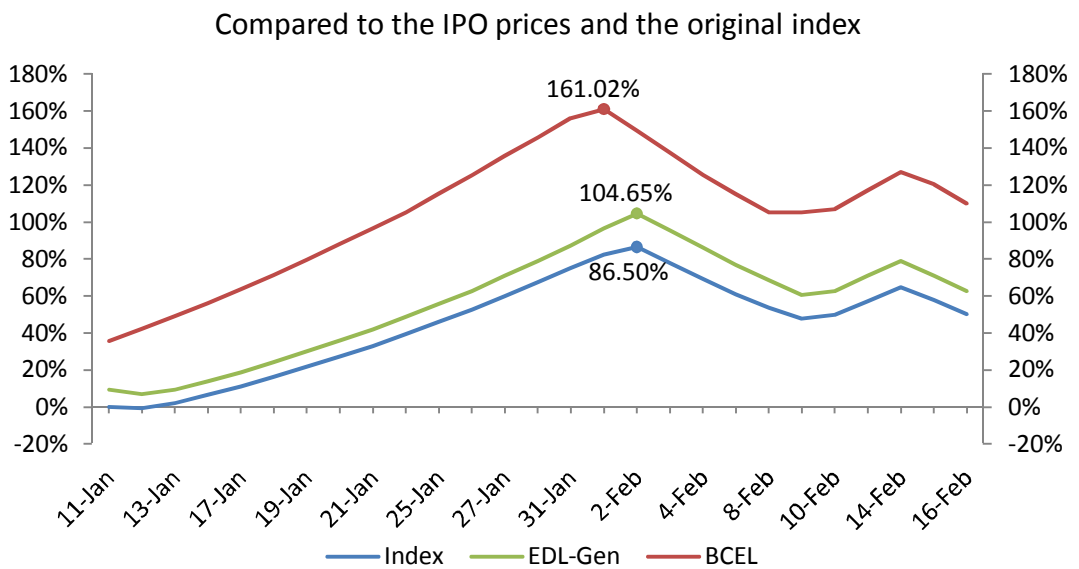
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► Analytic Graphs

Daily Change (%)



Growth (%)



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