

Executive Summary

The Lao Securities Exchange: The Wednesday's sessions were fairly unstable as stock prices experienced some gushing turbulence. The stormy sell-offs kept pressing on top of BCEL, pushing it down to 8,500 Kip by the end of the day. EDL-Gen was not in a good shape either, but at least it managed a positive price change at the end. EDL-Gen is now valued at 6,600 Kip per share. The current turnovers of BCEL and EDL-Gen are 339 million and 2,383 million Kip respectively.

- ▶ **Carlsberg looks to tap into rising popularity of Beerlao:** The Carlsberg Group has shown enthusiasm to invest a further US\$25 million in the Lao Brewery Company (LBC), to increase the production capacity and meet increasing demand for Beerlao. The Group expressed strong confidence in the future of the Lao Brewery Company, as well as political stability and continued economic growth in Laos. In order to ensure that the company can meet the growing demands, an investment of around US\$60 million is needed over the next five years.
- ▶ **Lao, Vietnamese policy banks enhance cooperation:** The state-owned Nayoby Bank has signed a memorandum of understanding (MOU) with the Vietnam Bank for Social Policies to enhance cooperation. Under the MOU, the 2 banks will facilitate exchange visits of staff and management twice a year, allowing for the sharing of knowledge and discussion of ways to secure sustainable operations and deliver the best services to bank customers.

Exchange Rates: 30/03/2011

	Bid	Change	Ask	Change
USD	8033.00	0.00	8061.00	0.00
CAD	8162.00	34.00	8278.00	33.00
THB	264.38	0.00	265.52	0.00
EUR	11317.00	26.00	11372.00	28.00
GBP	12731.00	20.00	12908.00	22.00
CNY	1200.00	1.00	1217.00	1.00
JPY	96.42	-0.92	97.77	-0.95

Exchange rates, quoted for the Lao Kip, by the Bank of Laos

In this issue

- Page 1 – Executive Summary
- Page 2 – The Lao Securities Exchanges
- Page 3 – Lao Economy
- Page 5 – Stock Board
- Page 6 – Appendix

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Issue Name	Current Price	Change (Kip)	Change (%)	52-week	
				High	Low
BCEL	8,500	↓ 350	3.59	15,500	8,000
EDL-Gen	6,600	↑ 100	1.54	8,850	4,550

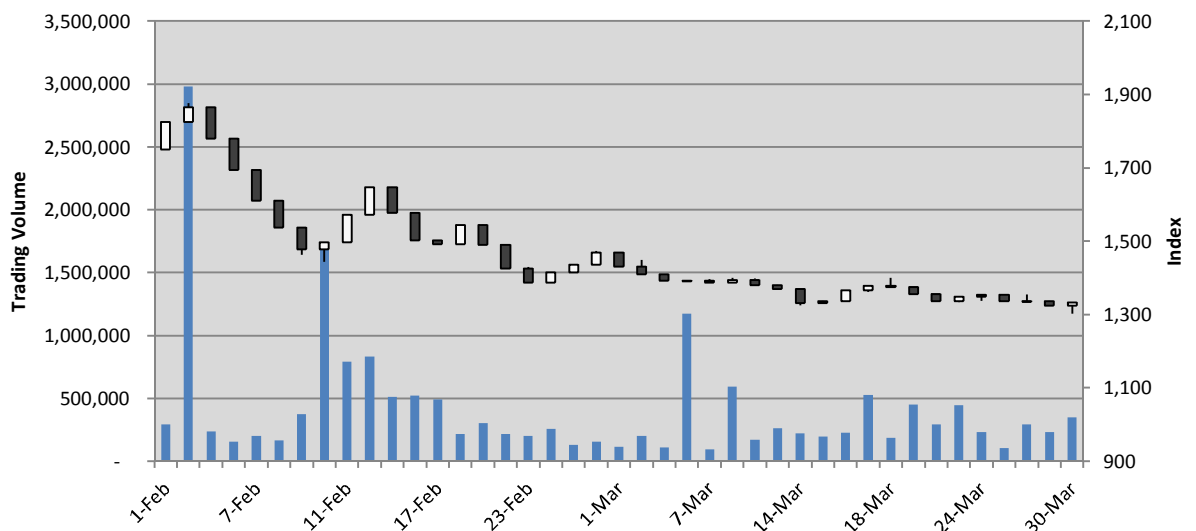
The Lao Securities Exchange

The Lao stock market

The market just went down the rabbit hole; and only EDL-Gen managed to climb out of the. Liquidity is drying up rather quickly on the banking stock. Total demands have dropped 62%, down to only 45,000 shares. BCEL's price has coiled back to the very beginning of the Lao stock exchange, leaving traders nothing but wrinkles. EDL-Gen traders could no longer turn away from the warning light. A wave of panic sell-offs dumped EDL-Gen down to 6,400 Kip per share; however, the bargain did not last long as the cheap supplies ran out of stocks in the second session. The Lao securities market is still too small to attract large capitals. The average market turnover has turned sour to roughly 2 billion kip (~\$250,000) per day. Perhaps by the end of the year, the market will be stimulated once again as more companies will be listed on the Lao Securities Exchange.

The LSX Index 1,332.10 ↑ 7.55 [0.57%]

The Lao securities market rallied 57 bps as EDL-Gen recovered some of its Market Cap. The combined trading volume surged 50% to almost 350,000 shares, paving the market turnover straight to 2.3 billion Kip, a 47 percent increase from yesterday.



The Lao Economy

Sectors Watch

Consumer: Carlsberg looks to tap into rising popularity of Beerlao

With growing demand for Beerlao and confidence in the Lao economy, the Carlsberg Group has shown enthusiasm to invest a further US\$25 million in the Lao Brewery Company (LBC), to increase the production capacity and meet increasing demand for Beerlao. The Group expressed strong confidence in the future of the Lao Brewery Company, as well as political stability and continued economic growth in Laos. In order to ensure that the company can meet the growing demands, an investment of around US\$60 million is needed over the next five years.

The Carlsberg Group is keen to invest US\$25 million during the 2011-12 period. The new investment will boost production by roughly 50 percent. The company also plans to export to more countries and find more markets for LBC products, especially in Europe. The company is considering the possibility of listing LBC on the Lao Securities Exchange. In the coming years, Carlsberg will focus more on expanding its business in Asia, including China and India. The Danish brewing company owns 50 percent of LBC and is also the main holder in the Lao Soft Drink Company, owning 70 percent of shares.

The Vientiane Times

Banking: Lao, Vietnamese policy banks enhance cooperation

The state-owned Nayoby Bank has signed a memorandum of understanding (MOU) with the Vietnam Bank for Social Policies to enhance cooperation. Under the MOU, the 2 banks will facilitate exchange visits of staff and management twice a year, allowing for the sharing of knowledge and discussion of ways to secure sustainable operations and deliver the best services to bank customers.

Cooperation between the two state banks is the fruit of special comprehensive cooperation between Laos and Vietnam. Nayoby Bank was established in 2007 to provide low interest loans for farmers and businesspeople in the 47 poorest districts around the country. The bank's interest rates on loans currently stand at 7 percent per annum for one year loans, 8 percent per annum for one to three year loans, and 10 percent per annum for loans over three years.

The bank has lent 885 billion kip to boost commercial production in both poor districts and enterprises since its establishment. The bank currently has six branches and 46 service units. Most of the service units are located in the urban centers of the 47 poorest districts, leaving a number of poor villages in remote areas without easy access to banking services.

The Vietnam Bank for Social Policies was established in 1995 as a subsidiary of the Vietnam Bank for Agriculture and Rural Development. It became an independent policy bank in 2002. It has evolved from a group of 500 staff into the largest policy and microfinance institution in Vietnam, and now has 7,809 qualified staff serving several millions of poor or low-income households through its lending schemes and other microfinance services.

The Vientiane Times

Stock Boards

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

BCEL

Current		8,500
Volume		39,782
Previous Day Closing Price		8,850
Change	▼	350
Turnover		339,647,000

Sell Remaining Qty	11:30:00	Buy Remaining Qty
4,000	8,950	
20,000	8,900	
55,000	8,800	
20,800	8,600	
218	8,500	
Exp exe Price	8,450	5,000
Exp exe Qty		
130,018	Total	5,000

Opening Price		8,600
High Price		8,600
Low Price		8,500
Price Limit	9,250	8,450

EDL-GEN

Current		6,600
Volume		310,004
Previous Day Closing Price		6,500
Change	▲	100
Turnover		2,044,026,400

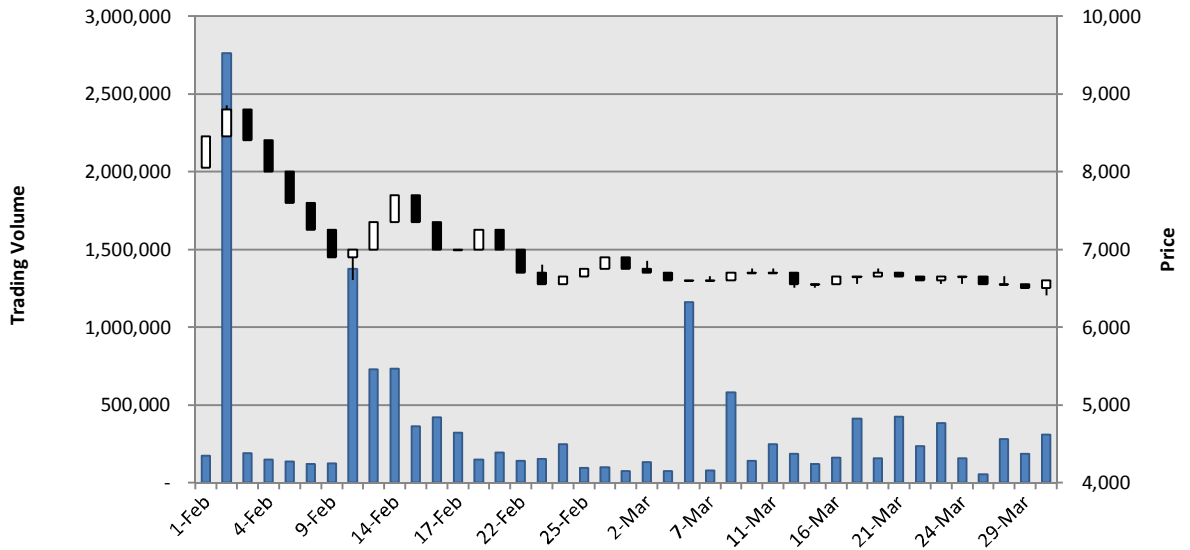
Sell Remaining Qty	11:30:00	Buy Remaining Qty
1,000	6,800	
6,836	6,600	
Exp exe Price	6,500	2,259
	6,450	278
Exp exe Qty	6,400	98,600
	6,200	50,000
7,836	Total	151,137

Opening Price		6,400
High Price		6,600
Low Price		6,400
Price Limit	6,800	6,200

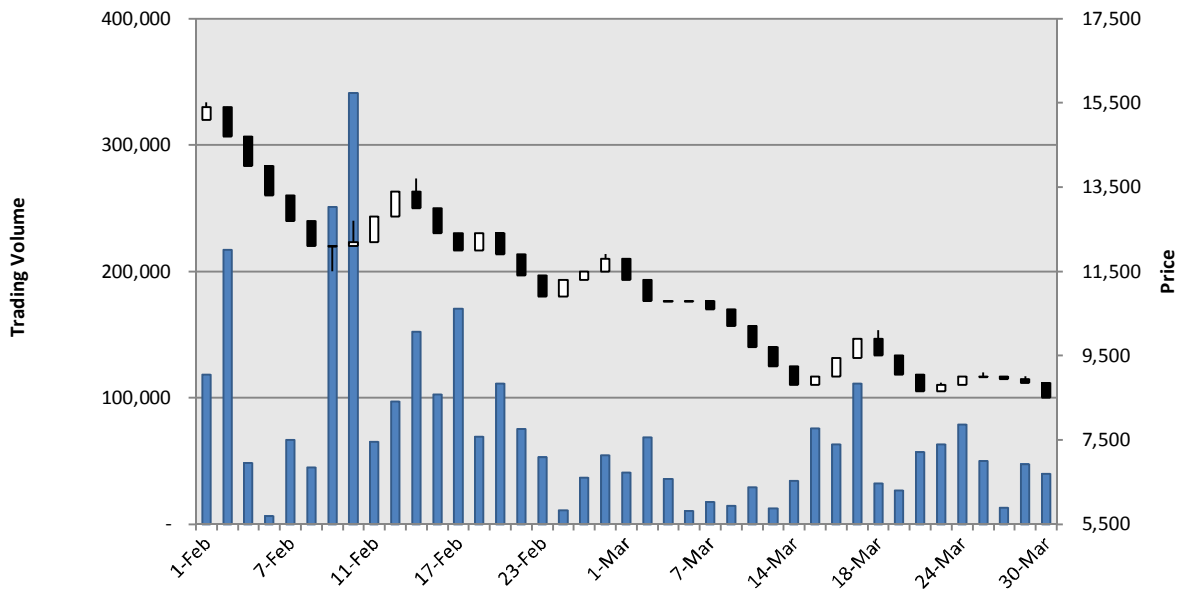
Appendix

▸ Securities Charts

EDL-Gen



BCEL



Appendix

▶ Daily Market Data

LSX Index

Date	Current Index	Change (Points)	Change (%)	Trading Vol. (Share)	Trading Value (Kip)	High	Low
2011/03/30	1,332.10	↑ 07.55	0.57	349,786	2,383,673,400	1,332.10	1,301.17
2011/03/29	1,324.55	↓ 11.03	0.83	232,881	1,626,101,500	1,328.51	1,324.55
2011/03/28	1,335.58	↓ 01.32	0.10	292,950	1,960,096,800	1,353.69	1,335.58
2011/03/25	1,336.90	↓ 16.78	1.24	103,606	801,854,500	1,339.54	1,335.58
2011/03/24	1,353.69	↑ 05.28	0.39	233,917	1,733,804,750	1,353.69	1,335.58

EDL-Gen

Date	Closing Price	Change (Kip)	Trading Vol. (Share)	Trading Value (Kip)	Market Cap. (mil. Kip)	High	Low
2011/03/30	6,600	↑ 100	310,004	2,044,026,400	5,732,741	6,600	6,400
2011/03/29	6,500	↓ 050	185,381	1,204,976,500	5,645,881	6,500	6,500
2011/03/28	6,550	-	279,919	1,843,469,350	5,689,311	6,650	6,550
2011/03/25	6,550	↓ 100	53,510	350,490,500	5,689,311	6,550	6,550
2011/03/24	6,650	-	154,895	1,024,181,750	5,776,170	6,650	6,550

BCEL

Date	Closing Price	Change (Kip)	Trading Vol. (Share)	Trading Value (Kip)	Market Cap. (mil. Kip)	High	Low
2011/03/30	8,500	↓ 350	39,782	339,647,000	1,160,910	8,600	8,500
2011/03/29	8,850	↓ 100	47,500	421,125,000	1,208,712	9,000	8,850
2011/03/28	8,950	↓ 050	13,031	116,627,450	1,222,370	8,950	8,950
2011/03/25	9,000	-	50,096	451,364,000	1,229,198	9,100	9,000
2011/03/24	9,000	↑ 200	79,022	709,623,000	1,229,198	9,000	8,950

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