

Executive Summary

The Lao Securities Exchange: The higher BCEL moves up the ladder, the more visibly EDL-Gen reveals its inability to balance the equation. BCEL reached its upper limit for the third consecutive times, escalating from 8,650 Kip to 9050 Kip. On the other side, EDL-Gen got compromised by 4.2 percent, sweeping its previous price down to floor limit of 5,700 Kip. A total of 83.9 K shares were traded for the public bank in order to generate a turnover of LAK 759.6 million. The similar figures showed 74.5 K shares and LAK 424.8 million for the electricity company.

- ▶ **Australia increases ODA in Laos:** The Australian government will provide an estimated AUS\$42.1 million (US\$45.8 million) in official development assistance to Laos during the FY2012. This represents a 61 percent increase in Australia's assistance to Laos since 2006-2007. Australian Ambassador, Ms Lynda Worthaisong, said the government's aid given to Laos demonstrates Australia's long-term commitment to reduce poverty and achieve sustainable development. The Australia's aid program focuses on three areas - strengthening basic education, increasing trade and investment in impoverished areas and improving rural livelihoods.
- ▶ **The Ministry launches US trade information center:** A trade information center opened in Vientiane on Thursday to provide details of regulations on exports to the United States. The center is managed by the Ministry of Industry and Commerce's Foreign Trade Policy Department. The initiatives were supported by the LUNA-Lao project, a technical assistance project run by the United States Agency for International Development (USAID). The new facilities will provide trade information relating to the World Trade Organization and the USA.

Exchange Rates: 16/05/2011

	Bid	Change	Ask	Change
USD	8,018.00	2.00	8,049.00	2.00
CAD	8,173.00	(56.00)	8,292.00	(57.00)
THB	264.50	(0.15)	265.30	(0.10)
EUR	11,261.00	(113.00)	11,319.00	(111.00)
GBP	12,835.00	(65.00)	13,081.00	(2.00)
CNY	1,209.00	-	1,227.00	1.00
JPY	98.15	0.27	99.57	0.29

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

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Issue Name	Current Price	Change (Kip)	Change (%)	52-week	
				High	Low
BCEL	9,050	↑ 400	4.62	15,500	7,900
EDL-Gen	5,700	↓ 250	4.20	8,850	4,550

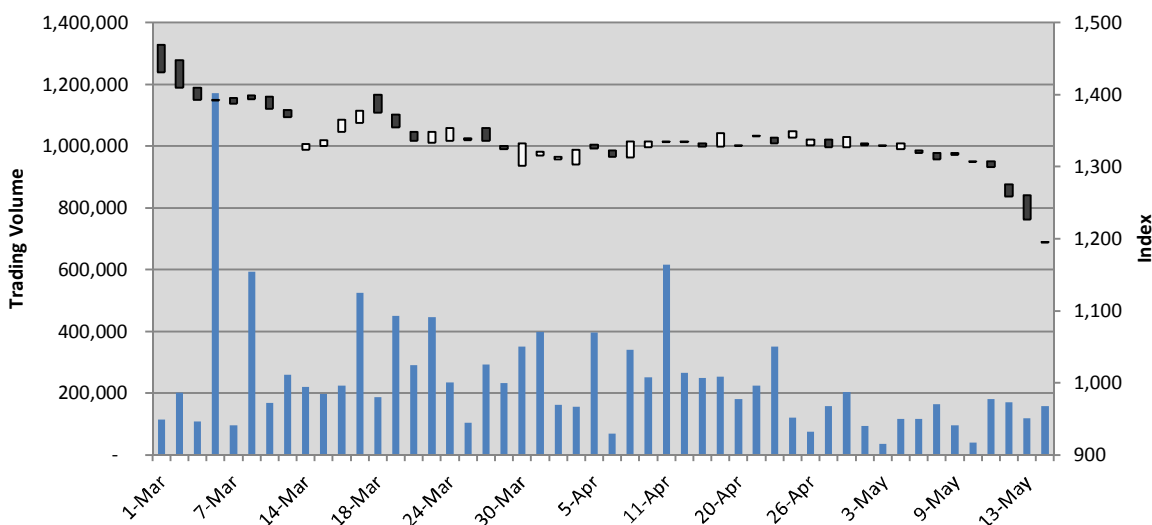
The Lao Securities Exchange

The Lao stock market

BCEL traded vigorously to the roof as the foreign sector poured in their purchasing impulse. The overall size of demands enlarged by 127%, from roughly 292.2 K shares to 662.4 K shares, of which almost 70% belonged to the foreigners. The supply side was just standing in the way with only 83.9 K shares. Last week, the average trading volume of BCEL was 54.2 K shares per day, up from 35.4 K shares the week before. Statistically, BCEL has been trading on an average of roughly 55 K share per day over the last 2 months. Let's consider an optimistic outlook, in which BCEL will boost its average daily trades to 120K shares this week. It would take roughly 4 days to ease off the current demands, meaning BCEL will enjoy strong upward movements until Thursday and then it will start to stiffen up.

The LSX Index 1,195.56 ↓ 31.40 [2.56%]

Total liquidity blazed to 158.4 K shares, warming up a LAK 1,184.5 million for market's turnover. The Lao Composite index funneled through the 1,200 points as EDL-Gen precipitated faster than expectation. We anticipate continuous rain on the LSX index at least until Wednesday.



The Lao Economy

Sectors Watch & Business News

Australia increases ODA in Laos

The Australian government will provide an estimated AUS\$42.1 million (US\$45.8 million) in official development assistance to Laos during the FY2012, according to the Australia Embassy to Laos. This represents a 61 percent increase in Australia's assistance to Laos since 2006-2007. Australian Ambassador, Ms Lynda Worthaisong, said the government's aid given to Laos demonstrates Australia's long-term commitment to reduce poverty and achieve sustainable development.

The Australia's aid program, managed by the Australian Agency for International Development (AusAID), focuses on three areas - strengthening basic education, increasing trade and investment in impoverished areas and improving rural livelihoods. Australia remains committed to supporting Laos to achieve its Millennium Development Goal targets for primary education by supporting increases in access to quality education for girls and boys, improvements in completion rates and the strengthening of education planning systems.

Australia recognizes that significant progress has been made to reduce poverty in Laos, but many people in rural areas are still in need of better access to food supplies, information, markets and employment in order to improve food security and incomes. In FY2012, AusAID will focus on village infrastructure and access to markets as part of the ongoing work to improve rural livelihoods, disaster risk reduction and unexploded ordnance. The Australian government has given a commitment to scale up its overall development assistance program to 0.5% of Gross National Income by 2015-16. *[Sources: Lao News Agency]*

Ministry launches US trade information center

A trade information center opened in Vientiane on Thursday to provide details of regulations on exports to the United States. The center is managed by the Ministry of Industry and Commerce's Foreign Trade Policy Department. The initiatives were supported by the LUNA-Lao project, a technical assistance project run by the United States Agency for International Development (USAID). The new facilities will provide trade information relating to the World Trade Organization and the USA.

The center will ensure that businesses can obtain the information they need on how to improve production processes and document preparation. It will also have information related to ASEAN economic cooperation, which is good for businesses doing trade with ASEAN members. The project aims to provide the government sector, private companies, center of education and the media with information via the center, the website or manuals.

Students are also welcome to come to the center to learn about trade policy. Businesspeople who are interested in exporting their goods to the US can now obtain detailed information on the export of garments, agricultural produce, handicrafts, textiles and wooden goods. The information available details the US market environment and stipulates export criteria for the US market. *[Sources: The Vientiane Times]*

Stock Boards

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

BCEL

Current		9,050
Volume		83,936
Previous Day Closing Price		8,650
Change	↑	400
Turnover		759,620,800

Sell Remaining Qty	11:30:00	Buy Remaining Qty
Exp exe Price	9,050	470,968
	9,000	100,000
Exp exe Qty	8,850	500
	8,650	7,000
	Total	578,468

Opening Price		9,050
High Price		9,050
Low Price		9,050
Price Limit	9,050	8,250

EDL-GEN

Current		5,700
Volume		74,536
Previous Day Closing Price		5,950
Change	↓	250
Turnover		424,855,200

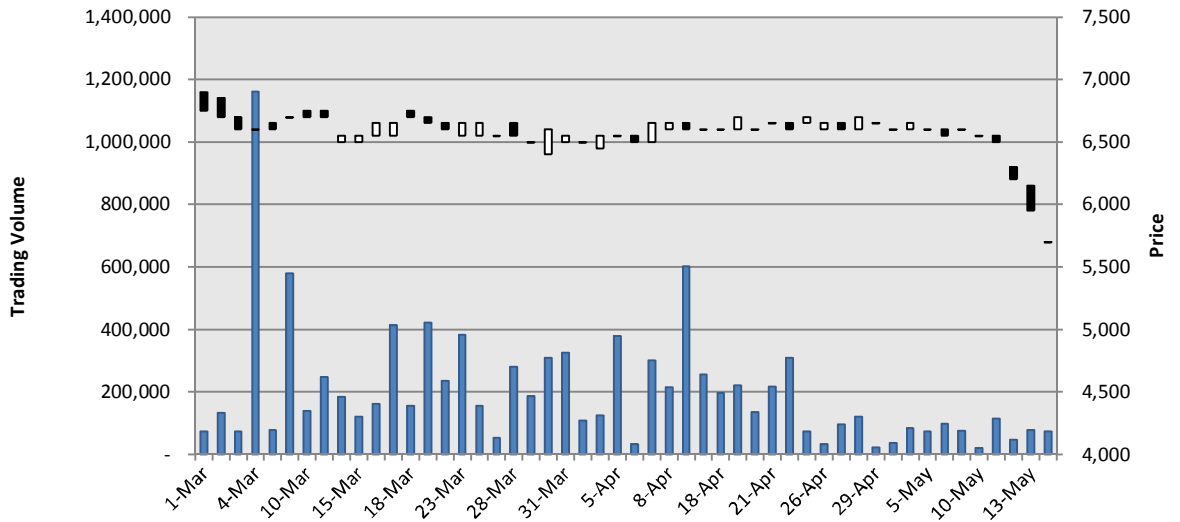
Sell Remaining Qty	11:30:00	Buy Remaining Qty
3,500	6,200	
30,800	6,100	
5,000	6,000	
311,826	5,700	
Exp exe Price		
Exp exe Qty		
351,126	Total	

Opening Price		5,700
High Price		5,700
Low Price		5,700
Price Limit	6,200	5,700

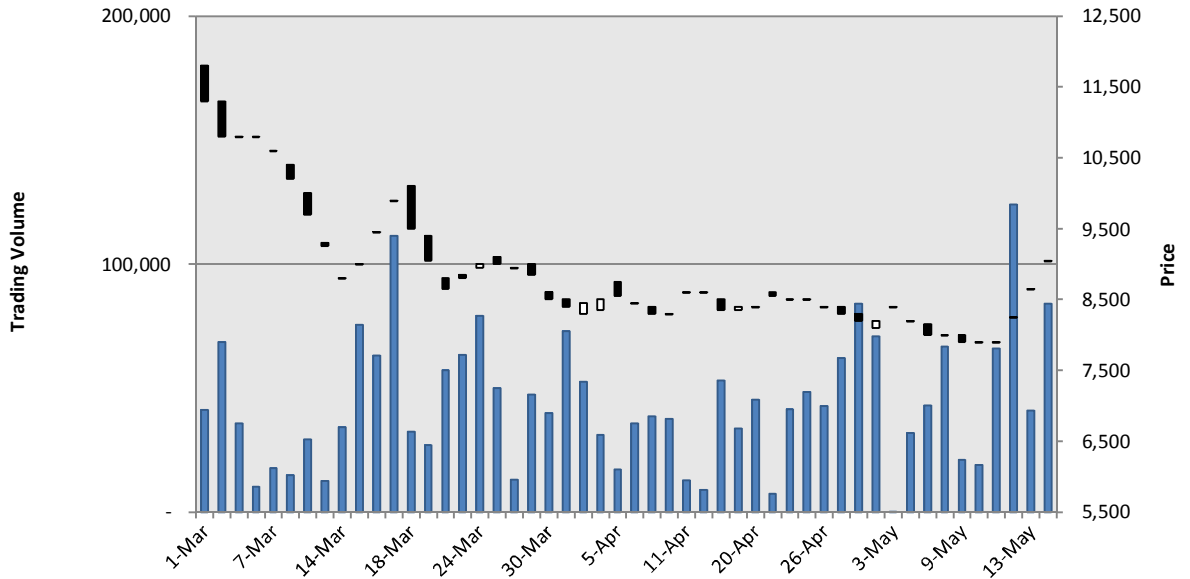
Appendix

▸ 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
2011/05/16	1,195.56	↓31.40	2.56	158,472	1,184,476,000	1,195.56	1,195.56
2011/05/13	1,226.96	↓31.40	2.50	119,360	834,976,700	1,260.53	1,226.96
2011/05/12	1,258.36	↓41.12	3.16	170,187	1,314,125,750	1,275.15	1,258.36
2011/05/11	1,299.48	↓8.39	0.64	180,610	1,269,390,200	1,307.87	1,299.48
2011/05/10	1,316.26	-	-	40,020	287,808,000	1,307.87	1,307.87

EDL-Gen

Date	Closing Price	Change (Kip)	Trading Vol. (Share)	Trading Value (Kip)	Market Cap. (mil. Kip)	High	Low
2011/05/16	5,700	↓250	74,536	424,855,200	4,951,003	5,700	5,700
2011/05/13	5,950	↓250	78,359	480,318,050	5,168,152	6,150	5,950
2011/05/12	6,200	↓300	46,060	290,078,000	5,385,302	6,300	6,200
2011/05/11	6,500	↓50	114,592	747,848,000	5,645,881	6,550	6,500
2011/05/10	6,600	-	21,000	137,550,000	5,732,741	6,550	6,550

BCEL

Date	Closing Price	Change (Kip)	Trading Vol. (Share)	Trading Value (Kip)	Market Cap. (mil. Kip)	High	Low
2011/05/16	9,050	↑400	83,936	759,620,800	1,236,027	9,050	9,050
2011/05/13	8,650	↑400	41,001	354,658,650	1,181,396	8,650	8,650
2011/05/12	8,250	↑350	124,127	1,024,047,750	1,126,765	8,250	8,250
2011/05/11	7,900	-	66,018	521,542,200	1,078,963	7,900	7,900
2011/05/10	7,900	-	19,020	150,258,000	1,078,963	7,900	7,900

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