

## Executive Summary

### The Lao Securities Exchange

The Tuesday's sessions gave their best effort to support the Lao stock market, but only tiny progress has been made. The consolation prize was just a pat on the back 'big changes always start small'. BCEL's trades rose 9% to 38K shares, recharging its price to 8,200 Kip (+0.61%) and also pushing its turnover upstream to LAK 309 million (+9%). On the contrary, the volume surge on EDL-Gen was still not strong enough to keep its turbines moving. The power generation company did spark up to 5,450 Kip in the first session before turning back the yesterday's 5,350 Kip. At the end, a total of 22K shares were exchanged for a humble LAK 122 million.

### ▶ ASEAN road to complete before planned

The THB 250 million ASEAN Road (T2) Improvement project in Vientiane Capital is now 60% completed. The project, constructed since mid-2010, is expected to be finished by mid of next year. Works on the T2 project were divided into three sectors including 2,800 meters from Akad traffic light to Nongduang traffic light, 2,895 meters from Nongduang traffic light to Phonsaat traffic light, and 300 meters from Phonsaat traffic light to the 23 Singha Road. The T2 project will also cover the construction of the 5.3 ha Nongduang Park and the 478 meter drainage system improvement in Thongsangnang village.

### Exchange Rates: 31/05/2011

	Bid	Change	Ask	Change
USD	8,010.00	(1.00)	8,041.00	(1.00)
CAD	8,132.00	20.00	8,249.00	17.00
THB	263.90	(0.10)	264.60	-
EUR	11,499.00	65.00	11,555.00	65.00
GBP	13,103.00	35.00	13,290.00	35.00
CNY	1,211.00	2.00	1,228.00	1.00
JPY	98.07	(0.05)	99.47	(0.09)

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	8,200	↑ 50	0.61	15,500	7,900
EDL-Gen	5,350	-	-	8,850	4,550

## The Lao Securities Exchange

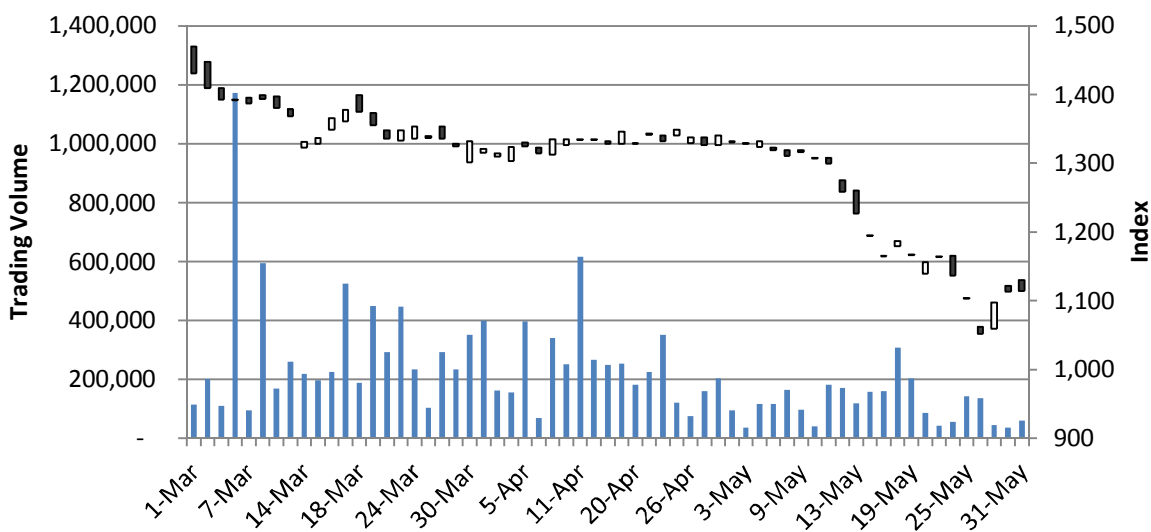
### The Lao stock market

BCEL barely made to 8,200 Kip by a slight margin. At one point, the bank was pre-matching at 8,050 Kip; only until at the end of the second session did the demand zeal come in and blaze up the board. Buyers were quick, maybe too quick, on their feet as they saw supply leaked away rather fast. Total demand got excited to 143K shares (+24%) as supply faded away to 43K shares (-41%). It is a positive signal for the public bank as its suppliers maintain strong determination against the cheap buys. However, there is a chance BCEL will converge into a trading bottleneck by tomorrow, then it would be just a matter a time suppliers abandon their fort.

On the other side of the stock board, things started to brighten up for EDL-Gen as its liquidity found some wet ground. Ever since the recent draw back, demand has not been as fleshy as it used to be. Total buying blocks were only as high as 50K shares, half as much as the daily average of last week. The anxious supply stacked up 171% to 63K shares. If traders timed their buys right, they could have made an easy 4.7% - 6.7% return after taxes and fees. Perhaps a portion of those traders were trying to realize their gains today. If that was the case, then today's selling surplus will try again tomorrow.

### The LSX Index 1,114.38 ↑ 1.32 [0.12%]

The 12 bps haul seemed like eternity to the Lao composite index, which eventually crawled up to the 1,114 points after 3 struggling hours. Total trading volume carried forward to 60K shares (+66%), elevating market's turnover by 48% to 431 million.



## The Lao Economy

### Sectors Watch & Business News

#### 30,000 ha to be planted with trees this year

Ministry of Agriculture and Forestry expects to plant a variety of trees on the 30,000 ha nationwide this rainy season, aiming to reach over 300,000 ha of reforested area this year. Head of the Vientiane Agriculture and Forestry Service Latsanivong Ammalathithada said 'This year, Vientiane Capital will plan trees on 400 ha, of which 93 ha in Saythany district, 78 ha in Nasaythong district and 124 ha in Sangthong district.' The government plans to increase nationwide forest coverage to 70% by 2020. *[Sources: Lao News Agency]*

#### Nasaythong: dry season rice production increased

Nasaythong, the poorest district in the country, has finished planting rice on 2400 ha this dry season, according to the Nasaythong District Agriculture and Forestry Office; this figure has increased by 43% compared to last year. The office said that the district has harvested 24% of rice field so far this dry season. Besides rice plantation, cassava and maize have been planted on 104 ha and 90 ha respectively as well as various cash crops on 1,828 ha, vegetable on 750 ha, taro on 8 ha and other industrial crops on 1,250 ha. In addition, the district also encourages local farmers to pay attention to vaccinating their livestock, helping ensure quality yield, and to participate in the prevention of unsustainable exploitation of forest resources. *[Sources: Lao News Agency]*

#### ASEAN road to complete before planned

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### Stock Boards

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

#### BCEL

Current	<b>8,200</b>
Volume	37,767
Previous Day Closing Price	8,150
Change	▲ 50
Turnover	309,539,950

Sell Remaining Qty	11:30:00	Buy Remaining Qty
5,000	8,550	
Exp exe Price	<b>8,200</b>	896
	8,150	30,353
Exp exe Qty	8,100	4,097
	8,050	61,388
	8,000	5,948
5,000	Total	104,832

Opening Price	8,150
High Price	8,200
Low Price	8,150
Price Limit	8,550 / 7,750

#### EDL-GEN

Current	<b>5,350</b>
Volume	22,475
Previous Day Closing Price	5,350
Change	0
Turnover	121,840,450

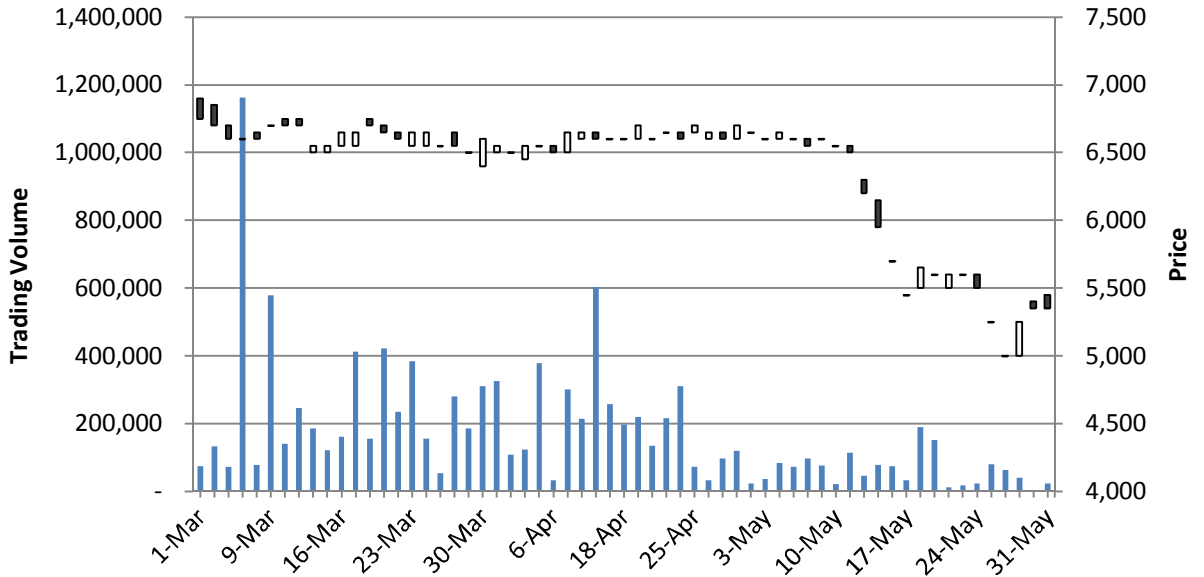
Sell Remaining Qty	11:30:00	Buy Remaining Qty
5,000	5,550	
6,300	5,500	
99	5,450	
20,200	5,400	
521	<b>5,350</b>	
Exp exe Price	5,300	23,817
	5,250	1,000
Exp exe Qty	5,100	2,500
40,320	Total	27,317

Opening Price	5,450
High Price	5,450
Low Price	5,350
Price Limit	5,600 / 5,100

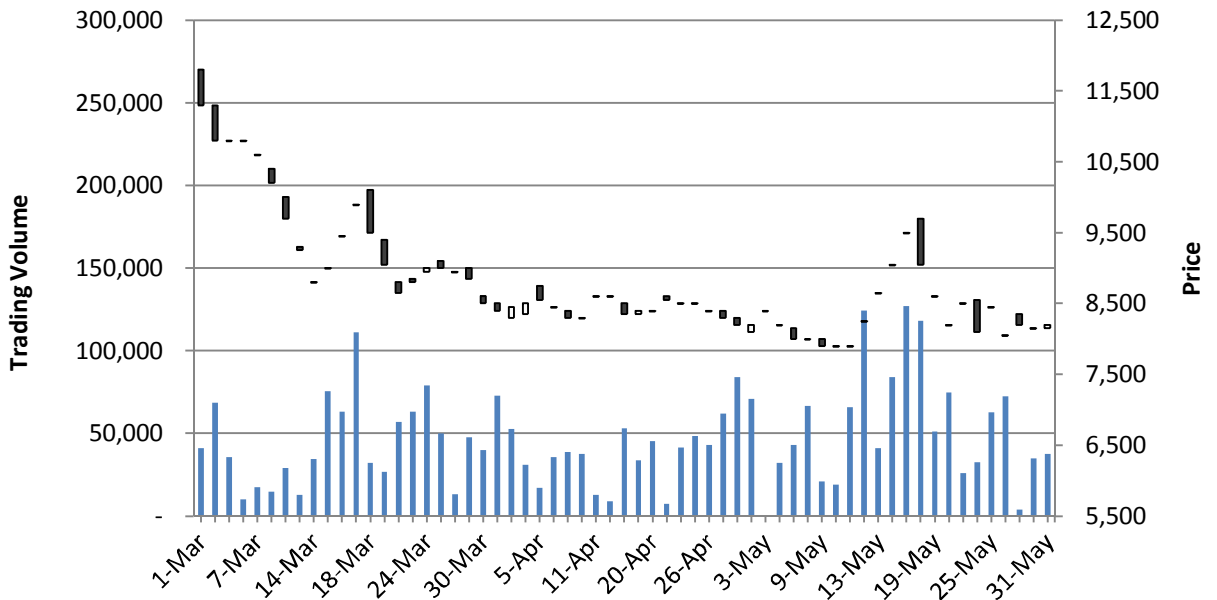
### Appendix

► 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
2011/05/31	1,114.38	↑1.32	0.12	60,242	431,380,400	1,129.84	1,114.38
2011/05/30	1,113.06	↑15.46	1.41	36,260	291,201,000	1,121.45	1,113.06
2011/05/27	1,097.59	↑45.92	4.37	44,386	235,606,500	1,097.59	1,059.59
2011/05/26	1,051.67	↓52.52	4.76	134,863	895,104,500	1,062.23	1,051.67
2011/05/25	1,104.19	↓32.72	2.88	142,556	949,443,000	1,104.19	1,104.19

#### EDL-Gen

Date	Closing Price	Change (Kip)	Trading Vol. (Share)	Trading Value (Kip)	Market Cap. (mil. Kip)	High	Low
2011/05/31	5,350	-	22,475	121,840,450	4,646,994	5,450	5,350
2011/05/30	5,350	↑100	1,560	8,396,000	4,646,994	5,400	5,350
2011/05/27	5,250	↑250	40,586	204,326,500	4,560,135	5,250	5,000
2011/05/26	5,250	-	62,473	312,365,000	4,560,135	5,000	5,000
2011/05/25	5,250	↓250	79,736	418,614,000	4,560,135	5,250	5,250

#### BCEL

Date	Closing Price	Change (Kip)	Trading Vol. (Share)	Trading Value (Kip)	Market Cap. (mil. Kip)	High	Low
2011/05/31	8,200	↑50	37,767	309,539,950	1,119,936	8,200	8,150
2011/05/30	8,150	↓50	34,700	282,805,000	1,113,107	8,150	8,150
2011/05/27	8,200	↑150	3,800	31,280,000	1,119,936	8,350	8,200
2011/05/26	8,050	↓400	72,390	582,739,500	1,099,450	8,050	8,050
2011/05/25	8,450	↑350	62,820	530,829,000	1,154,081	8,450	8,450

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