Business Vientiane Times
Stock market report
stockmarket@y7mail.com Dr Darrell Walker

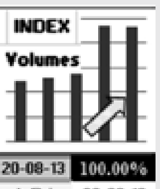
Strong demand continues for BCEL stock

Investors again took a shine to BCEL with some spirited trading. BCEL with well above average volumes has been impressive over the past 2 days suggesting the stock price has potential to increase from US$1.19 to the US$1.22-25 band.

- **BCEL** has this month spent most of the time at 9,000 kip or above, but it's been somewhat of a battle. For example, after suffering a small loss in Friday's mid sessions it eventually closed with a +150 point gain. Yesterday was similair with a -100 kip fall on opening and then clawing back 50 kip in the 4th session and tenaciously with another +50 kip gain breaking square on 9,300 kip per share at the close for the day.
- With lower volumes there is generally a slip in share price but EDL-Gen so far this month has been rock solid in sustaining above US$0.80c, suggesting that once the focus comes off BCEL, it too has the potential in the coming weeks to make the magic US$1.00 figure.
- Investors will now be contemplating the appeal of holding onto both stocks for the record date (dividend declaration date for HY June 30) but it is yet to be announced.

Vientiane Times Lao Stock Market Column

LSX	Close	Gain / Loss	Percentage	Shares	Turnover	Revenue
20-08-13	1,370.44	0	0	233,113	$278,767	-2.07%
19-08-13	1,370.44	▲ 3.05	0.22	236,583	$284,654	122.75%
16-08-13	1,367.39	▲ 8.14	0.6	138,689	$127,791	-2.05%
15-08-13	1,359.25	▲ 18.31	1.37	129,938	$130,460	Change
14-08-13	1,340.94	▲ 1.01	0.08	122,201	Prev Day	Prev' Day

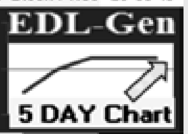


The coffers spilled over for a second day with excellent BCEL volumes. LAO FX US$ = 7,804 Kip 20-08-13 100.00%

2013 LAOS

EDL-Gen	KIP Close	Gain/Loss	Shares	Turnover	Gain / Loss
20-08-13	6,450	0	7,707	$6,516	287.00%
19-08-13	6,450	0	2,020	$1,684	-98.15%
16-08-13	6,450	▲ 50	107,993	$90,922	62.68%
15-08-13	6,400	▲ 100	67,742	$55,889	239.97%
14-08-13	6,300	0	19,962	$16,439	Prev' Day

5 DAY Stock Price 20-08-13

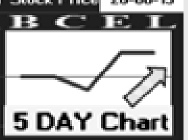


EDL-Gen headed north to 6,450 kip last week & nothing has changed this week (resistance 20-08-13 Turnover 2.34%

STOCK MARKETS

BCEL	KIP Close	Gain/Loss	Shares	Turnover	Gain / Loss
20-08-13	9,300	0	225,406	$272,251	-3.79%
19-08-13	9,300	▲ 150	234,563	$282,971	667.51%
16-08-13	9,150	▼ 50	30,696	$36,869	-50.56%
15-08-13	9,200	0	62,196	$74,572	-39.25%
14-08-13	9,200	50	102,239	$122,751	Prev' Day

5 DAY Stock Price 20-08-13



BCEL drove the liquidity stakes again yesterday recording a great 97.66 percent of the bourse revenue Turnover 97.66%

Charts Dr. Darrell Walker Subscribe On-Line vientianetimes.org.la

Global Markets:

As expected from Friday's close US stocks closed nearly 0.5 percent lower Monday, continuing their trend downward on mediocre economic news and higher US bond yields in Europe extending through to US markets.

Seems as though things will be tough for investors in the weeks ahead.

US stocks have now fallen for two straight weeks on apathetic economic data, lower retail earnings, missed forecasts and higher US bond yields due to the expectation that the Federal Reserve will soon taper its bond-buying programme.

Europe's main stock markets were identical to US indexes when they too finished in the red amid low trading volumes as investors, speculators and fund managers awaited further indications on when the Federal Reserve plans to reduce its huge stimulus programme.

Asian markets were also very mixed following a weak lead from Wall Street on Friday and Monday as traders erred on the side of caution on expectations that the US Federal Reserve will soon begin reeling in its stimulus programme.

Many market-watchers predict the US central bank will begin its tapering next month and the way markets are reacting to the speculation about the Fed Reserve reducing its stimulus programme takes the gloss off the so called 'independence' of other international indexes performances.

- India's currency has plunged to a new lifetime low against the US dollar and shares have tumbled even as the World Bank's chief economist said the country's problems were "overplayed". India is also currently gripped by commodities exchange woes. The FT.Com website says brokers have demanded a rescue package as NSEL faces US$868m in unpaid liabilities.

Continuing strikes that have hampered Libyan oil production and shipping operations for weeks kept a check on prices however, analysts said. On Monday oil prices slipped back after Friday's one-month highs as concerns about the vital Suez shipping corridor eased somewhat even as sporadic violence continued in Egypt. September Nymex delivery gave up 36 cents to end at US$107.10. Brent crude for London October delivery lost 50 cents to US$109.90 after earlier reaching US$111 a barrel. Continuing strikes have hampered Libyan oil production and shipping operations for weeks kept a lid on prices.

Other headlines were: Goldman says oil would hit US$115 in a short run, their forecasts were raised over sudden supply disruptions and higher demand. In the UAE, the premium on Abu Dhabi Murban crude is at a 6-year high.

Gold prices were knocked off eight-week highs as some investors sold their positions to lock in the recent gains. Gold futures fell as jitters ahead of the Federal Open Market Committee's meeting minutes prompt some investors to exercise caution and move to the sidelines. December delivery contracts on Monday fell US$5.30, or 0.4 percent, to settle at US$1,365.70 per troy ounce. Gold prices had previously rallied 13 percent off June's lows of US$1,211.60 an ounce through Friday, gaining nearly US$160.

- Copper prices weighed by opportunistic selling closed lower on the London Metal Exchange (LME), following several sessions of gains. Copper was down 1.3 percent at US$7,306 a metric ton. The red metal rose to a 10-week high at US$7,420 a ton Friday, buoyed by a string of positive macro-economic data and speculation about some of the world's largest economies.
- World number one platinum producer Anglo American Platinum is to begin laying off an estimated 6,900 workers in South Africa on September 1.
- Gold Reach Resources Ltd (GRV: Toronto stock exchange) closed at 0.99, 32.0pct above the 52 week low of 0.75 set on June 6, 2013. The market capitalisation has risen recently and assay results on their website confirm an ever expanding compliant resources which will flow through to the stock price which is artificially low due to lower copper prices.

Vientiane sees surge in vehicle imports

Times Reporters

Laos has imported more vehicles than ever this year, with the category featuring high on the list of imports overall, according to a government report.

Industry and commerce officials yesterday attributed the high figure to several factors, including the country's growing purchasing power and the fact that vehicles can now be bought on an instalment plan.

Many people in Vientiane now have more spending power as a result of the inflow of foreign investment which has driven up the demand for land. This has pushed up land prices, leading to a surge in sales that has put more money in people's pockets. One of the top priorities for the newly wealthy is to buy a car or other vehicle.

The population of Vientiane now stands at close to 800,000, while the number of registered vehicles exceeds 577,890.

The large number of vehicles also reflects the continuing growth of the economy and the overall improvement in the standard of living, the Vientiane Department of Public Works and Transport noted this week.

In the first seven months of this year, more than 39,340 vehicles were registered in Vientiane including 24,292 motorbikes, 3967 cars, 5,429 pick-up trucks, 1,542 Jeeps, 1,092 vans, 2,886 trucks and 134 buses.

The transport department estimates that between 5,000 and 6,000 vehicles were registered each month this year. In July alone, more than 6,255 vehicles were registered in Vientiane.

Vehicles have become an essential part of people's lives, while the import of heavy vehicles is good for the country's economy, boosting productivity and facilitating construction.

But the surge in vehicle imports has created traffic congestion, which is becoming especially problematic in the rush hour.

The issue is exacerbated due to Vientiane's narrow roads, which cannot be widened because they are tightly packed with buildings.

Crowded roads are driving up the accident rate and creating parking problems. Many people park their vehicles on roadsides and sidewalks, which has led to frustration and a barrage of complaints from the public.

In one instance, the owner of a football pitch in Dongnaxok village, Sikhottabong district, Mr Ae, has created a large area for players and spectators to park their vehicles. But the space is still inadequate because everyone drives to the ground in a vehicle of some kind and so parking remains a problem. Similar situations can be found all around the city.

According to a government report, the total value of exports for the past six months of the 2012-13 fiscal year has reached US$880 million, equal to 42.71 percent of the plan.

Meanwhile, the value of the country's imports exceeded US$1.16 billion, equal to 69 percent of the plan for the year, with the trade deficit reaching US$281 million for the past six months.

The import of vehicles and spare parts topped the list of imports for this period, accounting for 26.4 percent of the total.

Other imported items include industrial products (16.19 percent), fuel and gas (14.73 percent), construction equipment (12.85 percent), and food items (7.8 percent).

Home prices continue to rise in July

Photo taken on July 19, 2013 shows buildings in downtown Shanghai, East China.

China Daily, ANN

BEIJING -- Prices of both new and existing homes continued to rise in most Chinese cities in July, according to official data released on Sunday.

Of a statistical pool of 70 major Chinese cities, 62 saw month-on-month new home price rises, down from 63 in June, the National Bureau of Statistics (NBS) announced.

According to the bureau, 57 cities reported month-on-month price gains in existing and second-hand homes in July compared to 55 in June, lower than the 64 rises in May.

On a year-on-year basis, new home prices rose in 69 cities last month, the same as the June figure, while 67 reported higher year-on-year prices for existing homes in July, down from 68.

Overall, home prices have been rising in most cities due to higher demand and rising land prices, a senior statistician with the NBS conformed.

But the month-on-month growth rate narrowed in July and only 12 cities reported month-on-month new-home price growth above 1 percent in July, eight less than the figure in June.

Shenzhen, Shanghai and Beijing saw month-on-month new-home price growth rate narrow by 0.8 percentage point, 0.3 percentage point and 0.2 percentage point respectively.

For existing home prices, 25 cities had a lower month-on-month growth rate in July and only one city reported month-on-month growth rate above 1 percent, as opposed to two in June.

The data covers the nation's large and medium-sized cities, including Beijing and Shanghai, provincial capitals, and other municipal cities.