

First-mover edge in Myanmar

More S'pore-listed firms are seeking 'early bird' opportunities there

THE reforms sweeping Myanmar are attracting increasing numbers of Singaporean investors looking for "early bird opportunities".

DBS Group Research reports that sectors such as property, oil and gas, infrastructure and consumer products have particularly good potential for firms prepared to move fast.

Myanmar's gross domestic product is expected to grow at more than 6 per cent per year over the next two years, with trade tipped to expand as economic sanctions are eased.

The report also highlights the growth prospects of some Singapore-listed companies that have ventured into Myanmar.

■ Amara Holdings

THE firm has signed a memorandum of understanding for a joint venture with two Myanmar companies to develop and operate a

hotel in Yangon with capital of US\$50 million (S\$62.5 million).

While talks are still at the preliminary stage, Amara aims to establish its brand in Myanmar, where there is a dearth of quality, well-managed hotels.

The company is involved in hotel investment and management, property investment and development and speciality restaurants and food services.

■ F&N

THE company has a 55 per cent stake in Myanmar Brewery Limited (MBL), which was set up in 1995 and is now a leading player with an estimated 60 to 70 per cent share of the beer market.

MBL brews and distributes a range of beer, including Myanmar Beer, Myanmar Double Strong and Andaman Gold. It also brews Tiger Beer under licence from Asia Pacific Breweries (APB).

The opening of the Myanmar market has increased competition. Global giants Carlsberg and Heineken have announced plans to partner local Myanmar companies to build breweries and distribute their brands. This could lead to pressure on MBL although in the near term, its distribution and brand strength could help it defend its market share.

■ Interra Resources

THE oil and gas exploration and production company has been in Myanmar since 1996 and has two producing fields in the country's central region.

It is the largest onshore oil producer in Myanmar with 40 per cent market share.

Contributions from Myanmar accounted for about 86 per cent of earnings in the last financial year compared with 14 per cent from its Indonesian interests.

Production from the two Myanmar fields has been on the rise in the past five years, while the number of producing wells has increased from nine last year to 21.



Pedestrians in downtown Yangon. Myanmar's sectors such as property, oil and gas, infrastructure and consumer products have particularly good potential for firms prepared to move fast, says DBS Group Research. PHOTO: BLOOMBERG

■ Super Group

SUPER has been in Myanmar for more than 15 years. Revenues from brand-name consumer goods in the first quarter were affected by riots, though the slowdown is not likely to be permanent.

Myanmar is estimated to contribute over 20 per cent of its sales in the brand-name

consumer goods segment.

■ Yoma Strategic Holdings

THE property developer Yoma sold 491 units in Star City this year. The project is about 9.7km south-east of downtown Yangon and consists of 54.5ha, featuring more than 9,000 units of apartments and houses to be built over the next five to eight years. Shop-

ping and commercial establishments will be built for a community of about 25,000 people.

Yoma financed 70 per cent of the cost of the land development rights for the project.

Demand for quality properties continues to outstrip supply in Myanmar but no new projects are expected within the next year.

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