



REUTERS

Leopard Capital to launch \$75 mln Laos, Cambodia fund

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Eyes investment in banks, agriculture, energy sector

BANGKOK, July 11 (Reuters) - Frontier markets investor Leopard Capital plans to launch a \$75 million fund targeting investments in financial services, agriculture and power in Laos and Cambodia to tap the two countries' strong economic growth, it said on Monday.

The two impoverished Southeast Asian countries are slowly emerging as investment destinations.

Laos opened a stock market in January on which two stocks are traded. Cambodia officially opened a bourse on Monday although trading is unlikely until the end of the year at the earliest.

Some global investors that have targeted emerging markets in recent years to escape the sluggish prospects of developed countries after the financial crisis are now looking to move further into exotic places promising fast growth.

Japanese fund manager Asset Design said last week it planned to launch a Cambodian equities fund later this year.

Leopard Capital's planned 10-year fund targeting annual returns of 25 percent would invest in hydropower projects in Laos and agricultural production in Cambodia, Managing Partner Douglas Clayton told Reuters.

"There is minimal competition, so the deal pricing tends to be favourable," Clayton said.

"These are fast-growing economies ... They're both getting 6-8 percent growth per year and during the life of the fund they'll both have stock exchanges and sometimes that can give you windfall returns when markets get overvalued," he said.

Clayton said Leopard Capital planned to close the fund, for which it targets development banks and wealthy Western investors among others, by the end of the year. The firm already has a \$34 million fund investing in Cambodia.