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## Chinese steelmaker considers relocating to Cambodia



*Cambodia News | May, 24 /2019*

Baowu Group, China's leading steelmaker, is considering relocating some of its blast furnaces to Cambodia this year, plans that local officials have hailed as a strong indication of a booming construction sector in the Kingdom. According to Reuters, a Baowu senior manager, who asked not to be named, revealed this week that the company is studying plans to relocate blast furnaces from Xinjiang, in China's far northwest, to Cambodia. Reuters described the plans as a bold example of China's heavy industry shifting excess capacity overseas. The move, which would mark Baowu's first overseas production, shows the lengths Chinese steelmakers are prepared to go to maintain output levels despite Beijing's drive to cut industrial slack in the mainland, Reuters said. Baowu is looking at the feasibility of shipping two blast furnaces, with a combined capacity of 3.1 million tonnes, along with two converters to turn iron into steel, to Cambodia in late 2019, the Baowu source told Reuters. Seang Thay, spokesman for the Ministry of Commerce, who was not aware of the news, said the Chinese company's plans reflect the success of Cambodia's booming construction sector in the last few years. "We have a very open investment environment compared to others in the region. The relocation of the company is yet another sign that our construction sector is booming," he said, adding that Cambodia

already has many cement factories and even a few steel plants built by Chinese investors. Cambodia mainly imports its steel from China, Vietnam, Thailand, and Italy. China has shut more than 150 million tonnes of steel capacity in the past three years as part of a campaign to modernise its economy, but still accounts for half of global output, with a capacity of 980 million tonnes a year, Reuter reported. The equipment to be moved would come from Xinjiang Bayi Nanjiang Steel Baicheng Co Ltd, a Baowu subsidiary based in Aksu in far northwest China. The plant was shut in 2017 and sits some 4,000 kilometres from Phnom Penh. "This equipment may be seen as outdated in China, but it is still quite advanced in Cambodia," the manager said. In June last year, the Cambodian government approved a project to build a \$31-million steel plant in Kampong Speu province. A month later, Hoa Phat, a Vietnamese steelmaker, announced plans to build a \$500-million factory in Preah Sihanouk that will be able to generate 2 million tonnes of steel a year.

Source: <https://www.khmertimeskh.com/50607297/chinese-steelmaker-considers-relocating-to-cambodia/>

## Casino operator announces SEA expansion plans



*Cambodia News | May, 24 /2019*

Casino operator Macau Legend Development Ltd recently announced plans to expand its business portfolio in Cambodia, Laos, and Vietnam. Speaking to a group of reporters at the G2E Asia conference

early this week, Macau Legend executive director Sheldon Trainor-DeGirolamo said his company is eyeing expansions in Southeast Asia, particularly Laos, Cambodia, and Vietnam. Early this year, the company announced that it had purchased Cambodian firm Howing Enterprises Co Ltd, which was worth about \$90 million. The company also said it planned to develop an integrated resort in Siem Reap province. "I think the project can be done without a casino. If we are allowed to build a casino, fine. If not we can pick up an asset somewhere else," he said. The government is now drafting a law to govern the casino and gambling business, and hopes to finish it soon. Officials say it will help increase tax revenue. Last year, 150 gambling licenses were granted to casinos in Cambodia, an increase from 2017's 98.

Source: <https://www.khmertimeskh.com/50607295/casino-operator-announces-sea-expansion-plans/>

## Laos-Vietnam trade deficit set to drop to US\$227 million



Laos News | May, 23/2019

VIENTIANE (Vientiane Times/ANN) - The Lao government has set a target of reducing the trade deficit with Vietnam to about US\$227 million this year, with the country producing more products for export. The value of imports from Vietnam to Laos is expected to touch US\$985.3 million, and Laos plans to achieve exports of US\$757.9 million, according to the Ministry of Industry and Commerce. Last year, Laos faced a trade deficit of US\$496.2 million with

Vietnam, with imports valued at US\$1,381.5 million and exports at US\$885.3 million. The main items exported to Vietnam were drinking water, minerals, wood products, agricultural products such as rubber, coffee, maize, cassava and rice, and cattle. In contrast, imports were focused on key groups such as petroleum, fertilisers, steel, machinery, electrical equipment, construction materials and spare parts. Economic cooperation between Laos and Vietnam has grown in recent years as the two nations have supported bilateral investment and trade. In 2018, Vietnam was among Laos' top three trade partners. Total investments by Vietnam in Laos last year were worth US\$4.1 billion, said a Lao report. There are 409 Vietnamese investment projects in Laos, with most in hydro-power, mining, transport, industrial tree plantations, and services. Trade and investment have played an important role in the development of both countries. Ties between Laos and Vietnam are so strong that only one such relationship exists anywhere in the world, and the two countries enjoy a great friendship, the Vietnamese Ambassador to Laos, Nguyen Ba Hung, said in an interview on bilateral ties. This special relationship and cooperation is reflected in all aspects of dealings between the two countries, and this confirms the close relationship is unique in the world, he said. Cooperation between Laos and Vietnam in all fields has its roots in the two countries' shared revolutionary movement. Laos and Vietnam established diplomatic relations on September 5,

1962, and signed a Friendship and Cooperation Treaty on July 18, 1977, cementing their special relationship. This year, the Lao government expects a total trade deficit of US\$259 million with exports of US\$5,516 million and imports of US\$5,775 million. Laos has been grappling with a trade deficit as the country imports more goods than it exports, especially construction materials, fuel, vehicles and other items. This resulted in Laos recording an overall trade deficit of US\$437 million last year.

Source: <http://annx.asianews.network/content/laos-vietnam-trade-deficit-set-drop-us227-million-97144>

## Myanmar attracts over 2.4 bln USD foreign investments in 7 months of FY 2018-19



Myanmar News | May, 23/2019

YANGON, May 23 (Xinhua) -- Myanmar has attracted over 2.41-billion-U.S. dollar foreign investments in the first seven months of the present fiscal year 2018-2019, according to the Directorate of Investment and Company Administration (DICA) on Thursday. Myanmar Investment Commission (MIC) permitted 150 foreign projects as of April 30 in FY 2018-19 which started in October 2018. During the period, transport and communication sector topped the list with over 1.16 billion U.S. dollars, followed by the manufacturing with over 668.3 million U.S. dollars. Singapore registered the largest investor with 20 projects worth over 1.57 billion U.S. dollars. Yangon region attracts 60 percent of both local and foreign investments, followed by Mandalay with 30

percent and the rest flows into other regions and states. Meanwhile, the country's foreign trade reached over 21.2 billion U.S. dollars as of May 10 in present FY 2018-19, according to the Commerce Ministry's figures.

Source: [http://www.xinhuanet.com/english/2019-05/23/c\\_138082935.htm](http://www.xinhuanet.com/english/2019-05/23/c_138082935.htm)

## Myanmar's foreign trade hits over 21 bln USD in FY 2018-19



Myanmar News | May, 23/2019

YANGON, May 23 (Xinhua) -- Myanmar's trade with foreign countries reached over 21.2 billion U.S. dollars as of May 10 in the current fiscal year 2018-2019, the Commerce Ministry said on Thursday. During the over seven-month period, the export value amounted to 10.15 billion U.S. dollars, while its import reached over 11.05 billion U.S. dollars. From Oct. 1, 2018 to May 10 this year, the country's trade with foreign countries through sea route reached 14.8 billion U.S. dollars when its border trade totaled 6.3 billion U.S. dollars, the ministry's figures showed. This figures revealed a slight increase of 221 million U.S. dollars, compared to the same period of last FY 2017-2018 when it was over 20.97 billion U.S. dollars. The country's exports mainly include agricultural and animal products, fisheries, minerals and forest products, while imports comprise capital, intermediate and consumer goods.

Source: [http://www.xinhuanet.com/english/2019-05/23/c\\_138082766.htm](http://www.xinhuanet.com/english/2019-05/23/c_138082766.htm)

## Viet Nam forecast to face net imports of crude oil



*Vietnam News | May, 24/2019*

HA NOI – Việ̣t Nam’s self-sufficiency for crude oil could come to an end due to exploitation that could turn the country into a net importer of crude oil for the first time, experts warned. According to analysts from the Fitch Solutions Macro Research, crude oil production in Việ̣t Nam would continue to drop over the coming years, averaging annual declines of 4-5 per cent over the next 10 years, as offshore reserves fell and investment in significant new projects slowed. Data from the General Statistics office showed the country produced some 247,000 barrels per day (b/d) last year, a decrease of nearly 12 per cent on year, some way short of State-owned oil and gas company PetroVietnam’s target of 14.2 million tonnes, equivalent to 285,000 b/d. PetroVietnam has also maintained a pessimistic outlook towards the sector, forecasting in late-2018 its crude oil production to decline by as much as 10 per cent annually to 2025, as output declines from some of its most mature domestic fields, namely Bạ̣ch Hộ̉ - Việ̣t Nam’s largest oilfield and responsible for 60 per cent of total production. According to experts, the start of the Cá Tạ̉m oilfield, a satellite development for the aging Bạ̣ch Hộ̉, in February could see a modest uptick in near-term output as it ramps up to peak output of 23,000 b/d, although it would still be insufficient to stem the

broader structural decline. “Nascent efforts by the Government to revise the outdated domestic oil and gas law, and introduce better incentives for upstream contractors, could go a long way to reigniting investor sentiment into Việ̣t Nam’s oil and gas, though contribution to future oil output growth could be limited, given the gas-heavy nature of PetroVietnam’s current projects pipeline,” Fitch’s analysts said, noting the result would see Việ̣t Nam’s self-sufficiency in crude oil come to an end. In fact, Việ̣t Nam’s crude oil imports expanded by more than three times in 2018 to 5.3 million tonnes, and look poised to expand further over the coming years following the full commissioning of Nghi Sợ̃n, the country’s second refinery and petrochemicals complex. Meanwhile, crude oil exports headed in the other direction, declining by 41 per cent on year, mirroring the declines in domestic production. After running at an average operating rate of 103 per cent last year, the Dung Quậ̀t oil refinery is expected to continue to maintain elevated runs, both to meet strong domestic demand and to fend off competition from Nghi Sợ̃n. Fitch’s analysts also said the outlook for refining capacity growth in Việ̣t Nam remained upbeat, although this would come at the cost of even greater dependence on crude oil imports going forward. They explained that following a final investment decision in 2017, the long-delayed construction of the 200,000 b/d Long Sợ̃n refining and petrochemicals complex is finally underway, spearheaded by Thailand’s Siam Cement Group

(SCG), the third stand-alone facility marked down for start-up in 2023. In addition, Dung Quất refinery operator Bình Sơn Refining and Petrochemical Company (BSR) is also moving forward with steps to upgrade and expand its facility for US\$1.8 billion by 2021, securing an environmental impact assessment from the Ministry of Natural Resources and Environment in March. In light of a widening domestic crude deficit, Việt Nam unveiled plans to manage its oil import bill by maximising exports of its low sulphur Bạch Hổ crude, which often fetches a strong premium in the Asia crude market while substituting crude feedstock for own consumption with competitively priced US crude. As for crude oil imports, Việt Nam is just one of a growing number of countries in Asia that are opening their doors to more US crude inflows, both to capitalise on favourable US-Asia arbitrage, but also to deepen energy ties and improve trade relations with the US. PetroVietnam received its first-ever cargo of US crude in May, comprising of 950,000bbl (barrels) of US West Texas Intermediate (WTI). Experts said more imports could be on the cards, depending on prices and the grade's compatibility with the refinery.

— VNS

Source: <https://vietnamnews.vn/economy/520376/vietnam-forecast-to-face-net-imports-of-crude-oil.html#tEsQxuTABfBKzH81.97>

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