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Tourist arrivals forecasts continued growth in 2020



Cambodia News | 7 January, 2020

Tourist arrivals to Cambodia are forecasted for continued growth in 2020, albeit at a slower rate compared to previous years according to a report by the National Bank of Cambodia. In the Macroeconomics and Banking for 2019 and Outlook for 2020 issued last Thursday by the National Bank of Cambodia, the number of foreign tourists will hit 7 million by 2020, increasing from the estimated 6.7 million in 2019. Chinese tourists are the main market for the country's tourism the report stated, citing that Chinese tourists accounted for 38 percent of all arrivals. "Arrivals of foreign tourists will continue to increase, particularly the trend of visits to coastal areas and for business tours." In comparison, the projected 6.1 percent growth for 2020 declined from 10.7 percent in 2018 and estimated 8.7 percent in 2019. Tourism Ministry's spokesman Top Sopheak said on Monday that although at a slower growth rate in 2020, the 7 million of foreign tourists projected is in line with the ministry's target. "[Slowdown in growth] is a concern at the same time we have worked to attract foreign tourists to make the growth high and it is the commitment of the Ministry of Tourism. We call for collaboration with other parties because to develop a tourism sector involve other sectors to collaborate with," Mr Sopheak said. "Foreign tourist arrivals in general are growing. But we are working to push more creative product

development to attract more tourists," Mr Sopheak said. Foreign tourists visiting Siem Reap province, home of the famed Angkor archaeological park, decreased stirring concerns over the tourism sector in general. The external issues relating to the world economic slowdown and trade war between China and the US and other internal issues have resulted in the number of foreign tourists in Siem Reap province to decline, Mr Sopheak said, citing that the number of foreign tourists increased significantly in Prea Sihanouk province, a coastal area southwest of Phnom Penh. Thoun Sinan, president of the Pacific Asia Travel Association, urged to strengthen the quality of tourism products and to go to digitalised marketing promotion to attract more tourists. "In general, the number of foreign tourist have increased, but if you breakdown by region like in Siem Reap and Phnom Penh the number is decreasing," Mr Sinan said. "Tourism feels the effects from two issues one from external and one from internal factors, which is a bad sign to the sector." For internal issues, Mr Sinan said the government should create product development to give options for tourists beside just only to visit the temples, strengthen law enforcement, strengthen the quality of tourism products and service, and promote the market via digital platform to foreign countries widely. The number of foreign tourists declined in Siem Reap, but it has also increased in the coastal areas, it is a new trend of tourists, but the ministry has worked to identify the issues of why the number of tourists declined in order to attract them to visit

Siem Reap, Mr Sopheak said. Figures from Cambodia Airports, show the number of passengers through the Sihanoukville International Airport experienced a high growth from January to November last year, hitting a record high with 177 percent increase, to 1.5 million passengers. However, for Mr Sinan, the Preah Sihanoukville province which is currently having heavy investment by Chinese investors, are expected to see arrivals of only Chinese tourists in the short time. "Preah Sihanouk province will not be able to attract non-Chinese tourists till the good management of environment, garbage management and other issues," Mr Sinan said. "From 2 to 3 year, only Chinese tourists as major group visit the province." The Tourism Ministry has set the ambitious goal to attract at least 11 million of foreign tourists by 2025 and 25 million by 2030.

Source: <https://www.khmertimeskh.com/50677162/tourist-arrivals-forecasts-continued-growth-in-2020>

Real estate firms cement a powerful partnership



Cambodia News | 7 January, 2020

The newly opened real estate firm IWF Investment Cambodia has entered into a partnership with Singapore's Tin Yuet (TY) Capital. The Singapore-based firm and Asia Union Reits will provide real estate consultancy and leasing property services to foreign investors in Cambodia. A memorandum of understanding was signed during the official grand opening of IWF Investment. Lidia Lan, chief

executive officer (CEO) of IWF Investment said her company is focused on buying and selling high-end property and employing top services to look after them. She added Cambodia's economic development is growing alongside real estate, which provides a lot of opportunities for investors. She also said that through the partnership, TY Capital will bring more foreign investors who are interested in real estate to Cambodia. TY Capital will provide consultancy to foreign investors and will introduce investors to IWF Investment for property management in Cambodia. "We will setup and prepare the documents for investors on the purchase and sale agreement for properties in Cambodia," Lan added. "The partnership is to exchange experience, products and customers. We will own or manage the property while TY Capital has the customers so we can match our respective skills with each other. "We hope that the partnership with TY Capital will bring more investors to Cambodia and also bring technical know-how to Cambodia as well," She said. Jon Jiang, TY Capital's CEO, said the venture will provide investors with a new generation of investment tools. He added his company will drive new trends in the global investment field, with Cambodia's real estate industry as the primary investment target, in conjunction with a professional trust institution to provide new solutions for real estate trusts. Jiang said that IWF Investment Cambodia has more local connections while TY Capital bases in Singapore have the investors and technology so both companies will take advantage

of their respective strengths. “We hope that IWF will provide us more support related to local companies and properties. We will support the finance and manage the asset for the investors, so I believe this project will be successful,” he added. “Singapore has a strict finance policy and we are using new blockchain technology so we can combine a smart contract in one package. It is double security governance so we hope to provide a very secure investment for our investors,” Mr Jiang added. “Our investors are global. We are not limited to a few countries but for the moment most of our customers are from Southeast Asia, Japan, China and Singapore. We now expect customers from the EU and the US.”

Source : <https://www.khmertimeskh.com/50677277/real-estate-firms-cement-a-powerful-partnership>

Laos-China railway investment reaches 6.8 billion yuan in 2019



Laos News | 7 January, 2020

Investment in the under construction Laos-China railway reached 6.8 billion yuan in 2019, accounting for 49.8 per cent of total investment in the mega infrastructure project. The figure was reported at the annual meeting of the Laos-China Railway Company (LCRC) yesterday in Vientiane in the presence of its Chairman, Mr Ju Guojiang. During the meeting, General Manager of LCRC, Mr Li Bing Xuang, expressed confidence to company employees that targets relating to the construction of the railway would be achieved this year. So far, over 170 km of

tunnels have been completed accounting for 86.5 percent of those planned. Some 52 out of the project's 75 tunnels along the rail route, including the longest tunnel - the 9,384-metre Phangam Mountain tunnel - were completed ahead of schedule. Over 36 km of bridges have been constructed, accounting for 59.3 percent of those planned, 97.3 percent of landfill work has been accomplished, 78.7 percent of the station groundwork is complete, and the first laying of 500 metres of track was completed on December 2. “In 2020, the company will focus on achieving its annual investment goals and meeting its quality, safety, progress, and investment and environmental targets,” Mr Li Bing Xuang said. Construction of the railway is a cooperative project between the governments of Laos and China. It is a symbol of their traditional relations and comprehensive strategic partnership and part of Laos' strategy to turn itself from being landlocked into a land-linked country as well as being part of China's Belt and Road Initiative. Head of the Project Management Committee for the Laos-China Railway Project, Mr Khampian Inthaleusa, said the railway was vital to the strategies of the two countries, and its construction required the fulfilling of quality, planning, safety and environmental standards. As of November 2019, compensation committees at the central and provincial levels were able to hand over 406.8 sq km of land or 99.59 percent of the total 409.80 sq km required for completion of the railway. Compensation totalled 666.1 billion kip, of which the Laos-China Railway Company financed

416.83 billion, and the Lao government loaned 249.98 billion kip. Construction work was 83 percent complete on total railway infrastructure, Mr Khampian said.

Source : <http://annx.asianews.network/content/laos-china-railway-investment-reaches-68-billion-yuan-2019-111532>

Energy and mines to remain key boosters of Lao economy in 2020



Laos News | 7 January, 2020

The government should persist with its promotional policy for investment in the energy and mines sectors as they are key income earners for Laos' economic growth, one of the country's leading economists has said. Dr Phouphet Kyophilavong of the Faculty of Economics and Business Management at the National University of Laos also pointed out that the Laos-China railway will play a significant role in boosting the country's potential to attract investment, trade and tourists. He told Vientiane Times last week that the economy will remain stable this year as the government had done its best to improve the business climate in 2019. "The economy will be healthier this year, as the trade dispute between the giant powers, the US and China, is slowly being resolved, and our domestic issues are being properly resolved, especially improvement of the business environment for various sectors," he said. Dr Phouphet, who is Vice Dean of the Faculty of Economics and Business Management, urged the government to continue its

promotional policy for the energy and mines sectors as they are the nation's main income-earners. "The two important sectors of energy and mines are the most essential earning sources for us during this period of economic turbulence. So it is important for the government to move forward with implementation of its policies for these sectors," he said, adding that more domestic and foreign investors are key players in these fields. He reiterated that the government should gear up to continue its promotional policy to attract more domestic and foreign investments in these sectors, and to strengthen measures for win-win business relations with investors alongside the implementation of dam safety inspections. Fortunately, the stability of the macro-economy is sustaining overall economic growth of the economy in the wake of drought, floods and external factors in 2019, Dr Phouphet said. The Ministry of Energy and Mines recently reported that it is still giving priority to increasing the frequency and quality of dam inspections to ensure their safety and to encourage the construction of environmentally-friendly hydropower plants to ensure green growth and sustainable development. According to the Minister of Energy and Mines, Dr Khammany Inthirath, the ministry has successfully inspected 73 hydropower plants with a total installed capacity of 9,531MW and which generate more than 50 billion kWh a year. Last year, more than 6,000MW was exported and the construction of 12 hydropower plants was completed. These includes the Xayaboury dam and the Nam Ngiep 1, Xepien-Xe Namnoy and Don

Sahong power plants. About 27 hydropower projects are currently under construction and are expected to be complete in 2020 and 2021, the ministry says. At several important meetings, Prime Minister Thongloun Sisoulith has noted that the business sector is a key factor for the country's economic development. He has promised to continue improving the business climate with the cooperation of the public and private sectors to remove barriers to growth. Dr Phouphet concluded that the general climate for business operations in Laos will be better this year if the macro-economy is properly and effectively managed in relation to major investments in railway and hydropower projects.

Source : <http://annx.asianews.network/content/energy-and-mines-remain-key-boosters-lao-economy-2020-economist-111531>

More activity expected in Myanmar's wholesale and retail market this year



Myanmar News | 7 January, 2020

Industry watchers are expecting the wider presence of foreign supermarkets and retail malls in Myanmar in the coming year. "The market has been developing quickly. So, I think that within the next one or two years the wholesale and retail market landscape will expand," said U Myo Htwe, Managing Director of Pro 1 Global Company, a retail joint venture between local and Thai investors. "Most foreign investors are focusing on the wholesale area because this takes less time and risk compared to

retail," said U Myo Htwe. But this will quickly change. "Over the next two years, we will see much more activity from the retail players in the domestic market, after the foreign investors have studied the conditions and trends," U Myo Min Aung, a local businessmen in the retail and wholesale industry. Also, in the retail space, foreign businesses and joint ventures are not allowed to operate mini-markets, convenience stores and any retail distribution where the floor area is smaller than 929 square metres. Modern retail stores currently account for approximately 10 percent of the country's retail market and this is expected to increase to a 25pc by 2020, according to EuroCham's Consumer Goods Guide 2020. Supermarkets and convenience stores are increasingly being established in the larger cities of Myanmar to cater to changing consumer behaviours and preferences. Out of approximately 250,000 retail outlets in Myanmar, grocery, convenience, fabric, pharmacy and fashion are the top five outlet categories, together accounting for 45pc of total retail stores. The guide also revealed that both local and international retailers are optimistic about future growth potential. The Ministry of Commerce permitted 34 foreign retail and wholesale businesses to operate in the domestic market between July 2018 and December 2019. The ministry also permitted 27 joint ventures of retail and wholesale businesses between foreigners and

citizens. The government first opened up the wholesale and retail industry to foreign investors in May 2018, permitting fully foreign-owned companies as well as joint ventures between international and domestic investors to carry out retail and wholesale businesses in Myanmar. The liberalisation of the sector is aimed at attracting international investors and brands to do business in the country. Since then foreign retailers and wholesalers of consumer goods, foodstuff, household products, pharmaceutical products, machinery, construction material, agricultural products and electronics have entered the market. These include MyCare Unicharm from Thailand, DKSH from Thailand, Toyota Tsusho from Japan, Unilever from Netherlands, ADM and Frontir from the US, and Nestle from Switzerland. Among 34 wholly foreign retail and wholesale providers, 29 providers operate wholesale, four providers are to operate both wholesale and retail operations and just one is in retail. There are also 27 joint venture between foreigners and citizens. "The wholly foreign-owned players are now taking time to build up their businesses. Also, foreign joint ventures are adding resources to domestic partners to improve their existing setups," U Myo Htwe said. As a whole, the liberalisation of retail and wholesale will have a good impact on the economy by bringing more competition, choices and affordability to local consumers, said U Myo Min Aung.

Source: <https://www.mmmtimes.com/news/more-activity-expected-myanmars-wholesale-and-retail-market-year.html>

New law in the works to help set up Myanmar credit market



Myanmar News | 7 January, 2020

The Ministry of Planning, Finance and Industry is drafting a Secured Transactions Law with assistance from the International Finance Corporation, U Htun Zaw, Deputy Director General of the Financial Regulatory Department, said. The aim of the legislation is to facilitate the establishing of a modern and formal credit market through which borrowers can take loans using a broad range of moveable assets as collateral and micro, small and medium-sized enterprises have better access to financing. The new law also provides for a formal registry for moveable collateral and recourse in the event of disputes regarding the rights to collateral. The move was driven by government efforts to make getting credit, one of the factors considered in the World Bank's ease of doing business index, easier. In its 2019 report, the World Bank noted that Myanmar needs to improve access to credit for businesses, as the number of loans made during the year had declined. One of the reasons is banks are unwilling to lend to borrowers without immovable collateral like land and property. Work on the new Secured Transactions Law began last year, U Htun Zaw said.

In December 2018, Myanmar Credit Bureau inked an agreement with US-based Equifax New Zealand Services and Solutions Ltd to establish a credit bureau to help banks make better decisions when lending to borrowers and reduce their risks.

Source: <https://www.mmtimes.com/news/new-law-works-help-set-myanmar-credit-market.html>

Hoa Phat construction steel sales post 16.8 percent hike



Vietnam News | 7 January, 2020

Hoa Phat Group, the largest steel maker in the country, said it provided more than 2.77 million tonnes of high-quality construction steel to the market in 2019, a year-on-year surge of 16.8 percent. Of the total amount, over 265,000 tonnes of steel were shipped to Australia, Cambodia, Japan, Malaysia, China's Taiwan, the Republic of Korea, and the US. In December alone, sales of construction steel reached 285,000 tonnes, up 33.7 percent from the same time in 2018. Particularly, steel sales in the southern region were estimated at 70,000 tonnes, tripling the amount recorded in December of 2018. However, highest sales volume in the south was recorded in November with more than 80,000 tonnes. According to Do Minh Quy, Director of Hoa Phat Construction Steel's HCM City branch, southern localities consumed around 500,000 tonnes of steel in 2019, doubling the amount in the previous year. As the group targets to produce 3.5-3.6 million tonnes of construction steel, with 1

million tonnes manufactured in the south in 2020, it is improving logistics services and developing marketing programmes to make Hoa Phat brand more popular in the Southeast and Mekong Delta regions. At present, the group put into operation the first phase of the Hoa Phat Dung Quat iron and steel production complex, and construction of the second phase is underway. It is also working to complete the construction of Hoa Phat Dung Quat port, which is capable of handling cargo ships of 200,000 DWT. The port is seen as the most important facility of the complex as it helps facilitate import and export activities.

Source : <https://english.vov.vn/economy/hoa-phat-construction-steel-sales-post-168-percent-hike-408474.vov>

Vietnam gold price hits 6-year high



Vietnam News | 7 January, 2020

Gold prices in Vietnam soared to a six-year high on January 6 amid rising military tension between the US and Iran. The country's largest jewelry company DOJI sold its SJC gold at VND44.44 million (\$1,924) per tael (1.2 ounces) on January 6 morning, up 3.78 percent from Friday. Another giant Phu Nhuan Jewelry also raised its selling price to VND44.3 million (\$1,918), up 4.7 percent. It is the first time Vietnam's gold price passed the VND44.4 million (\$1,922) mark in the last six years. The surge came as global gold prices increased by up to 1.8 percent to \$1,579 per ounce at a point on January 6 morning, the highest in seven years. The sudden rush for safe

haven assets came after US President Donald Trump ordered a strike that killed Iran's General Qasem Soleimani, head of the Iranian Revolutionary Guard's elite Quds Force. Iran has vowed to retaliate. Gold prices had been surging throughout last year as trade tensions between the US and China persisted.

Source : <https://english.vov.vn/economy/vietnam-gold-price-hits-6year-high-408485.vov>