

Highlight News February 12/2020



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Cambodia's exports to Thailand increase by 195% in 2019



Cambodia News | 11 February, 2020

Latest data from the Ministry of Commerce shows that from January to December last year, Cambodia exported some US\$2.27 billion worth of products to Thailand, up 195 percent compared to a year earlier. For imports, Cambodia spent around US\$7.1 billion for Thailand's products, a decrease of 6 percent compared to 2018. Seang Thay, Spokesperson at the Ministry of Commerce, said that the government is working hard to minimise the trade deficit with Thailand. "It is a positive move that the two-way trade volume increased, but the export amount from Cambodia to Thailand is still less than that of Thailand to Cambodia," Seang Thay said. "But so far, we have worked to push the export from us at a higher amount than before and we have seen a good result of having exports of over US\$2 billion to Thailand." In 2018, the bilateral trade between Cambodia and Thailand was valued at US\$8.38 billion, up from US\$6.18 billion the previous year. The Cambodian and Thai Prime Ministers agreed in 2015 to boost the two-way trade to reach US\$15 billion by 2020. AKP

Source:

<https://www.khmertimeskh.com/50689838/cambodias-exports-to-thailand-increase-by-195-in-2019>

Cambodia-Thailand railway a stop nearer being ready



Cambodia News | 11 February, 2020

Cambodian and Thailand railway authorities will meet on Friday for final discussions on cross-border rail transportation between the nations. Ly Borin, under-secretary of state of the Ministry of Public Works and Transport, told Khmer Times yesterday that an agreement on cross-border rail transportation had been signed in April last year, but it had not yet been implemented. The new connection will allow the carriage of cargo more efficiently, lower costs, improve security, reduce traffic jams and contribute to the development of both countries as well as to add a further link with the rest of the Asean members and the Mekong sub-region. "On Friday the 14th of February, we will talk with our Thai counterparts about the cross-border transport via railroad and we will sign the final documents to make sure that people and cargo from both countries can cross the border via train," Ly said. Ly added that, in October last year, the two countries were about to start cross-border rail transportation but floods damaged the railway, so Cambodian authorities delayed the move. He added that now the track is fixed, both countries are nearly ready to start operations. "We plan to start in March at the latest to ensure the cross-border rail transportation runs smoothly between Cambodia and Thailand," Ly said. Cambodian Prime Minister Hun Sen and his Thai counterpart Prayut Chan-ocha, in April last year, presided over the inauguration ceremony on the reconnected railroad network more than 40 years since the route stopped. Both leaders also attended the signing of an agreement on cross-border rail transportation at the ceremony. Both

governments expect it will improve transportation and boost trade. The Stung Bot-Ban Nong Ian Friendship Bridge was also inaugurated to facilitate cargo transportation between the two countries. The agreement on joint railway traffic and the connection of our railroads again after they were separated in 1974 because of the war, will improve railroad transportation, which is an effective, cheap and safe transportation method, authorities said. Thailand donated a diesel multiple unit (DMU) to Cambodia. A DMU is a multiple-unit train powered by on-board diesel engines that require no separate locomotive. It was manufactured by Japan's Hitachi company and comprises four carriages, each able to carry 80 passengers. "Now we will have both the agreement and the procedure completed. Customs and immigration have already reached agreement so we will finalise everything this Friday. We have to study some elements of the agreement closely but, in principle, we are all agreed," Ly added. Sun Chantho, minister at the Ministry of Public Works and Transport, has pushed the authorities to prepare for the rail link between Cambodia and Thailand to boost bilateral trade and to upgrade to a better form of mass transportation than bus. The northern rail link will connect Cambodia and Thailand starting at Phnom Penh and travelling to Poipet on the Thai border, a distance of 386 kilometres. At Poipet a Thai train engine will be fitted to allow onward passage to Bangkok. The Cambodian part of the track was refurbished and used temporarily in late 2018. "This is another successful achievement between

Thailand and Cambodia," said Seang Thay, spokesman of the Ministry of Commerce. "We hope that once train is linked between the two nations, cargo transport will be more convenient and it will reduce the logistical costs involved." According to the data from the Commerce Ministry, bilateral trade between Cambodia and Thailand reached \$9.41 billion by the end of 2019, up from \$8.39 billion in 2018. Cambodia imported from Thailand around \$7.14 billion of goods and exported to Thailand around \$2.27 billion worth of products.

Source : <https://www.khmertimeskh.com/50689585/cambodia-thailand-railway-a-stop-nearer-being-ready>

Laos, Japan ink deal on tourism development in Luang Namtha



Laos News | 12 February, 2020

Luangpaseuth Corporation has signed an agreement on economic cooperation with the Chodai Group from Japan for a sustainable tourism and infrastructure development project in Luang Namtha province. A Memorandum of Understanding on the project was signed recently in the province by the President of Luangpaseuth Corporation Mr Bounleuth Luangpaseuth and a representative of the Chodai Group, Mr Akinori Ido. The signing was witnessed by provincial Deputy Governor Mr Khamlay Sipaseuth. Luang Namtha has a strategic trade border with China, which has the world's second largest economy. The province contains the Nam Ha National Protected Area covering over 200,000 hectares, and a wealth of natural resources,

and is home to 17 ethnic groups. These features mean Luang Namtha is central to the development of the province's priority sectors such as ecotourism related to the use of sustainable natural resources, and clean agriculture. A survey focuses on the improvement of infrastructure and facilities to strengthen domestic and foreign trade and investment, especially in telecommunications and the rollout of a 5G network. At a recent meeting, participants heard about the outcomes of a survey and study on sustainable tourism and infrastructure development in Luang Namtha, presented by a team from Toyo University in Japan. They also heard about sustainable development in the form of public-private partnership (PPP), presented by the United Nations Economic Commission for Europe (UNECE), which explained that PPP developments had been successfully implemented in many countries

Source : [http://annx.asianews.network/content/laos-japan-ink-deal-tourism-development-luang-namtha-](http://annx.asianews.network/content/laos-japan-ink-deal-tourism-development-luang-namtha-113704)

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Livestock top earner among Laos' agricultural exports



Laos News | 11 February, 2020

Livestock exports, including cattle and buffaloes, were the top earner after rubber and bananas in Laos' agriculture, forestry and rural development sector last year. Laos earned about US\$227.7 million from livestock exports in 2019, while rubber exports amounted to around US\$217.5 million and banana exports US\$197.8 million, according to the Ministry

of Industry and Commerce. The value of cattle and buffalo exports in 2019 was double the figure for 2018, with the increase coming after the government allowed domestic and foreign entrepreneurs to invest in the sector. In 2018, Laos earned US\$90.3 million from cattle and buffalo exports, US\$168.1 million from rubber and US\$112 million from bananas. Livestock is among the two top products sold by Laos to Vietnam, with exports worth almost US\$220 million. It is also among the top 20 products exported to China, with sales worth US\$7.5 million. Though the exports of livestock more than doubled, beef prices in domestic markets have remained stable over the past few years. However, the prices of imported agricultural products are higher in Laos. The demand for livestock in neighbouring countries, especially China and Vietnam, has increased in recent years. The markets in China's Yunnan region require 500,000 cattle from Laos annually, Chinese premier Li Keqiang told a Lao delegation during their recent working visit to China under the leadership of Prime Minister Thongloun Sisoulith. This is one of the most interesting fields to be prioritised under a study to see how Laos can meet China's cattle needs, Mr Thongloun said. Laos has suitable land and natural resources for breeding cattle for commercial purposes, but lacks financial support and expertise. In addition, livestock breeding for commercial purposes requires a modern farming system to meet the growing needs of domestic consumption and exports. According to a Ministry of Agriculture and Forestry report, the number of livestock farms in Laos

increased by about 10 percent in 2018, up from 1,247 to 1,370 farms. In 2019, the total number of livestock in the country increased by 5.2 percent to hit 1.92 million. To increase exports, the government, in particular the Ministry of Agriculture and Forestry, has allowed domestic and foreign enterprises to invest in livestock development schemes.

Source : <http://annx.asianews.network/content/livestock-top-earner-among-laos%E2%80%99-agricultural-exports-113626>

CBM set to reduce interest rates if needed



Myanmar News | 11 February, 2020

The Central Bank of Myanmar (CBM) may consider reducing interest rates to better align with high inflation rates should the need occur, vice governor U Soe Min said at the Pyidaungsu Hluttaw on February 10. The current bank interest rate is 10 percent while the minimum deposit rate is set at 8 percent and maximum secured lending rate at 13 percent. “When compared with other ASEAN countries, the interest rates in Myanmar are much higher,” said Daw Cho Cho, an MP from Oktwin township constituency. Some MPs pointed out that lending rates should be reduced to make loans more affordable for local businesses. They added that easier access to funding would facilitate business growth and make local companies more competitive both domestically and internationally. U Soe Min replied that while interest rate policies helped to

drive the economies of financially-developed countries, Myanmar’s economy has yet to reach the same level. As such, local interest rates will be adjusted when the time is right and the economy better prepared. “For example, lowering interest rates at this time may not help the economy but increase non-performing loans, contribute to inflation, and destabilise the economy. It’s important to take these points into account,” he said. U Soe Min had previously said in previous Hluttaw sessions that the CBM would not reduce interest rates as at current levels, the rates were set within a reasonable range.

Source: <https://www.mmtimes.com/news/cbm-set-reduce-interest-rates-if-needed.html>

Exports rise even as kyat strengthens against US dollar



Myanmar News | 11 February, 2020

The Myanmar kyat has strengthened against the greenback and is now trading at K1465 per US dollar, according to the Central Bank of Myanmar. In comparison, the exchange rate was more than K1500 per US dollar in November 2019. Yet, export volumes have been rising, indicating that Myanmar goods are still affordably priced. For the first four months of fiscal 2019-20, which is between October 1, 2019 to now, export volumes hit US\$5.7 billion, up more than 28 percent from the same period in the

previous fiscal year, according to official data from the Ministry of Commerce (MOC). Imports for the same period totaled US\$6.3 billion, which is up by just 19 pc year-on-year. That's led to a trade deficit of around US\$600 million in the current fiscal year, compared to more than US\$1 billion in the previous corresponding period. The rise in exports was driven by higher demand for manufactured goods like garments, agriculture commodities and minerals, the data showed. But due to the upcoming general election and a slowdown in the global economy, foreign investors are expected to become more cautious when channeling foreign currency into Myanmar, said U Maung Maung Lay, vice chair of the Union of Myanmar Federation Chambers of Commerce and Industry. He added that local businesses have also been making fewer investments and are now importing less. This implies that the kyat could lose steam against the USdollar in the months ahead. The MOC is expecting total exports for the year to hit US\$15.5 billion and for imports to reach US\$17.5 billion this fiscal year. That's lower than in fiscal 2018-19, when exports were valued at US\$16.9 billion compared to imports of US\$18 billion. This is also, in part, due to an expected weakening in overall demand due to slowing global trade and moderating economic growth in China, according to the World Bank. Under the National Export Strategy 2020-2025, the priority

sectors are agro-processing, textile and garment, electrical components, fisheries, forestry products, information technology, logistics services, quality management, trade information, innovation and entrepreneurship.

Source: <https://www.mmtimes.com/news/exports-rise-even-kyat-strengthens-against-us-dollar.html>

HCM City's retail sales, services revenue surge by 11.2 percent



Vietnam News | 11 February, 2020

Total retail sales and services revenue in Ho Chi Minh City were estimated at 112.77 trillion VND (4.8 billion USD) in January this year, an increase of 11.2 percent compared to the same period last year. Of which, the total retail sales of goods reached 76.24 trillion VND, an increase of 13.2 percent compared to the same period last year, accounting for 67.61 percent of the total retail sales and services revenue, as the consumption demand of consumers increased heavily due to the festive season, HCM City-based Sai Gon Giai phong reported. The revenues of products for Tet holidays were fairly high. Particularly, food and foodstuffs rose by 5.4 percent over the previous month and 13.8 percent year-on-year; garments edged up 4.4 percent over the previous month and 14.8 percent year-on-year; household appliances surged by 7.2 percent over the previous month and 13.7 percent year-on-year. Supermarkets, shopping centres, traditional markets, and stores increased goods supply to meet

the buying demand of people before the lunar New Year with purchasing power increased by about 30 percent compared to normal months, concentrating on sweetmeat and Tet gift baskets. Similarly, the purchasing power for home interior decor products also climbed swiftly. Large distribution channels, including Saigon Co.op, Satra, Aeon-Citimart, and BigC, also ran several promotional campaigns, offering discounts from 5 to 49 percent on thousands of products, boosting purchasing power in the first month of this year. As for import-export activities, the total export turnover of HCM City-based enterprises at border gates across the country was estimated at more than 3.93 billion USD, down 5 percent compared to December last year but up 10.2 percent compared to the same period last year. The total export turnover of HCM City-based enterprises via the border gate in the city was estimated at more than 3.92 billion USD, an increase of 17.3 percent compared to the same period last year. If excluding crude oil, the figure was estimated at more than 3.73 billion USD, up 19.4 percent over the same period last year. Among products with higher export turnover, rice saw an increase of 25.1 percent; vegetables and fruits 22.6 percent; computers, electronic products, and electronic components 92.6 percent. The import turnover of HCM City-based enterprises at border gates in the country was estimated at more than 4.52 billion USD in January, down 8 percent compared to December last year but up 10.5 percent compared to the same period last year. The import turnover via ports in the city

exceeded 4.14 billion USD, down 4.1 percent compared to last month but up 17 percent compared to the same period last year.

Source : <https://english.vov.vn/economy/hcm-citys-retail-sales-services-revenue-surge-by-112-percent-409869.vov>

State Bank of Vietnam becomes BIS member



Vietnam News | 11 February, 2020

NDO – The State Bank of Vietnam has become a member of the prestigious international financial institution, the Bank for International Settlements (BIS), following the invitation from the BIS last month. The BIS invited the central banks of Vietnam, Kuwait and Morocco to become members in 2020, bringing its total members to 63. BIS's admission of new members is very limited as it often expands membership after 5 - 10 years. BIS's latest membership admission took place in 2011. The State Bank of Vietnam said that the BIS's invitation demonstrated its recognition of Vietnam's socio-economic development over recent years as well as the State Bank's positive results in the regulation of the monetary policy and the management of the banking system. Being a BIS member will help the central bank of Vietnam and the entire banking system have access to the highest principles and standards of the global financial system, contributing to accelerating the international integration of the domestic banking and financial system and

enhancing the capacity and competitiveness of Vietnam's financial system and economy. "The event marks a new step in the international integration process of the State Bank of Vietnam as well as the whole banking system", the State Bank affirmed. Established in 1930, BIS is owned by 60 central banks, representing countries from around the world that together account for about 95% of world GDP. BIS's mission is to serve central banks in their pursuit of monetary and financial stability, to foster international cooperation in those areas, and to act as a bank for central banks.

Source : <https://en.nhandan.com.vn/business/item/8395002-state-bank-of-vietnam-becomes-bis-member.html>