

Highlight News / May 05/2021



- Q1 garment exports valued at \$2.4 billion
- Rubber exports approach \$100 million January-April
- Lockdown extended until May 20
- Myanmar-India border trade up by \$84 mln this FY
- Newly established firms grow at fastest pace since 2017
- Construction material prices recover



ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (Aiti)

Q1 garment exports valued at \$2.4 billion



Cambodia News | 04 May, 2021

Cambodia's garment product exports contracted in the first quarter financial period as hundreds of factories remained closed temporarily because of COVID-19 in Phnom Penh and Takmao city, Kandal province. The Kingdom's exports of clothes, footwear, and travel goods were valued at \$2.4 billion in the first quarter of 2021, a 10 percent decrease compared with the same period last year, according to figures from the Ministry of Economy and Finance. The Ministry of Labour and Vocational Training and the Garment Manufacturers Association in Cambodia (GMAC) has appealed for understanding from buyers and other stakeholders if deliveries of garment products are late and seek no-penalties during the ongoing lockdown measures. Because of the Feb 20 incident, the Royal Government of Cambodia announced on April 14 a two-week lockdown on the whole of Phnom Penh and Takmao from April 15 to May 5 to contain and prevent the spread of COVID. Spokesman Heng Sour said the ministry and relevant parties have been working together to call international buyers to show flexibility and understand the condition in Cambodia's garment sector. "We have called international buyers not to impose fines on any factory for being late in delivering goods on time," he said. Additionally, he said the full production chain will be normal once the COVID-19 situation is better

because guidelines on health measures and respect for the government's lockdown measures are being followed. "Government, workers and employees respect the government's health measures and, once production chains restart, we will be able to supply products as fast as we can," Sour said. Cambodia's shipments in the sector were valued at \$9.5 billion in 2020, down from \$10.6 billion registered a year earlier.

Source : <https://www.khmertimeskh.com/50850644/q1-garment-exports-valued-at-2-4-billion/>

Rubber exports approach \$100 million January-April



Cambodia News | 04 May, 2021

Cambodia exported \$99.87 million of natural rubber from January to April this year, according to the Ministry of Agriculture, Forestry and Fisheries. In total, 61,056 tonnes of natural rubber were exported over the four months. Rubber export revenues increased by 2.5 percent over the same period in 2020 (\$97.43 million) according to the ministry. A recent MAFF report noted that prices for Cambodian rubber have been about \$1,584 per tonne in 2021. This price is significantly below the World Bank's April Commodity Markets Outlook report, which reported that the global price of rubber had increased from \$1.73 in 2020/kilogramme (kg) to \$2.25/kg in 2021. The World Bank projects that the global price of rubber will rise incrementally to \$2.30/kg by 2035. In 2019, Cambodia exported \$242 million of rubber, of which 67.5 percent was shipped

to Vietnam, according to the Observatory of Economic Complexity (OEC). Other leading importers of Cambodian rubber included Malaysia (11.6 percent), India (6.26 percent), China (6.08 percent), Singapore (3.14 percent) and South Korea (3 percent). Rubber accounted for 0.88 percent of all Cambodian exports products in 2019, the last data set available from the OEC. Exports of the commodity have varied since 2014, when it was valued at slightly over \$140 million, according to the United Nations COMTRADE database on international trade. In 2015, Cambodian rubber exports reached \$160 million. By 2017, they increased to close to \$260 million before retreating to about \$222 million in 2018. Recently, agriculture producers in the Kingdom have been shifting away from rubber cultivation as farmers shift to meeting Chinese demand for bananas and other produce. Last July, Pol Sopha, the director-general of the General Directorate of Rubber, told local media that there was indeed a shift away from rubber cultivation among the Kingdom's farmers but that production levels would remain stable.

Source : <https://www.khmertimeskh.com/50850637/rubber-exports-approach-100-million-january-april/>

Lockdown extended until May 20



Laos News | 05 May, 2021

The government has extended the lockdown for another 15 days until May 20 in an ongoing effort to contain the Covid-19 outbreak as new cases continue to surge. The National Taskforce for Covid-19 Prevention and Control announced to continue

imposing the measures in a press conference on Tuesday. The government has imposed a lockdown in the capital of Vientiane since April 22 after suspected super-spreaders had caused a widespread outbreak. All 17 provinces have imposed lockdowns at later dates. The suspected super spreaders involved two Thai men who crossed the border illegally and travelled around the central provinces and the capital together with their two Lao female friends, who have tested positive. Most daily surge since then was linked to the 59th case, one of the two Lao females. Announcing to extend the lockdown at the Tuesday press conference, Chairman of the National Taskforce for Covid-19 Prevention and Control Prof. Dr Kikeo Khaykhamphithoune said the outbreak situation has not declined. Dr Kikeo, who is also Deputy Prime Minister, said his taskforce would follow up and assess the situation closely and revise measures accordingly and timely. Total cases rose to 1,026 as of May 4 including 60 new cases recorded on the same day some 60 patients were discharged. There has been no reported deaths. Dr Kikeo called for all sectors to strictly observe Covid-19 prevention and control measures in order to contain the outbreak. As daily cases surge, authorities are setting up makeshift hospitals to provide sufficient treatment facilities for the patients. The government has also mobilised assistance from various sectors in the society, friendly countries and international organisations to stimulate the government's effort to cope with the outbreak. On May 4, teams of medical

experts and equipment from neighbouring Vietnam and China arrived in Vientiane to help Laos fighting the pandemic. As of May 4, Laos has received assistance from various sectors in the society and friendly countries amounting to more than 5 billion kip, US\$12.6 million and 4.58 million Thai baht. Dr Kikeo expressed heartfelt appreciation and gratitude to those extending the assistance.

Source : https://www.vientianetimes.org.la/freeContent/FreeContent_Lock_85.php

Myanmar-India border trade up by \$84 mln this FY

 *Myanmar News | 04 May, 2021*

Border trade between Myanmar and India hit US\$160 million as of 16 April in the current financial year 2020-2021 ending September, said a statistical report of the Ministry of Commerce. The figures reflected an increase of \$84.62 million as against a year-ago period. The Myanmar-India total border trade during the period was shared by Myanmar's export of \$160.086 million and its import of \$0.811 million. Myanmar conducts border trade with neighbouring India through Tamu, Reed, and Thantlang border posts. Between 1 October and 16 April in the current budget year, trade values have registered at over \$31.46 million at Tamu and \$129.44 million at Reed. There was no trade recorded at the Thantlang post. Myanmar exports mung beans, pigeon peas, green grams, areca nuts, ginger, saffron, turmeric, bay leaves, fishery products, fruits, and vegetables to India. At the same

time, it imports pharmaceuticals, oil cakes, electronic appliances, motorbikes, steel and other construction machines and building materials from the neighbouring country. — ACM/GNLM

Source : <https://www.gnlm.com.mm/myanmar-india-border-trade-up-by-84-mln-this-fy/#article-title>

Newly established firms grow at fastest pace since 2017

 *Vietnam News | 04 May, 2021*

Hanoi (VNA) – The number of new enterprises established in the first four months of 2021 rose 17.5 percent from a year earlier, the fastest growth since 2017, and it increased in all economic sectors, according to the General Statistics Office (GSO). Between January and April, nearly 44,200 new firms were set up with 627.7 trillion VND (27.2 billion USD) worth of capital and 340,300 employees registered, up 17.5 percent, 41 percent, and 7.8 percent, respectively, from the same period last year. The registered capital averaged 14.2 billion VND per business, rising 20 percent year on year. The total capital poured into the economy topped 1.42 quadrillion VND in the first four months, including 792.9 trillion VND of additional capital from 14,900 existing businesses. Besides, nearly 19,300 enterprises also resumed operations, growing by 8 percent from a year earlier, the GSO reported. In April alone, the number of newly established firms approximated 14,900, registering 179.9 trillion VND worth of capital and 94,600 employees. These figures respectively went up 33.1 percent, 59.1

percent, and 30 percent from the previous month. The registered capital averaged 12.1 billion VND per business, rising 19.6 percent month on month and 1.7 percent year on year. As many as 5,745 companies resumed operations in April, up 50.8 percent year on year. The GSO held that these are positive signs for enterprise development in the time ahead. To create further momentum, Director of the GSO's Industrial and Construction Statistics Department Pham Dinh Thuy said it is necessary to stimulate investment among export manufacturers so as to ready goods supply once global markets are reopened and to capitalise on chances generated by free trade agreements, especially the one between Vietnam and the EU. He also pointed out the need to swiftly develop supporting industries to ease the burden on the import of input materials. Businesses expect the Government will invest more in the transport system to boost the connectivity between key production areas and international ports of entry, develop the logistics network, set up technical centres to help companies meet export standards, and push ahead with strongly improving the business climate, Thuy added./.

Source : <https://en.vietnamplus.vn/newly-established-firms-grow-at-fastest-pace-since-2017/200948.vnp>

Construction material prices recover



Vietnam News | 04 May, 2021

HCM City (VNS/ VNA) - Prices of construction materials such as steel, bricks and sand are

recovering post- pandemic, hitting contractors' profits. Cao Van Hong, a contractor, told Thanh Nien newspaper that the cost of construction materials had been rising for the last few months. Associate Professor Ngo Tri Long, former rector of the Ministry of Finance's Price and Market Research Institute, said prices were up by around 20 percent year-on-year. Steel, which accounts for 20 percent of the cost of a building, has increased by 40 percent. Construction sand is becoming scarce in the Mekong Delta, a major supplier, and buyers wanting large quantities have to wait for a month and often pay more than the originally quoted price. Le Nhu Thuy My, Director of the Nhan Quoc Ceramic Tiles Company in Dong Nai Province, said there had been a slight increase in ceramic tile prices due to a rise in packaging costs and the rising electricity, petrol, coal, and transportation costs. The spike in costs is forcing contractors to increase prices or delay work to prevent losses. Nguyen Quoc Hiep, Chairman of the Viet Nam Association of Construction Contractors, said many contractors signed fixed-price contracts and so took a hit when costs rise. Construction accounts for nearly 10 percent of Vietnam's GDP./.

Source : <https://en.vietnamplus.vn/construction-material-prices-recover/200947.vnp>