

Highlight News / May 07/2021



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Kingdom to gain \$106 million in investment, more than 1,500 jobs



Cambodia News | 06 May, 2021

Tens of millions of dollars will pour into the Kingdom after the Council for the Development of Cambodia (CDC) approved six new projects. The diverse investments constitute about \$106 million of much-needed investment and employment for more than 1,500 people. The Investment Committee of Cambodia of the CDC decided to issue final registration certificates to the following companies working in a variety of areas including biological technology, electronics and construction. The list starts with Hunan Yuankang Biological Technology Co Ltd, which will establish a food processing factory with an investment location in Village 1, Tumnuh Rolok commune, Stung Hav district, Preah Sihanouk province. It will inject investment capital of approximately \$2.9 million with the possibility of creating 210 jobs. The company's headquarters is located in Hengyang, the second largest city in Hunan. It is a modern healthcare products company that integrates research and development, production, technology and sales and was founded in 2012. Its main products are wet paper towels, environmentally friendly paper towels and cosmetic care products, disposable medical masks and N95 medical protective and surgical masks. Also listed is Ocean Treasure Dyeing and Printing Co Ltd, which will establish a laundry and dyeing and printing factory in Kraing Trea village, Preah Nipvan

commune, Kong Pisey district, Kampong Speu province, with an investment capital of approximately \$3.1 million with a view to employing 218 people. Third on the list is Lesso (Cambodia) Trading Co Ltd, with a plan to establish a factory to produce all kinds of PVC pipes and PVC pipe fittings in Prey Roka and Trapeang Choun villages, Chok Chheu Neang commune, Ang Snoul district, Kandal province. It has an investment capital of \$9.4 million and aims to create 201 jobs. Fourth is Santelys Pharmaceutical Co Ltd. It intends to establish a pharmaceutical factory in Sanlong village, Sanlong commune, Khsach Kandal district, Kandal province, with an investment capital of \$12.5 million, providing employment for 215 workers. Next is Kuantech (Cambodia) International Co Ltd. Its project is to establish a factory to assemble all kinds of electronic components and air purifiers in Champol village, Popel commune, Tram Kak district, Takeo province. This investment is for about \$29.7 million and is slated to create 628 jobs. Finally, the CDC has registered Jin Bei Palace Co Ltd, part of the Jin Bei Group Co Ltd. It describes itself as "by far the largest hospitality operator in the Kingdom of Cambodia with a total investment of more than \$300 million in hotels and resorts, consisting of Jin Bei Hotel, Jin Bei Palace Hotel and Jin Bei Artisan Hotel. Its new venture is a five-star hotel in Village 4, Sangkat 4, Sihanoukville, Preah Sihanouk province, with an investment capital of approximately \$48.7 million able to create 380 jobs. The CDC was established in 1994 in recognition that the real economic growth

necessary to achieve the country's goals lies in the development of a healthy private sector. As part of a subsequent reform programme, the Law on Foreign Investment in the Kingdom of Cambodia of 1994 made the CDC the highest decision-making level of the government for private and public sector investment. It is chaired by the Prime Minister and composed of senior ministers from related government agencies. The Cambodian Investment Board (CIB) and the Cambodian Special Economic Zone Board (CSEZB) are the CDC's operational arms for private sector investment. CIB deals with investment projects outside of special economic zones (SEZs) and CSEZB takes charge of investment projects in SEZs. They review investment applications and grant incentives to investment meeting the requirements laid out in the 1994 Investment Law.

Source: <https://www.khmertimeskh.com/50852107/kingdom-to-gain-106-million-in-investment-more-than-1500-jobs/>

Booming US recovery boosts bilateral trade and exports



Cambodia News | 06 May, 2021

Strong recovery in the US has buoyed bilateral trade with the Kingdom by 16.9 percent – \$289.9 million – in the first quarter of 2021 to \$1.9683 billion, according to the US Census Bureau. With 75 percent of the US population anticipated to be fully vaccinated in four months and 38.6 percent of the

population already completely vaccinated, pockets of the country have already reopened in entirety. New York City – the economic engine of the nation – is planning its “major reopening” on May 19 when restaurants, museums, cinemas, theatres and other entertainment venues will come back to life, New York Governor Andrew Cuomo said at a news conference. Consumer spending in the US has risen 2.6 percent in the first three months of the year with a 5.4 percent increase in purchase goods, according to Anthony Galliano, president of the American Chamber of Commerce in Cambodia. “The superstar here is the strong rebound in US economic growth, primarily as a result of an incredible turnaround in pandemic management and containment, remarkable traction on nationwide vaccination, the easing of Coronavirus-related business restrictions and a \$1.9 trillion government stimulus package in March,” Galliano, who is also group chief executive officer of corporate finance firm Cambodian Investment Management, told Khmer Times. Total exports last quarter were valued at \$1.8629 billion and imports totalled \$106.3 million – resulting in a trade surplus in favour of the Kingdom of \$1.7566 billion, according to official figures. Chief exports were garments, footwear and travel products. Imports from the US were dominated by vehicles, animal feed and machinery. However, the uptick marks a recovery in global trade since the onset of the pandemic last year. Consumer spending in the US plunged by a record 13.6 percent in April 2020 at the peak of the economic downturn. Exports

to the US fell by \$478.4 million during the first quarter of 2020 over 2019. That year, Cambodia was the US' 58th largest trading partner with bilateral trade totalling \$5.4 billion – resulting in a \$4.8 billion trade surplus for the Kingdom. Galliano stressed that Cambodia would benefit alongside the US and emphasised the US will expand its status to be the largest single importer of Cambodian goods. “It’s a perfect storm between the two countries, a massive resurgence in economic growth in the US driven by strong consumer spending and a resilient Cambodian economy, backed by superb pandemic management and containment that has kept the engines of the [Cambodian] economy substantially running,” he said. While a large portion of Cambodia’s manufacturing base, especially in garments, has been forced to temporarily suspend operations, Galliano said there was no question that the current wave will be contained in time for the local economy to grow alongside the US. “The Royal Government has superbly managed the pandemic. While the daily numbers have spiked and appear to be startling, it is only because we have increased from a fantastically low base,” he added.

Source: <https://www.khmertimeskh.com/50852336/booming-us-recovery-boosts-bilateral-trade-and-exports/>

Chinese medical team arrives in Laos to help fight against COVID-19



Laos News | 06 May, 2021

The Lao Deputy Prime Minister Kikeo Khaykhamphithoune and Chinese Ambassador to Laos Jiang Zaidong received the medical team sent by the Chinese government at the Wattay International Airport of Vientiane. The medical team includes experts in infection prevention and control, intensive care, epidemics, and laboratory testing, along with medical supplies, including COVID-19 testing kits, protective clothing, and face masks among others. Kikeo, when talking with the Chinese experts on their arrival, said the Lao side is grateful that the Chinese government has sent the medical team to Laos, which reflects the profound friendship from the Chinese side with the Lao people. With Chinese medical assistance, the Lao deputy prime minister said he firmly believes that Laos will win the fight against the epidemic quickly. China attaches great importance to the cooperation with the Lao side in COVID-19 prevention and control. Ambassador Jiang said as a community with a shared future, China is ready to work together with Laos to get through difficulties, and the two sides “must share weal and woe.” Laos has been seeing a surge of COVID-19 infections recently. The country confirmed 60 new cases on Tuesday, bringing the total number of cases to 1,026. Jiang said the medical team will help the Lao side in upgrading the precaution and treatment scheme, improving the

technical level and response capabilities, studying the trend of the COVID-19 epidemic and making corresponding recommendations.

Source : <https://english.cctv.com/2021/05/06/ART1LpvCC1NLqDXOb864KZye210506.shtml>

Cultivation of summer green gram succeeds selling for K40,000 per basket



Myanmar News | 06 May, 2021

The farmers from the NyaungU district grew over 300 acres of summer green gram using river water, and the cultivation has succeeded. In the early harvest season, the successful green gram fetches K42,000 per basket. According to the growers, the price of green gram has risen this year more than that of last year. Irrigation and Water Utilization Management Department of the Ministry of Agriculture, Livestock and Irrigation grew a total of 593 acres of summer crops this year using river water, including 225 acres of summer paddy, 368 acres of summer green gram and banana. The department grew over 300 acres of green gram, which is selling for K42,000 per basket in the early yielding season this year, an increase of over K3,000 per basket compared to that of the last year," said U Kyaw San, a green gram grower. The summer green gram started sowing in mid-February. After planting for 45 days, the green gram started to sprout and blossom. After two months, it began to yield to be sold at the Pakokku brokerage. Each acre of a green gram could produce 20 baskets.

The cultivation cost of summer green gram is K3,000 per acre. In contrast, the production of summer paddy costs K9,000 per acre, said U Tun Zaw, the person in charge of the river water supply. Now, the green gram is sold for K42,000 per basket in the early harvest season. So, it could not reach below K39,000 per basket in an abundantly yielding season. According to the green gram growers, this is a good year for the summer green gram growers who are making a profit. — Ko Htein (KPD)/GNLM
Source: <https://www.gnlm.com.mm/cultivation-of-summer-green-gram-succeeds-selling-for-k40000-per-basket/>

Export-import growth hits 10-year high



Vietnam News | 06 May, 2021

HÀ NỘI — Việt Nam witnessed the growth of exports and imports in the first four months of 2021 hitting a 10-year record high, data of the General Statistics Office (GSO) shows. From January-April, exports totalled US\$103.9 billion, an increase of 28.3 per cent against the same period last year. The domestic sector exported \$25.76 billion worth of goods and services, up 12.8 per cent year-on-year and accounting for 24.8 per cent of the total overseas shipments, while the foreign-invested sector contributed \$78.14 billion, up 34.4 per cent and representing 75.2 per cent of the total. Highest growth was seen in the heavy industry and mining sector, which generated \$57.58 billion in export revenue, a year-on-year rise of 33 per cent. It was

followed by the light and craft industries, 27.5 per cent; and agriculture and forestry, 8.8 per cent. The US was Việt Nam's largest buyer during the period, with a value of \$30.3 billion, up 50.1 per cent year-on-year. China came second, purchasing \$16.8 billion worth of goods and services from Việt Nam, up 32.4 per cent; followed by the EU, \$12.6 billion and 18.1 per cent. Four-month imports rose by 30.8 per cent from a year earlier to \$102.6 billion. Some 93.9 per cent of the imports were capital goods, worth a total of \$96.31 billion, up 31.4 per cent. The remainder was consumer goods, valued at \$6.3 billion, up 22.5 per cent. China remained as Việt Nam's biggest seller with \$33.1 billion worth of goods and services shipped to Việt Nam, up 47.8 per cent year-on-year, followed by the Republic of Korea (\$16.9 billion), ASEAN (\$14.1 billion), and Japan (\$7.2 billion). The GSO also reported trade surplus of \$1.29 billion and total retail sales of goods and services of close to VNĐ1.7 quadrillion (\$73.5 billion) in the first four months of the year, up 10 per cent year-on-year. — VNS

Source : <https://vietnamnews.vn/economy/939944/export-import-growth-hits-10-year-high.html>

Vietnam's production rises at fastest pace since Nov 2018



Vietnam News | 06 May, 2021

HCMC – Vietnam's production in April 2021 rose at the fastest pace since November 2018 amid sharp new order growth, according to a report released by IHS Markit on May 4. New orders rose at a sharper

rate, with firms responding by upping their rate of job creation and ramping up purchasing. Input costs continued to rise sharply, leading to the fastest increase in selling prices in nearly a decade. Meanwhile, there were some signs that supply-chain disruption had started to ease during the month. The Vietnam Manufacturing Purchasing Managers' Index (PMI) increased for the third straight month, posting 54.7 in April following a reading of 53.6 in March. The manufacturing sector was boosted in April by signs that customers were willing to commit to larger orders than they previously did, given the general improvement in demand and control of the Covid-19 pandemic. The total new orders increased for the eighth straight month running and at the fastest pace in close to two and a half years. New export orders also continued to rise amid an improving international demand climate. Higher new orders led to a similarly-sized expansion of manufacturing output, with production also up at the fastest pace since November 2018. Companies boosted production by increasing workforce numbers. Staffing levels were expanded for the third month running and to the greatest extent since December 2018. This increased capacity, however, was not sufficient to prevent a first rise in backlogs of work in 15 months due to the strength of new order growth. Besides raising staffing levels, firms also posted a sharp and accelerated expansion of

purchasing activity. Respondents indicated that the increase in input buying was both in response to higher new orders and as part of efforts to build reserves to support production growth in the months ahead. Efforts to expand inventory holdings were generally successful in April, with both stocks of purchases and finished goods increasing. In both cases, the rate of accumulation was solid and faster than at the end of the first quarter. There were some signs that recent severe disruption to supply chains eased in April. While suppliers' delivery times continued to lengthen, the latest deterioration in vendor performance was modest and the softest since last September. Supply shortages and rising shipping costs continued to feed through to higher input prices. The rate of cost inflation remained substantial and was only slightly slower than that seen in March. In turn, firms raised their selling prices sharply, with the rate of inflation quickening to the fastest for close to a decade. Expectations that the pandemic will remain under control led to higher demand, and the introduction of new product lines, supported ongoing confidence among firms regarding the 12-month outlook for production. "The Vietnamese manufacturing sector hit the ground running at the start of the second quarter. Output and new orders each rose to the greatest extent since late 2018, and there were encouraging reports that customers were often happy to place larger

orders amid greater confidence in the sustainability of the current expansion," said Andrew Harker, economics director at IHS Markit. "Inflationary pressures remained elevated, with output prices increasing at the fastest pace for almost a decade. There were some signs, however, that the severity of the difficulties in supply chains may be easing, which will hopefully reduce some of the upward pressure on prices," Harker added.

Source: <https://english.thesaigontimes.vn/81734/vietnam%e2%80%99s-production-rises-at-fastest-pace-since-nov-2018-.html>