

Highlight News / June 28, 2021



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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)

## 17 percent increase in Cambodian exports in first five months of the year



*Cambodia News | 27 June, 2021*

Cambodia's economy remains strong despite the Feb. 20 community outbreak of COVID-19 and the lockdown of Phnom Penh capital and Takhmao town of Kandal province in April. Vongsey Vissoth, Delegate Minister Attached to the Prime Minister and Permanent Secretary of State for Economy and Finance, made the remarks here at Phnom Penh International Airport this morning while welcoming the arrival of 1 million more doses of Sinovac vaccine. Cambodian exports in the first five months of this year rose by 17 percent, he explained, adding that the garment exports were about the same amount as in the first five months of 2020. But, he continued, the export of non-garment products such as electronic component, bicycles, solar panels, ... and agricultural products saw a remarkable increase of 52 percent, which reflects the economic diversification of Cambodia. According to a report from the General Department of Customs and Excise at the Ministry of Economy and Finance, Cambodia exported \$4.428 billion worth of products in the first quarter of this year. The agricultural and non-garment exports were on the rising trend.

Source: <https://www.khmertimeskh.com/50881810/17-percent-increase-in-cambodian-exports-in-first-five-months-of-the-year/>

## ACLEDA Bank procures \$169Mn loan to support SMEs



*Cambodia News | 25 June, 2021*

ACLEDA Bank announced yesterday that it has procured a five-year \$169 million loan from the International Finance Cooperation as a part of a "long-term facility is to support strategic growth and diversification of funding sources in line with the Bank's plan". "This facility will provide new loans to small and medium enterprises," the bank said in a statement. ACLEDA announced earlier this week the appointment of Pieter Kooi as acting chair of its Board Auditing Committee. Kooi previously served as director of microfinance under the United Nations Capital Development Fund. He also supported ACLEDA's effort as it established itself in the securities market and entered the Lao market.

Source: <https://www.khmertimeskh.com/50881234/acle-da-bank-procures-169mn-loan-to-support-smes/>

## Party leadership resolves action to address national agendas



*Laos News | 28 June, 2021*

The Lao People's Revolutionary Party's central committee has resolved action aimed at addressing economic and financial difficulties and drug abuse, which have been named national agendas. The central committee reached the resolution at its extraordinary plenary session, which took place from June 21-25 at its headquarters in Vientiane. Chaired

by Party Secretary General Thongloun Sisoulith, the meeting agreed on measures to address the economic and financial difficulties presented by the government. These include strengthening revenue collection, encouraging austerity, increasing the effectiveness of state investment, spending and debt repayment and stabilising currency. The five-day sitting also resolved on the need to create a service, business and production base that was adequate to meet domestic supply and demand, along with increasing export and revenue sources. The Party central committee resolved that addressing the issue of narcotic drugs was an urgent and essential task because drug abuse and trade are having a huge impact on national security and social order. In this regard, the meeting stressed the urgent need to take action to prevent and suppress drug networks in a systematic manner, as well as prosecuting those involved in drug-related cases in a strict, transparent and just manner. The meeting reviewed the implementation of personnel affairs in past years in order to summarise the lessons learnt and improve these affairs in the years to come. This would ensure the effective training and deployment of personnel along with implementing policy in this regard and disciplining those engaged in misconduct in a systematic manner. Addressing the meeting, Party Secretary Thongloun said the entire Party, state and people were determined to work on the national

agendas by addressing the difficulties facing Laos. Mr Thongloun, who is also state President, called on all Party central committee members to place more importance on their role as leaders and to fulfil the resolution adopted by the meeting.

Source: [https://www.vientianetimes.org.la/freeContent/FreeContent\\_Party\\_123.php](https://www.vientianetimes.org.la/freeContent/FreeContent_Party_123.php)

## Border trade exceeds \$7.4 bln this FY



*Myanmar News | 27 June, 2021*

TRADE between Myanmar and its four neighbouring countries has reached US\$7.4 billion in this financial year as of 16 June, according to the Ministry of Commerce. Myanmar shares borders with China, Thailand, India and Bangladesh. During the period, the country's export via border gates amounted to \$4.8 billion while its import shared \$2.6 billion. This FY's border trade decreased by over \$806 million, compared to the same period of last budget year 2020-2021 when it amounted to \$8.24 billion, the ministry's figures said. Muse topped the list of border checkpoints with the most trade value of \$3.76 billion, followed by Myawady with 1.23 billion U.S. dollars. The country conducts border trade with neighbouring China through Muse, Lweje, Kampaiti, Chinshwehaw and Kengtung with Thailand via Tachilek, Myawady, Kawthoung, Myeik, Hteekhee, Mawtaung and Maese gates, with Bangladesh via Sittway and Maungtaw and with India through Tamu and Reed border gates, respectively. From 1

October 2020 to 18 June this FY, the country's foreign trade totalled over \$7.43 billion while its sea trade valued at \$14.05 billion, according to the ministry. Myanmar mainly exports agricultural products, animal products, marine products, minerals, forest products, manufacturing goods and others while capital goods, intermediate goods and consumer goods are imported to the country. – ZWE/GNLM

Source: [https://cdn.myanmarseo.com/file/client-cdn/2021/06/27\\_june-21\\_-gnml.pdf](https://cdn.myanmarseo.com/file/client-cdn/2021/06/27_june-21_-gnml.pdf)

## UOB projects Vietnam's 2021 GDP growth at 6.7% despite COVID-19



*Vietnam News | 26 June, 2021*

Singapore-based United Overseas Bank (UOB) has forecast that Vietnam's gross domestic product (GDP) growth rate would rebound to 6.7 percent in 2021 from 2.9 percent in 2020, regardless of the impacts of the COVID-19 pandemic. The forecast was released in the UOB's projection issued on Friday for Vietnam's economic growth in the third quarter of 2021. Despite the COVID-19's fourth wave that broke out in late April, Vietnam's economy continued its recovery with its GDP growing by 4.5 percent in the first quarter of 2021 compared to the same period last year, the UOB said, citing statistics. Last month, the country's export value reached US\$26.19 billion, down by 1.3 percent from April due to the pandemic's impacts, but the total export turnover in the first five months of 2021 amounted to \$131.13 billion, up 33.7 percent year-

on-year, the Customs General Department reported. Meanwhile, the January - May period saw \$28.27 billion spent on imports, posting an increase of 1.8 percent from a year earlier. Foreign direct investment (FDI) has still showed positive signs, with 613 new FDI projects licensed in the first five months of 2021 with a total registered capital of nearly \$8.83 billion, up 18.6 percent from the same period last year, according to the Ministry of Planning and Investment. Meanwhile, the Index of Industrial Production (IIP) in May was estimated to increase by 1.6 percent over the previous month and by 11.6 percent over the same month last year. For the first five months of this year, the IIP rose by 9.9 percent year-on-year. In general, positive psychology of investors in Vietnam has been reflected in both existing and new investment categories, despite the latest COVID-19 outbreaks wave that has slowed down and interrupted business and production activities in many localities. Taking all into account, the UOB forecast a 6.7 percent GDP growth for Vietnam this year, 2.3 times higher than that in 2020 and 0.7 percentage points higher than the target set by the National Assembly. In the financial and monetary field, the bank commented that the State Bank of Vietnam will likely to maintain its policies since the country is able to control the pandemic as effectively as in 2020 and that the COVID-19 vaccination has been accelerated. The bank projected that the exchange rate between the Vietnam dong and the greenback will stand at VND23,000 U.S. dollar in the rest of this year, but it

will increase to VND23,100 and VND23,200 in the first and second quarter of 2022, respectively. The UOB also noted that Vietnam should keep watch on inflation, which rose to 2.9 percent in May from 2.7 percent in April and has been the fastest increase since September 2020.

Source: <https://tuoitrenews.vn/news/business/20210626/uob-projects-vietnams-2021-gdp-growth-at-67-despite-covid19/61732.html>

## Real estate market expected to recover when virus is under control



Vietnam News | 26 June, 2021

HÀ NỘI — The COVID-19 pandemic has caused a slowdown in the property market but many experts believe this is only temporary and are pinning their hopes on a rebound once the virus is under control. **Sử Ngọc Khương**, senior manager at real estate consultancy firm Savills Việt Nam, said the outbreak of the COVID-19 pandemic in the second quarter of this year significantly affected socio-economic development. The real estate market saw declines in purchasing power and investors were more cautious. Statistics from Việt Nam's largest property portal batdongsan.com.vn showed that after reaching a peak in March, the level of interest in the real estate market showed signs of decreasing. Real estate searches on the portal in April dropped by nearly 18 per cent against March with searches for land down by nearly 21 per cent and apartments by 17 per cent. Interest continued to decline in May with searches for residential land

decreasing by 19 per cent. Notably, prices of apartments saw an increase of about 3 per cent against the same period last year. Deputy Director of the Việt Nam Association of Realtors **Nguyễn Văn Đình** said the shortage of supply was a major reason for the increase in the apartment prices in the first half of this year. According to Matthew Powell, director of Savills Hà Nội, the COVID-19 pandemic would continue to impact the real estate market, causing uneven development between different localities, different market segments and different projects. It was important that the virus be put under control together with the vaccination programme, he said, adding that when the virus was successfully contained, investment would flow into the economy. He, however, urged individual investors to study the information of property projects, planning and infrastructure development carefully before making decisions. **Mai Đức Toàn** from the Construction and Material Trading Group said not only the real estate market but other sectors were holding their breath for the updates on the pandemic. "The market is still difficult to predict. Local land fever might occur. If the pandemic is successfully put under control, the market would bounce back in the second half of this year," **Toàn** said. He added the real estate market development largely depended on the pandemic and pointed out that in the three previous outbreaks, prices were seen to increase in a number of segments, even forming large-scale land price fever at the beginning

months of this year. Ngô Quang Phúc, general director of Phú Đông Group, said the real estate market had large potential for development and the outbreak would only have a short-term impact. Phúc said that the market was expected to see robust development, providing the legal problems of real estate projects were tackled properly. Director Đại Phúc Land Nguyễn Thị Thanh Hương said from the beginning of 2020 to date, despite virus outbreaks, the real estate market basically kept a solid foundation. There were not significant price drops or sell-offs but the market often saw stronger transactions and increases in prices. According to Hương, the property market would not see any breakthrough development because the Vietnamese economy was still struggling with the impacts of the COVID-19 pandemic. Most transactions recently were from long-term investors who had idle money to pour into the real estate market, he said. In the scenario of market recovery, the housing segment would be the most robust, driven by high demand, Hương said, adding that while the pandemic affected incomes, housing demand would focus more on affordable homes. He added that the resort and tourism property market would continue to suffer and retail property would struggle to compete with rising online platforms. The interest of investors in industrial property remained high but investment in this segment would not be as good as expected because of travel restrictions. — VNS

Source: <https://vietnamnews.vn/economy/980408/re-al-estate-market-expected-to-recover-when-virus-is-under-control.html>

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