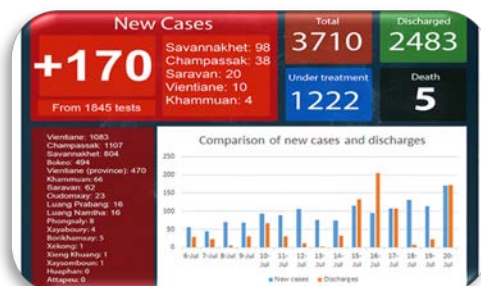


Highlight News / August 04/2021



- Government considering reducing public investment projects
- Rice exports plunge 27 percent but demand from China and Vietnam rises
- 250 new Covid infections reported
- Regional trade tops \$6 billion in seven months, reports MoC
- Vietnam faces steep decline in production output in July
- Vietnam sees 15.5 percent rise in exports in EU market



Government considering reducing public investment projects



Cambodia News | 3 August, 2021

The Cambodian government is considering reducing the number of approved public investment projects in a budgetary move to preserve funds for use fighting against the Covid-19 pandemic. Previously, the government reduced expenditures to the same purpose, as noted by Prime Minister Hun Sen in his speech for the launch of the under 18s vaccination campaign over the weekend. Mr Hun Sen said, “In case of necessity, some approved infrastructure projects will be cut off.” The Prime Minister did not mention which specific projects would be targeted for savings from the lists of public investment projects. Last year, the Cambodian government approved a total of 629 public investment projects for 2021-2023. Of these, 203 ongoing projects were costed at \$8.397 billion, with 426 new projects requiring capital of \$4.399 billion. Although the possibility of cancelling some public investment projects was discussed by the Prime Minister, he noted that since the outbreak of the pandemic, the main infrastructure projects of roads have not been paused or cancelled. He added, “So far the government [has] continued constructing roads in Preah Sihanoukville which cost millions [as well as] roads in Siem Reap city [and] electricity transmission line projects. ... the government continues to be strong in the development of the country.”

Source : <https://www.khmertimeskh.com/50907215/government-considering-reducing-public-investment-projects/>

Rice exports plunge 27 percent but demand from China and Vietnam rises



Cambodia News | 3 August, 2021

Cambodia's overseas rice shipments tumbled 27.3 percent Jan- July, compared with a year earlier. Agriculture Minister Veng Sakhon said exports dropped because of the scarcity of storage containers and ensuing rise in shipping costs. The Kingdom shipped nearly 310,000 tonnes of milled rice during the period, generating nearly \$262 million in income for 58 exporters. China remained the biggest market of the 49 countries currently importing Cambodian rice, buying nearly 154,000 tonnes. Other markets included the 21 European nations and five Southeast Asian countries. Vietnam was one of the bright spots, buying 81 percent more rice than a year earlier, earning exporters \$330 million. Prime Minister Hun Sen says agricultural exports will help cushion an expected slowdown in Cambodia's economic growth this year. He noted that higher demand for mangoes, bananas, cassava and other crops will offset the drop in rice exports. The Prime Minister announced a cut of the country's 2021 growth forecast to 2.5 percent from 4.0 percent during a speech over the weekend because of the economic impact of the Coronavirus pandemic on demand for Cambodian products. The Cambodia

Rice Federation called an emergency meeting last month to discuss Covid-19s effect on exporters and millers. Members are focusing their efforts on finding more buyers in China and other Asian markets due to the problems of shipping rice to Europe.

Source : <https://www.khmertimeskh.com/50907302/rice-exports-plunge-27-percent-but-demand-from-china-and-vietnam-rises/>

250 new Covid infections reported



Laos News | 4 August, 2021

Of the 250 new cases of Covid-19 reported on Tuesday, a majority are migrant workers from Thailand. With these new infections, the countrywide total has climbed to 7,015. Of these, 3,392 people are currently being treated at hospitals, according to the National Taskforce for Covid-19 Prevention and Control. The newly infected are the 237 migrant workers returning to Laos from Thailand, the rest 13 cases were locally-transmitted. Vientiane reported the highest number of cases at 78, followed by Savannakhet province at 67, Champassak province at 48, Khammuan at 30, and Saravan province at 16. Vientiane and Bokeo provinces reported four new cases each and Luang Namtha province one new case. Seven deaths have been reported to date. 1,951 samples were collected for testing for Covid. There are 66 quarantine centres across Laos, where 9,929 people have been accommodated. Health authorities have advised everyone to act responsibly and to support the battle to prevent the virus from spiralling out of control. Meanwhile, the vaccination programme is

being expedited to ensure that 50 percent of the population is immunised by the end of this year. Around 16.55 percent of the entire Lao population has received the first dose of the anti-Covid-19 vaccine, and 14.05 percent have received both doses of the vaccine. The Covid-19 task force has urged everyone to maintain social distancing, wear a face mask, and comply with guidelines imposed by the government to lower the risk of contracting the virus. People who need to leave their homes are advised to wear a face mask, regularly wash their hands with soap, and avoid touching their mouths and eyes.

Source : https://www.vientianetimes.org.la/freeContent/FreeConten_250New_150.php

Regional trade tops \$6 billion in seven months, reports MoC



Myanmar News | 3 August, 2021

Myanmar's import plunge in the past nine months (1 October-9 July) of the 2020-2021 financial year has resulted in a trade surplus of US\$363.9 million, according to data provided by the Ministry of Commerce. Myanmar's exports surpassed imports in international trade, although trade value decreased compared to the same corresponding period of FY2019-2020. Over the past nine months, the country's exports were estimated at \$11.98 billion, and imports were valued at \$11.6 billion this FY. The external trade drastically plunged to \$23.6 billion from \$29.2 billion recorded in the year-ago period. Myanmar's trade gap was \$1.47 billion in the

year-ago period, according to data provided by the Ministry of Commerce. Myanmar witnessed a slump in exports and imports triggered by the coronavirus impacts this year. Both sea trade and border trade dropped amid the coronavirus impacts and political changes. The neighbouring countries tightened the border security and restricted trading in certain border areas. For maritime trade, disruption in the logistic sector, spikes in container rates and banking restrictions dragged down the trade. Myanmar exports agricultural products, animal products, minerals, forest products, and finished industrial goods, while it imports capital goods, raw industrial materials, and consumer goods. The country's export sector relies more on the agricultural and manufacturing sectors. The Ministry of Commerce is trying to reduce the trade deficit by screening luxury import items and boosting exports. The country mainly imports essential goods, construction materials, capital goods, hygienic material and supporting products for export promotion and import substitution. Myanmar's trade deficit was pegged at \$1.3 billion in the 2019-2020FY, \$1.14 billion in the 2018-2019 FY, \$1.3 billion in the previous mini-budget period (April-September, 2018), \$3.9 billion in the 2017-2018FY, \$5.3 billion in the 2016-2017FY, and \$5.4 billion in the 2015-2016FY, according to statistics released by the Central Statistical Organization. — MM/GNLM

Source : <https://gnlm.com.mm/regional-trade-tops-6-billion-in-seven-months-reports-moc/#article-title>

Vietnam faces steep decline in production output in July



Vietnam News | 3 August, 2021

HCMC - The fourth wave of Covid-19 led to a further disruption in the country's manufacturing sector in July, with production output falling at the fastest pace since April 2020. Rates of decline in output and new orders quickened from the previous month and employment was down sharply amid reports of temporary company closures and social distancing restrictions, according to the latest report of IHS Markit. Disruption was also felt in supply chains, with delivery times lengthening to the greatest extent in more than 10 years of data collection. The rate of input cost inflation accelerated sharply, but efforts to secure orders meant that firms raised their selling prices at a relatively modest pace. The Vietnam Manufacturing Purchasing Managers' Index (PMI) ticked up to 45.1 in July from June's reading of 44.1. However, the latest figure signaled a marked deterioration in business conditions across the sector for the second month in a row. Evidence from manufacturers highlighted the impact that the latest Covid-19 outbreak has had on operations. Some firms were forced to close temporarily, while others had to operate with reduced capacity due to social distancing measures. These effects, alongside a marked drop in new orders, resulted in a further sharp reduction in manufacturing production at the start of the third quarter. The decline in output was softer only than that seen following the initial

outbreak of the Covid-19 pandemic in March and April last year. Alongside lower new orders, new business from abroad was also down. However, the reduction in exports was softer than that seen for total new business amid some reports of improving demand in international markets. Lower workloads, temporary closures and limits on staff numbers due to social distancing requirements meant that employment decreased markedly for the second month running. While disruptions to operations led backlogs of work to build up at some firms, this was outweighed by a sharp drop in new orders. Overall, outstanding business decreased moderately. The severe disruption to supply chains was noted in July, with the extent of delivery delays being the most marked since the survey began more than a decade ago. Panelists linked longer lead times to difficulties with transportation both domestically and internationally due to the pandemic, as well as raw material shortages. Manufacturers were also faced with surging input costs, as the rate of input price inflation accelerated to the fastest since April 2011. Higher costs for raw materials such as iron and steel, products imported from China and freight charges were all reported by respondents. While some firms passed on these higher cost burdens to clients, others were reluctant to do so given the weak demand. As a result, the rate of output price inflation was much softer than that seen for input costs, suggesting pressure on profit margins. Concerns around the ongoing impact of the pandemic meant that business confidence remained below the series

average in July, although firms remained optimistic overall of output growth over the coming year. "The sector is likely to remain under pressure and struggle to generate growth until the outbreak can be brought under control, so it will be important to keep watching the COVID-19 case numbers for signs of improvement," said Andrew Harker, economics director at IHS Markit.

Source : <https://english.vov.vn/en/economy/adb-lowers-vietnamese-growth-forecast-for-2021-to-58-875361.vov>

Vietnam sees 15.5 percent rise in exports in EU market



Vietnam News | 3 August, 2021

Hanoi (VNA) – Export revenue from the EU market reached 22.5 billion USD in the first seven months of 2021, a year on year rise of 15.5 percent, reported the Ministry of Industry and Trade. According to the ministry, Vietnam mostly exported telephones and accessories, computers, electronics, footwear, garment and textile products, seafood, and handbags and wallets to the EU. Meanwhile, the country imported 9.7 billion USD worth of goods from the EU, a rise of 19.6 percent over the same period in 2020. Major imports were accessories, automobile spare parts, completely-built-up cars and household appliances. The EU-Vietnam Free Trade Agreement took effect for one year on July 31, benefiting Vietnam's exports to the market./.

Source : <https://en.vietnamplus.vn/vietnam-sees-155-percent-rise-in-exports-in-eu-market/205702.vnp>