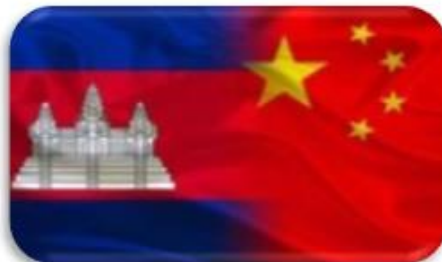


Highlight News / May 31, 2022



- Cambodia-Vietnam trade volume inches closer to \$10 billion in 2021
- Cambodia-China trade tops \$11 billion last year
- President calls for closer cooperation to address global challenges
- Pepper price may rise due to drop in its yield
- Inflation climbs by 2.25 percent in five first months
- Fitch Ratings maintains standalone credit profile of PV Power at BB+



Advisory Institute for Trade and Investment by TCC (AiTi)



Cambodia-Vietnam trade volume inches closer to \$10 billion in 2021



Cambodia News | 30 May, 2022

Cambodia-Vietnam trade volume touched \$9.3 billion last year—a rise of 75 per cent compared to 2020 figures—despite the impact of the pandemic. Prime Minister Hun Sen and visiting Vietnamese foreign minister Bui Thanh Son recently discussed the issue and agreed to cooperate and sustain this momentum. Both committed to cross the \$10-billion mark in 2022. The reopening of direct flights between Vietnam and Cambodia will enable easy travel. Flights mounted by Vietnam Airlines commenced on January 1 with four flights a week and this is expected to be increase to 10 flights a week. In 2021, Vietnamese companies poured more than \$88.9 million into four new projects in Cambodia. This raised Vietnam's total investment to over \$2.84 billion, making it one of the five largest foreign investors in the neighbouring country. Import and export revenue between the two countries was \$8.63 billion in the first 11 months of this year, a dramatic rise of 84 per cent compared to the same period last year, data from the trade office showed. The two-way trade revenue between the two countries soared to \$9.3 billion by the end of 2021, up to \$4 billion over 2020. Twenty four out of 29 groups of Vietnamese products exported to Cambodia saw positive growth in the 11 months compared to the same period last year, including vegetables, tubers and fruits, animal feed and raw material, petrol and oil, fertiliser and others. Vietnam and Cambodia posted total import and export revenue of over \$5.32 billion in 2020, a slight increase of 0.84 per cent compared to 2019. Fibre2Fashion News Desk (DS).

Source:<https://www.khmertimeskh.com/501015577/cambodia-vietnam-trade-volume-inches-closer-to-10-billion-in-2021/>

Cambodia-China trade tops \$11 billion last year



Cambodia News | 30 May, 2022

The bilateral trade between Cambodia and China reached \$11 billion last year, a year-on-year increase of 37 percent from 2020. Figures from the Ministry of Commerce showed that Cambodia exported over \$1.5 billion to the world's second largest nation, a 38 percent increase compared to a year before. The total import from China was valued at \$9.6 billion, increasing from \$7 billion in 2020. Cambodia exports mostly agricultural products including milled rice, mangoes, cassava to China. Cambodian imports are primarily industrial products and raw materials for the garment industry and building materials. The two countries started implementation of the bilateral free trade agreement put into effect earlier this year, paving ways to boost more trade activities and investment opportunities to Chinese investors and foreigners.

Source:<https://www.khmertimeskh.com/501015097/cambodia-china-trade-tops-11-billion-last-year/>

President calls for closer cooperation to address global challenges



Laos News | 31 May, 2022

President Thongloun Sisoulith has called on the international community, especially Asia's key states, to work more closely in addressing the

challenges facing the world, ranging from economic woes to conflicts between nations. Mr Thongloun gave the advice when addressing Nikkei's 27th International Conference on the Future of Asia, in which he took part online from Laos. The conference took the theme "Redefining Asia's role in a divided world" and was attended by senior leaders, business executives, the media, and academics from around the region. The President said Asian nations should play a greater role in international affairs. This would foster international peace and security, create mutual trust and respect, and improve conditions for development, economic integration and connectivity within Asia. "Asian nations need to join forces and broaden their collaboration to ensure international peace and stability, addressing conflicts through negotiation, constructive dialogue and other peaceful means based on mutual respect and mutual assistance," he said. The President also urged the international community to work together towards economic recovery from the Covid-19 pandemic. Mr Thongloun thanked friendly countries, international organisations and development partners, particularly the government and people of Japan, for assisting the socio-economic development of Laos over the past years. Mr Thongloun has attended Nikkei's International Conference on the Future of Asia six times since he was appointed Deputy Prime Minister and Minister of

Foreign Affairs, before becoming the President of Laos. His participation in the conference enabled Laos to further develop and deepen its relations with friendly nations and development partners, particularly Japan. Asia is a dynamic region with massive promise, as it is home to more than half of the global population. China is the second largest economy in the world and the largest manufacturing economy and exporter of goods, and the fastest growing consumer market. Meanwhile, India is one of the world's fastest growing economies and home to a fifth of the world's young population. Japan is a major advanced economy and has been a key contributor to economic growth in Asia, while Asean, including Laos, plays a significant role in the regional architecture. The Conference on the Future of Asia was initiated in 1995. It is one of the most prestigious annual forums in Asia, hosted by the Nikkei Group of Japan. The conference captures the attention of numerous senior leaders, politicians, scholars, and businesses in Asia, as well as representatives of major economic groups globally. Over the years, the Conference on the Future of Asia has become a forum to help provide open, multi-dimensional, diverse and integrated perspectives on many important issues in the region. This year's edition featured notable leaders from Laos, Singapore, Thailand, Malaysia, Bangladesh and Vietnam..

Source: https://www.vientianetimes.org.la/freeContent/FreeContent102_President_y22.php

Pepper price may rise due to drop in its yield



Myanmar News | 31 May, 2022

There is a possibility of a rise in pepper prices due to a dropping pepper yield because of heavy rains and rising chemical fertilizer prices, said U Hla Han, the owner of a pepper broker from deltaic area at the Bayintnaung Market. Earlier this year, it was planted as a summer crop in the Ayeyawady delta region, and pepper growers and traders in the region say that due to heavy rains and rising oil prices, yields could be reduced by about half. In previous years, farmers had to buy fertilizers on credit, but this year only about 10 per cent of farmers have to buy it on the spot, facing insufficient fertilizer in pepper fields. The price of fertilizer used to be 40,000 kyats per bag and the price of diesel was 200,000 kyats per barrel before. This year, the prices have risen to 90,000 kyats per a bag of fertilizer and 500,000 kyats per barrel of diesel. "In previous year, there were imports of pepper from India; This year, there is not much to enter since the price has gone up abroad; We are stocking as much of the local pepper as we can make a profit with the money we have," said a businessperson from the brokerage. Locally grown peppers are stored in cold storage facilities in some industrial zones with the fees 75 kyats per viss per month. The quality of the peppers kept in there are much better compared to those stored outside, said

Daw Aye, a pepper buyer. The price of pepper may be higher than the current price due to the declining demand of pepper and the consumption of pepper by consumers, and the rising local pepper prices, according to the pepper business owners in Bayintnaung market. As the prices are likely to improve, the pepper stockholders are reportedly expecting economic benefits. Compared to the same period last year, this year's price is about double that of last year, according to commodity prices.—TWA/GNLM

Source: <https://www.gnln.com.mm/pepper-price-may-rise-due-to-drop-in-its-yield/#article-title>

Inflation climbs by 2.25 percent in five first months



Vietnam News | 29 May, 2022

On May 29, the General Statistics Office said that the consumer price index (CPI) in May 2022 increased by 0.38 percent compared to the previous month. With this increase, the average CPI in the first 5 months of the year increased by 2.25 percent compared to the same period last year, higher than the increase of 1.29 percent in the first five months of 2021, although it is still lower than the increase of the first five months of the period 2017-2020. Statisticians also pointed out that the sharp increase in gasoline prices was the culprit of the problem. According to economic analysts, in less than half a year, the average CPI has been 2.25 percent, and while the uptrend is still continuing, the target threshold of 4 percent requires close

management efforts. Forecasts of international organizations also suggested that Vietnam's inflation in 2022 will be around 3.8 percent - 4 percent. There are even forecasts that give a figure of 4.5 percent, depending on the price of crude oil and the types of input materials for production. Specifically, according to May's statistics, among 11 main groups of consumer goods and services, 10 groups of goods increased in price compared to the previous month whereas only one group of products was discounted. The food and foodservice groups increased by 0.27 percent over the previous month, causing the overall CPI to increase by 0.09 percentage points. The beverage and tobacco group increased by 0.33 percent while the garment, hat, and footwear group increased by 0.18 percent, the education group increased by 0.17 percent and the group of equipment and household appliances increased by 0.22 percent. The group of other goods and services increased by 0.19 percent. The group of culture, entertainment, and tourism increased by 0.74 percent over the previous month. However, mainly due to the influence of petroleum price adjustments according to world fuel prices, the transportation group had the most significant price increase, up to 2.34 percent, causing the overall CPI to increase by 0.23 percentage points. . In this basket of goods for calculating CPI, the only groups that have reduced prices are housing and construction materials, down 0.13 percent from the previous month. Also in May, the index of industrial production (IIP) was estimated to increase by 4

percent month-on-month and by 10.4 percent over the same period last year. Notably, the industrial production index in the first 5 months of 2022 compared with the same period last year increased in 61 localities, showing a clear recovery trend of the economy. Localities with a large industrial scale have positive growth trends, such as the Southern Province of Binh Duong with an increase of 9 percent, the Central Province of Ha Tinh increased by 6.9 percent, Ho Chi Minh City increased by 6.5 percent, the northern provinces of Hai Duong, Thai Nguyen, and Quang Ninh increased by 3.6 percent, 3 percent, and 2.3 percent respectively, the Mekong Delta provinces of Vinh Long and Long An increased by 3.4 percent and 2.7 percent respectively. Generally, in the first 5 months of 2022, the industrial production index increased by 8.3 percent over the same period last year. Although it has not yet returned to the pre-Covid-19 increase when the 5-month IIP in the years 2018-2019 increased by 10.3 percent and 9.5 percent, an 8.3 percent increase is still a positive number.

Source: <https://www.sggpnews.org.vn/business/inflation-climbs-by-225-percent-in-five-first-months-99494.html>

Fitch Ratings maintains standalone credit profile of PV Power at BB+



Vietnam News | 30 May, 2022

NDO/VNA – Credit ratings agency Fitch Ratings has assigned the PetroVietnam Power Corporation (PV Power) a Long-Term Foreign-Currency Issuer

Default Rating (IDR) of “BB” with a positive outlook for the second consecutive year. The rating is on par with that of major groups such as the Vietnam National Oil and Gas Group (PetroVietnam) and Vietnam Electricity (EVN). PV Power is the first Vietnamese power producer and the first unit of PetroVietnam to be assigned an international credit rating. According to the agency, PV Power's Standalone Credit Profile (SCP) is driven by its strong market position as the second-largest electricity producer in Vietnam, accounting for around 7 percent of the country's total electricity output and 6 percent of installed capacity in 2021. It also benefits from diversified fuel sources, long-term power-purchase agreements (PPAs) with EVN, for more than 80 percent of its electricity output and a strong financial profile, it said. Nguyen Duy Giang, deputy general director of PV Power, said that with this rating from Fitch, it is expected that PV Power will have greater capacity to raise capital in the international market. It also serves as the foundation for PV Power to approach the international environment, actively participate in investing in large energy projects and work with PetroVietnam to carry out the energy transition in line with the government commitment to net-zero emissions by 2050. In the coming time, the corporation will focus on improving governance capacity, especially financial management to optimise indicators and improve operational efficiency, he said. PV Power will evaluate and invest in effective projects, especially Nhon Trach 3 and 4 Power Plant projects, Quang Ninh

liquefied natural gas (LNG) Power Plant project as well as other renewable energy projects. According to the consolidated financial statements of the first quarter of this year, PV Power recorded a revenue of 7 trillion VND (301 million USD), down 8 percent over the same period last year. Its pre-tax profit stood at 880 billion VND in the period, a year-on-year increase of 30 percent.

Source: <https://en.nhandan.vn/business/item/11541902-fitch-ratings-maintains-standalone-credit-profile-of-pv-power-at-bb.html>
