

Highlight News / June 14, 2022



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Advisory Institute for Trade and Investment by TCC (AiTi)



Cambodia stock market index slips, market cap up slightly in Q1



Cambodia News | 13 June, 2022

The share price index on Cambodia Securities Exchange (CSX) slipped by 12.43 percent to 559.89 points in the first quarter of 2022 compared to 639.36 points in the same period during the previous year, while full market capitalisation in the bourse increased by a small percentage, according to CSX quarterly report. The full market capitalisation — the total value of shares of all stocks listed on Main Board and Growth Board markets at CSX after multiplied by a market price — has increased by 0.52 percent to \$4.48 billion in the first three months of this year from \$4.45 billion in the same period in 2021, according to the report. The full market capitalisation of the Main Board consisting of seven stocks at the stock exchange has fallen by 0.50 percent to 18.3 trillion riels or \$4.3 billion in the quarter of this year compared to the same period last year, while the Growth Board market with two stocks remains unchanged, the report stated. Hong Sok Hour, CEO of CSX, told Khmer Times that Acleda Bank Plc with ABC as its stock symbol – the biggest stock that dominates the exchange with the largest market capitalisation – has influenced the market’s market capitalisation and share price index of the market as a whole when its share price fluctuates. “We have seen that after Acleda transferred shares to its staff who could not sell them, they want to sell their shares, which has put pressure on overall share

prices as the price of Acleda share is on the downtrend even though the shares have been traded a lot and prices of shares of some other stocks have risen,” Sok Hour said. “So, if the price of Acleda Bank shares fall, the market’s market cap as a whole will fall accordingly; on the contrary, if its price rises, the market’s market cap will rise even though other stock’s share prices change. So, in general, our price index does not increase,” he said, adding that several stocks’ share prices have doubled or tripled during this period. Seven stocks on the Main Board include state-owned Phnom Penh Water Supply Authority, apparel clothing firm Grand Twins International, state-owned Phnom Penh Autonomous Port, special economic zone Phnom Penh SEZ, state-owned Sihanoukville Autonomous Port, ACLEDA Bank and Pestech. Two stocks on the Growth Board include DBD Engineering and JS LAND. Cambodia’s largest local commercial bank Acleda has recently added about 65 million shares legalized from ASA Plc in mid-June of last year — about 15 percent of its total shares — to its existing shares in CSX, resulting in 20 percent of the total shares of the bank in the stock market. However, Buth Bunseyha, Executive Vice President & Group Chief Legal Officer of Acleda Bank, told Khmer Times that she has different analysis because the trading volumes and values have mostly increased steeply in the first quarter of this year compared to the same period of 2021, while the number of investors has also risen. “I think the general aspect is more positive than negative because previously

our people were not well aware of the stock market, but over the last few years, they are different. They understand much more about this and they participate more in the market operations. So, trading volume has risen and there are more people coming into trade,” Bunseyha said. However, she accepted that the number of shares ofACLEDA Bank in Cambodia’s stock exchange is actually big most likely because the only commercially banking stock is the most popular in the market, which leads to fluctuation of the overall share price and index. The number ofACLEDA Bank traded shares has sharply rocketed by 1,611.62 percent in the first quarter of this year to about 6.88 million shares. The total number of shares traded has increased by 98.33 percent in the first quarter of 2022 to nearly 11 million shares from about 5.53 million in the same period the previous year, while the daily average trading value has increased by 197.72 percent to \$41.63 million, according to statistics. CSX — a joint venture between the Cambodian government holding 55 percent of the stakes and the Korean Exchange owning the remaining 45 percent — has so far received a total of 16 listed companies, including nine equity firms and seven corporate bond firms, with a total capital of more than \$280 million and some 32,000 investors have opened trading accounts.

Source:<https://www.khmertimeskh.com/501092775/cambodia-stock-market-index-slips-market-cap-up-slightly-in-q1/>

Imported chemical fertilizers sees hike in price, experts call for switch locally produced organic fertilizers



Cambodia News / 13 June, 2022

As the global economy reels from the Covid-19 pandemic and the ongoing war between Russia and Ukraine, prices of energy and subsequently chemical fertilizers have seen an increase in prices, leading experts to call for a shift to the use of locally produced fertilizers. A representative of a local fertilizer production company told local news that the spike in prices of imported chemical fertilizers have led to the increase in demand for locally produced organic fertilizers. According to local news, the price of imported fertilizers has risen from 200 percent to 300 percent. The increase in prices have proved a challenge for farmers and forcing them to shift to locally produced fertilizers. According to experts, the price of imported chemical fertilizers has now risen to more than \$ 1,000 per tone. The fertilizer production company representative stated that their company have increase production to 150 to 160 tons of fertilizers per month, and plan to increase production further to meet growing demand. Another fertilizer company representative said local producers should seize this opportunity to increase production to compete with the price of imported fertilizers. The representative pointed out that the increase in expenditure for

fertilizers have led some farmers to quit their trade. Farmers have been called on to return to using natural fertilizers or organic fertilizers produced locally because of lower costs and because they help local production.

Source:<https://www.khmertimeskh.com/501093182/imported-chemical-fertilizers-sees-hike-in-price-experts-call-for-switch-locally-produced-organic-fertilizers/>

Asia PM to NA: Govt to stabilise economy, finance, currency to avert crisis



Laos News | 14 June, 2022

The government will strive to stabilise the economy, financial situation, and currency in order to prevent a crisis, Prime Minister Phankham Viphavanh told Assembly members at the start of the National Assembly (NA)'s 3rd Ordinary Session which kicked off in Vientiane on Monday. President of the NA Dr Xaysomphone Phomvihane delivered the opening remarks, giving the floor to the government to present a report on the progress made in implementing the socio-economic development, budget and currency plans over the first half of this year, and the work plan for the last six months of the year. Meanwhile, the prime minister said the government would strive to attain the development agendas. An 11-point work plan has been devised to support achievement of the development targets

set for 2022. "The government will speed up efforts to resolve the fragility of the macro-economy and normalise the situation," he told Assembly members. President Thongloun Sisoulith, members of the cabinet, retired Party and state leaders and members of the NA attended the first day of the session, which continues until July 8. Close attention will be paid to managing currency exchange rates, the price of consumer goods, and inflation, to ensure these issues are manageable, the prime minister said. The premier's comments come as inflation in Laos last month hit the highest level recorded in 18 years. The price of goods was up by 12.8 percent compared to a year ago, according to the latest report from the Lao Statistics Bureau. Laos currently has one of the highest inflation rates in Southeast Asia. The fuel crisis, with petrol stations across the country running dry, and the continuing depreciation of the kip, are among the main factors driving inflation. "Meanwhile, focus will be placed on supplying sufficient fuel through various measures," PM Phankham said, adding that immediate and longer-term market-oriented measures will be employed. "These are urgent issues that require the government to increase its responsibility and vigilance." He pledged action to maximise revenue collection including by plugging loopholes that cause loss of revenue, while also encouraging austerity, such as reduced spending on state

vehicles. The PM said the government would push all relevant sectors to take action to fulfil the national agendas adopted to address economic and financial difficulties as well as the narcotic drug trade. In the coming days, Assembly members will debate and make decisions on issues such as the government’s report on the fulfilment of the two national agendas, Dr Xaysomphone said. Progress made in the reform of state-owned enterprises and future plans, as well as the implementation of the Green Travel Plan and the reopening of the country are also tabled for debate, along with improvements in the quality of teaching and learning at all levels of education. Lawmakers will also debate new laws and amendments to some regulations, including laws on Fine Arts, Dam Safety, Weapon and Explosive Management, State Property, Foreign Currency Management, and Promotion of Micro, Small and Medium Enterprises.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent112_PM.php

Duck egg price reaches K 300 due to increased livestock feed price



Myanmar News | 13 June, 2022

Retail prices of eggs in the domestic market have risen since July last year, when they became a healthy food during the COVID-19 epidemic. “As eggs were consumed as a healthy diet in the COVID-19 period, the price has risen from K 100/120 per

egg to K 1,000 for 6/8 eggs; Since then, the prices of chicken and duck feed went up and have not dropped again,” said a consumer in Lanmadaw Township. Although the price of a duck egg sold by retailers who re-sell the eggs from egg wholesale centres is K 300, the vendors from the delta areas are selling them at K 240/250 for a big one, and K 200 for a small one. Duck farming is practiced in the delta areas, where a retail egg costs only K 180/200, said U Than Chaung, a resident in Mawlamyinegyun. This month’s livestock feed prices is 28,000 kyats per bag, Ko Soe Tint, a livestock farmer in Bogale said. With the onset of the rainy season this month, ducks can still be released in the fields when farming begins, and so there is a reasonable saving of feed. In shopping malls, a package with 10 eggs weighing 60 grams each costs 1,900 kyats, at 2100 kyats per 70 grams, and the occasional organic egg card sells for around 3,000 kyats.—TWA/GNLM

Source: <https://www.gnml.com.mm/duck-egg-price-reaches-k-300-due-to-increased-livestock-feed-price/#article-title>

Vietnam set to raise minimum salaries early next month



Vietnam News | 13 June, 2022

HCMC – Contract workers will have their salaries increased 6% as from early next month, according to a new decree issued by the Government. Decree 38/2022/ND-CP on the regional salary increase, signed by on Sunday, June 12, Deputy Prime Minister Pham Binh Minh applies to workers who

signed labor contracts as per the Labor Code, and employers such as businesses operating under the Enterprise Law, organizations, cooperatives, business households and individuals. There will be four new minimum salary levels for four different regions of the country. In region one, the monthly salary will rise from VND4.42 million to VND4.68 million; in region two, from VND3.92 million to VND4.16 million; in region three, from VND3.43 million to VND3.64 million; in region four, from VND3.07 million to VND3.25 million. For hourly wages, the decree also specifies four levels for four regions. Region one has an hourly wage of VND22,500; region two, VND20,000; region three, VND17,500; and region four, VND15,600

Source: <https://english.thesaigontimes.vn/vietnam-set-to-raise-minimum-salaries-early-next-month/>

Vietnamese economic recovery remains strong despite global uncertainties: WB



Vietnam News | 13 June, 2022

VOV.VN - Vietnam's ongoing economic recovery remains strong, despite heightened global uncertainties relating to the protracted conflict in Ukraine, higher commodity prices, and supply chain disruption caused by health-related lockdowns in China. This assessment was given in the June edition of the World Bank's (WB) monthly publication Vietnam Macro Monitoring. According to details in the report, industrial production continued to witness a robust expansion of 10.4% on-year, while retail

sales growth rebounded at 4.2% on-month and 22.6% annually, thereby suggesting a strong recovery in terms of private consumption. Amid a heightened degree of global uncertainties, the growth of exports slowed and any growth relating to imports plateaued. In addition, FDI commitment also fell for the fourth consecutive month, while FDI disbursement registered a six-month growing trend. Furthermore, CPI inflation edged up from 2.6% in April to 2.9% in May, with this largely being driven by a rise in gasoline and diesel prices which stand 54.5% higher than in May last year. Producer price inflation showed signs of easing in May as both input costs and output prices have been rising at their slowest rates for three months, whilst credit growth remained strong at 16.9% on-year, while overnight interbank interest rates dropped sharply from 1.73% in April to 0.33% as of the end of May. Thanks to strengthening domestic demand, total revenue collection increased by an estimated 29.4% on-year in May to keep the budget in surplus for the fifth consecutive month. The Government did not borrow large quantities of capital within the domestic market, with Government and Government-guaranteed bond issuance equal to only 14.1% of the plan during the initial five months of the year, less than a half of the borrowing rate seen a year ago. In line with these figures, WB experts recommended that authorities be extra vigilant regarding the risks of inflation associated with continuing rises in the price of fuel and imports, particularly as it may dampen the ongoing recovery of domestic

demand. They pointed out that temporary support such as targeted transfers can be considered helpful to poor households amid price surges. With the commodity price shock appearing to be largely affecting oil and fuels, with this passing through to transport costs, temporary targeted subsidy for main gasoline and fuel users, such as truckers, could also be considered to alleviate hardship and blunt inflationary pressures, they stressed. Think tanks also advised the Government to swiftly incentivise investment as part of wider efforts to help increase aggregate supply, noting that investing in alternative energy production would reduce the local economy's dependence on imported fuels in the medium term and promote greener growth moving forward.

Source: <https://english.vov.vn/en/economy/vietname-se-economic-recovery-remains-strong-despite-global-uncertainties-wb-post950062.vov>
