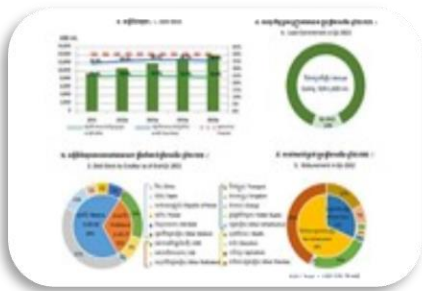


Highlight News / June 16, 2022



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Advisory Institute for Trade and Investment by TCC (AiTi)



Cambodia's public debt at \$9.81 billion, says Report



Cambodia News | 15 June, 2022

The Royal Government of Cambodia's total public debt stock is at \$9.81 billion consisting of 68 percent from Bilateral Developing Partners (DPs) and 32 percent from Multilateral DPs, according to Cambodia's Public Debt Situation at the end of Q1 2022. In Q1 2022, the RGC has signed a new concessional loan with DPs in the total amount of USD 317.24 million equivalent to SDR 228.21 million accounting for 14 percent of the ceiling permitted by law of which 52 percent are signed with Bilateral DPs and 48 percent are signed with Multilateral DPs, according to the report. The purpose of these new loan commitments is to finance public investment projects in the priority sectors that support long-term sustainable economic growth and increase economic productivity. At the same time, there is no issuance of government securities. The public debt situation report by the Ministry of Economy and Finance shows that China accounted for 40.72 percent of Cambodia's foreign debt, while multilateral partners accounted for 34.33 percent. The rest is owed to other individual countries. "That the current state of Cambodia's public debt is assessed as manageable, with sustainability and low risk, despite the fact that the Cambodian economy has been affected by the spread of the Covid-19 and other external factors, said Finance Minister Aun

Pornmoniroth in a statement. The government has implemented rigorously and cautiously the strategic measures set out in the Public Debt Management Strategy 2019-2023, especially the five key principles aimed at further enhancing the efficiency of both public debt management and management of public investment, he said. Hong Vannak, economic analyst at the Royal Academy of Cambodia, told Khmer Times that the government has publicly declared that the country's debt is nearly \$10 billion most likely because the level of the debt is at about 23 % of GDP which still stays far from around 40-50% of GDP as the level of emergency. "In this sense, the finance ministry is careful about the balance of its revenues and expenditures and the costs associated with repaying interest rates on international debt owed by the government," he said, adding that the government has been resilient and is still able to borrow more from lenders such as the World Bank, Asian Development Bank and development partners. "In particular, Cambodia has a low debt level compared to GDP. In addition, international financial institutions also see that Cambodia can afford to borrow more without falling into a debt trap if the government uses it according to demand, especially for infrastructure and energy sectors needed to support the Cambodian economy," he said.

Source: <https://www.khmertimeskh.com/501094257/cambodias-public-debt-at-9-81-billion-says-report/>

Tax collection surges 28 percent to \$1,726 million



Cambodia News | 15 June, 2022

Cambodia collected \$1,726 million in tax income in the January-May period this year, a 27.95% increase as compared to the same period last year, according to an official statement yesterday. In the statement, General Department of Taxation director-general Kong Vibol attributed the increase in tax income collection to the constant reforms in the tax sector. “We have achieved 61.25% of the target for 2022,” Vibol said. In May alone, the General Department of Taxation (GDT) collected \$255 million in tax income, representing 7.98% of its target in 2022, the statement said. The government targets \$2,819.94 million as tax income this year. The kingdom has two institutions responsible for collecting taxes. One is the GDT, which focuses on interior taxes such as income tax, salary tax, value-added tax and property tax. The other is the General Department of Customs and Excise (GDCE), which collects taxes on goods entering and leaving the country. Prime Minister Hun Sen said recently that the incomes from all sources of taxes have increased, reflecting the recovery in internal socio-economic activities after the pandemic. Last year, the Minister of Economy and Finance’s General Department of Taxation collected 11.402100 trillion riels (approximately \$2.781 billion)

in tax income, 24 percent more than the target.

Source: <https://www.khmertimeskh.com/501094545/tax-collection-surges-28-percent-to-1726-million/>

President pushes for stronger agribusiness in Vientiane province



Laos News | 16 June, 2022

Party Secretary General and State President Thongloun Sisoulith on Tuesday visited agricultural and other businesses in Vientiane province to promote crop growing and livestock production as important pillars of sustainable socio-economic development. During their tour of the province, the President and his delegation visited the Phetchaleunsap Cattle Farm, which was established in 2019 in Thoulakhom district. President Thongloun Sisoulith visits a farm in Vientiane province. The owners have invested 21 billion kip in the farm, which currently has 288 cattle, and plan to increase investment to 205 billion kip. There are also plans to expand the existing 12-hectare site to 120 hectares and increase the size of the herd to 2,700. The production of good quality beef could reduce the need for imported beef, while a strong breeding herd of not less than 800 animals should be built up. In addition, he advised the production and distribution of high quality cattle dung to farmers across the country. It is estimated that in 10 years’ time the size of the herd will grow to 29,428 cattle, with a value of about 700 billion kip. The President advised the farm

owners to involve more local people by helping them to grow grass, sweetcorn, and organic vegetables. If the farm expands in the future, it would be beneficial to export beef products in ways that add value, he added. President Thongloun also visited a model melon growing family in Haiyone village, Thoulakhom district, and spoke to agribusiness operators at Phou Phet Farm. He also went to warehouses and service stations alongside the Laos-China Railway and visited tourist attractions along the ring road in Vangvieng district. During talks with business owners, he stressed the need to strengthen domestic production to meet local consumption requirements and to produce more goods for export, especially agricultural produce. More food should be grown to supply tourism-related businesses now that Laos had reopened to visitors, as this would contribute to efforts to resolve the country's financial problems and budget constraints. The President also instructed the Provincial Administration to fulfil the province's development potential by harnessing the benefits offered by land and water resources and boosting productivity based on local resources. Authorities should do more to facilitate business and entrepreneurship, ensure stable markets, and improve the incomes and quality of life of people living in Vientiane province, he advised.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent2022_President114.php

Peanut prices moving onwards on foreign and domestic demand



Myanmar News | 16 June, 2022

Magway commodity centres see an upward spiral in peanut prices following the hike in edible oil prices. Moreover, the Chinese traders and domestic millers are making a competitive offer these days while the supply of peanuts is pretty low. The prices of peanuts are around K4,300-4,400 per viss (a viss equals 1.6 kilogrammes) on 15 June 2022. At present, consumers' behaviour has changed and turned to peanut oil due to the health benefits and the increase in imported oil prices. Magway Region, which has gained a reputation as the oil pot of Myanmar, is the main producer of beans and pulses including oil crops. Myanmar's peanuts are mostly exported to China. Between 1 April and 3 June of the 2022-2023 Financial Year, over US\$5 million worth of approximately 5,600 tonnes of peanuts were shipped to external markets, according to Myanmar Customs Department's statistics. — KK/GNLM

Source: <https://www.gnlm.com.mm/peanut-prices-moving-onwards-on-foreign-and-domestic-demand/#article-title>

HSBC lowers Vietnam's inflation forecast to 3.5 percent



Vietnam News | 15 June, 2022

HSBC has lowered its forecast on Vietnam's inflation rate in 2022 to 3.5% from its earlier prediction of 3.7% due to the stable domestic food price,

according to a report released on June 14. The bank explained that the inflation risk in ASEAN countries has increased since the beginning of 2022, leading to a high rise in both core and headline inflation rates compared to the period before COVID-19 broke out. However, the impacts are different on each country, and inflation pressure in Singapore, Thailand and the Philippines has become heavier, while in Vietnam, Malaysia and Indonesia, inflation has been under good control, according to the report. But headline inflation is likely to increase sharply in the second group soon, especially in the context of rising energy prices, it predicted, adding that although the world oil price has "cooled down" compared to the peak in March, it is still at a high level, while the price of natural gas continues to increase gradually. In Vietnam, energy price inflation has also persisted for long. Transport prices hit a record high, surpassing food inflation to become the main driver of Vietnam's headline inflation, it said. Despite rising energy prices, food inflation has remained moderate, helping control the overall increase in headline inflation so far, it added. In the report, HSBC also increased its inflation forecast for Thailand, Singapore, Indonesia and the Philippines. After considering both inflation and growth, HSBC also revised its forecast for Vietnam's operating interest rates in 2022. While the current inflation rate remains below the 4 percent target, the bank expects persistent high energy prices will continue to push overall prices up. It is likely that inflation will sometimes surpass the State Bank of Vietnam's

ceiling rate of 4 percent in the second half of 2022 but only temporarily, said the report. That situation will likely cause the bank to adjust interest rates by 50 basis points in the third quarter of 2022 before raising the rates three times, 25 basis points each time in 2023, the report underlined./.

Source: <https://english.vov.vn/en/economy/vietnam-ranks-89th-in-cost-of-living-index-rankings-post950321.vov>

Vietnam's real estate market attractive to RoK investors: consultancy company



Vietnam News | 15 June, 2022

Hanoi (VNA) - Vietnam will see more realty projects invested by businesses from the Republic of Korea (RoK) in the coming time as they are seeking opportunities to enter and expand operations in the country, according to Andrew Lee, Korean Desk Manager at real estate consultancy Savills Vietnam. A recent survey by Savills Vietnam said Vietnam's realty market, in addition to the manufacturing sector, has been attracting significant FDI from the RoK over recent years. The proportion of the RoK's investment in the market doubled in 2018 compared to the previous year. At the end of 2021, the figure grew 13 percent from 2020. Since the start of 2022, Vietnam has continued to welcome many new projects from the Northeast Asian nation, including a 900-million-USD one to develop Lotte Eco Smart City Thu Thiem in Ho Chi Minh City. YSL Group, another Korean investor, is also implementing an industrial

land project spanning nearly 300 hectares in Nam Binh Xuyen, Vinh Phuc province.

Savills Vietnam said that logistics and warehouses are attracting attention from many Korean businesses, with the prominent trend being the development of cold storage and smart warehouses.

Vietnamese localities near borders and seaports with good transport infrastructure are also attractive to investors, Lee said. The RoK is always in the top 3 foreign countries with the highest investment in Vietnam in the last three years, according to the Ministry of Planning and Investment. In the first five months of this year, it ranked second in investment in Vietnam with over 2.06 billion USD, up 12.6 percent year on year./.

Source: <https://en.vietnamplus.vn/vietnams-real-estate-market-attractive-to-rok-investors-consultancy-company/231159.vnp>
