

## Highlight News / September 09, 2022



- Cambodia earns almost \$4 billion as income in January-August period
- Cambodia's total public debt stands at \$9.7 billion as of June
- Fifth Lao-Thai Friendship Bridge Completes 50% Construction
- Rising commodities prices, low demand affect freight forwarding service
- IMF optimistic about Vietnam's economic growth
- MoMo becomes first e-wallet integrated for payment at Starbucks Vietnam



**Advisory Institute for Trade and Investment by TCC (AiTi)**



## Cambodia earns almost \$4 billion as income in January-August period



*Cambodia News | 08 September, 2022*

Cambodia has earned KHR 16,430 billion (approximately \$3.98 billion) as income in the January-August period of this year, the Ministry of Economy and Finance's report stated on Tuesday. The fiscal income from tax and customs represented 93 percent of the total income, said the report released at a meeting on Public Financial Management Reform Committee and Technical Working Group chaired by Aun Pornmoniroth, Deputy Prime Minister and Minister of Economy and Finance. The government has spent KHR 15,271 billion (approximately \$3,7 billion), or 57 percent of the total expenditure set in the 2022 national budget law, the report read. The ministry underlined that the implementation of public financial reform is returning to normal after the Covid-19 situation eases, which reflects the resilience of the economy and public finance, the flexibility in carrying out policies and strategies, and the sustainability of public financial management reform implementation. Cambodia's budget bill sets KHR 32,576.9 billion (around \$8 billion) as expenditure for 2022, with national revenue set at KHR 23,462.6 billion (roughly \$5.7

billion). AKP-Chea Vannak

Source: <https://www.khmertimeskh.com/501147276/cambodia-earns-almost-4-billion-as-income-in-january-august-period/>

## Cambodia's total public debt stands at \$9.7 billion as of June



*Cambodia News | 08 September, 2022*

The Cambodian government had a total public debt stock of \$9.7 billion as of June 2022, according to the Cambodia Public Debt Statistical Bulletin published on Wednesday. The public external debt comprised 68 percent from bilateral developing partners (DPs) and 32 percent from multilateral DPs, said the bulletin released by the Ministry of Economy and Finance. "The public debt stock is covered by foreign currencies, of which 42 percent is USD, 20 percent is SDR (Special Drawing Rights), 13 percent is CNY, 10 percent is JPY, 7 percent is EUR and the rest is other currencies," the bulletin said. During the January-June period this year, the government had signed new concessional loans with the DPs in a total amount of \$635.59 million, it said. "Overall, all the loans are highly concessional ... and the purpose of these new signed loan is to finance public investment projects in the priority sectors that support long term sustainable economic growth and increase economic productivity," the bulletin said. According to the bulletin, during the first half of this year, the government had paid debt services to the

DPs in the amount of \$213.5 million, of which \$155.11 million was bilateral DPs and \$58.39 million was multilateral DPs. Economy and Finance Ministry Spokesman Meas Soksensan has said that Cambodia's public debt situation remained sustainable and at low risk of debt distress. "Our total external debt is now at between 33 percent and 35 percent of the GDP (gross domestic product), which is still lower than the threshold of 40 percent," he said during a press conference last month. Xinhua

Source: <https://www.khmertimeskh.com/501147283/cambodias-total-public-debt-stands-at-9-7-billion-as-of-june/>

## Fifth Lao-Thai Friendship Bridge Completes 50% Construction



*Laos News | 08 September, 2022*

The 5th Lao-Thai Friendship between Bolikhamxay and Buangkan finished over half of its construction in August. Mr. Laithong Phommavong, the head of the fifth Lao-Thai Friendship Bridge Project, said that the construction began in August 2019 with a loan of over THB 1 billion from the Neighboring Countries Economic Development Cooperation Agency (NEDA) in Thailand. The bridge which is being built over the Mekong river has a total length of 535 meters on the Lao side. There is also a second contract to build the entrance to the bridge which would cover a total length of 2,775 meters. This

would include checkpoint buildings and other facilities on the Lao side which have a proposed construction period of 30 months and a guarantee period of 24 months. Mr. Laithong stated that the project collaborated with the task force at the central and provincial levels in order to continue operations and facilitate consulting company team and Thai contractor company to work seamlessly even during the outbreak of Covid-19. It was proposed that the government look at sources of funding to compensate residents around the area and reimburse the contractor for the amount already borrowed to construct the bridge. The bridge, located in Kouay Oudom Village, Paksan District, Bolikhamxay Province, is 2.8 kilometers from the 13 South road. Once completed, the bridge will serve as a significant transportation corridor connecting Thailand and many Vietnamese cities via Laos.

Source: <https://laotiantimes.com/2022/09/07/fifth-lao-thai-friendship-bridge-completes-50-construction/>

## Rising commodities prices, low demand affect freight forwarding service



*Myanmar News | 08 September, 2022*

Freight flows normally decline in the monsoon season. This year, a drop in freight volume, delays in some routes and fuel hikes posed a negative impact on truck freight forwarding service compared to the

corresponding period of the previous years. The frequency of truck freight forwarding service dropped by half. Some highway cargo service has gradually slowed down and operated every other day. A bus terminal owner Ko Htay posted on his Facebook that traffic congestion daily occurred on Kayay Street at Bayintnaung Wholesale Market. This month, the number of vehicles declined. Similarly, Yetama, Nguwah and Aungthabyay streets were packed with around 30 trucks carrying onions and potatoes. This month, the truck inflows significantly dropped. That being so, there is low traffic on Kayay and Yetama streets with the truck freight forwarding services to regions inside and outside Yangon going down, Ko Aye Myint who works in a warehouse located on Yetama Street, told the Global New Light of Myanmar (GNLM). Moreover, along with commodities prices soaring, freight volume ordered by regions outside Yangon has drastically fallen, especially building materials. Also, the delivery of palm oil from Yangon to other regions and states decreased more than by half, Ko Aung Tun Lin, a trader who delivers the goods to regions outside Yangon, told the GNLM. Even the highway passenger express bus carried the cargo without passengers, resulting in a drop in freight volume for the cargo trucks. One truck liner running to delta regions notified the customers of a K15 increase per viss due to a fuel price spike. However, other truck operators stay strong and the freight rate remains unchanged. As a result of this, one truck liner can raise the price by K5 per viss instead of K15, the

GNLM quoted Ko Myo, a purchaser who sends truck loads of goods to other regions every day. There are over 300 truck gates in Bayintnaung. The number of trucks decreased from 10 to four per day in September, Ko Naing from Freight Forwarding Association, told the GNLM. Although truck operators are struggling with the low profit, they cannot help running the trucks to cope with the earnings of their workers in the difficult times, Ko Nay, an owner of the truck stand, said. – TWA/GNLM

Source: <https://www.gnlm.com.mm/rising-commodities-prices-low-demand-affect-freight-forwarding-service/#article-title>

## IMF optimistic about

## Vietnam's economic growth



*Vietnam News | 08 September, 2022*

The first half of this year saw a swift economic rebound as Vietnam's pandemic restrictions eased following the adoption of a living-with-COVID strategy and a robust vaccination drive, according to an article published on the website of the International Monetary Fund (IMF), [imf.org](https://www.imf.org). Supportive policies such as low interest rates, strong credit growth, and the government's Programme for Socio-economic Recovery and Development have been accompanied by strong manufacturing output and a recovery in retail and tourism activity, the article said. The IMF has recently raised Vietnam growth forecast to 7% this year, lifting it by a full

percentage point from three months earlier and the only significant upward revision among major Asian economies. The fund lowered the projection for next year by 0.5 percentage points to 6.7%, but that still contrasts with dimming prospects elsewhere and would be the fastest pace among Asia's major economies. By way of contrast, growth estimates for Asia were lowered to 4.2% and 4.6% for this year and next in the IMF's latest World Economic Outlook Update, the article noted. Vietnam's inflation pressure has been mostly limited to some goods like fuels and related services like transport. Consumers are largely insulated from the global surge in food prices because of ample domestic supplies, pork prices declining from last year's peak, and a preference for rice, which remains cheaper than other grains like wheat. Further, price gains for services, such as health and education, have also been very mild. Consumer prices in the first seven months of the year rose, but remain below the central bank's 4% target for the year. The economy's delayed recovery last year has kept core inflation, which strips out volatile food and energy costs, below regional peers. Inflation, however, could pick up as economic activity gets back to full speed. Higher costs for transportation and commodities such as fertilizers and animal feed could also raise prices for a broader range of goods and services, adding inflationary pressure. Vietnam's recovery

also faces headwinds from global growth decelerating from 6.1% last year. The IMF's World Economic Outlook lowered estimates to 3.2% this year and 2.9% next year amid the Russia-Ukraine conflict, and the slowdown in China and major advanced economies. Such a slowdown implies reduced demand for Vietnam's exports, especially from key trade partners like the US, China, and the European Union. In addition, financial conditions are tightening as interest rates in the US and other advanced economies rise to curb inflation. That in turn increases financing costs and can lead to capital outflows. Finally, greater uncertainty about global trade and financial markets could weigh on the recovery, especially if some industries lose access to needed intermediate goods because of further supply-chain disruptions. That could curtail foreign investment in Vietnam, slowing production and technological growth. Together, these factors mean policymakers must be agile and make timely changes. Fiscal policy should take the lead in aiding recovery, yet flexibly adjusted to evolving economic conditions. The central bank should focus on rising inflationary risks, and communicate that it's ready to act as needed and remains committed to meeting its inflation target, according to the article. Authorities should also continue addressing bad loans in the banking system and closely monitoring for potential risks in real estate markets to safeguard financial

stability. Tackling the challenges relating to labour, social safety net coverage and climate-related risks will further unleash Vietnam to its considerable growth potential and continue advancing on a sustainable development path toward higher income status, the article said.

Source: <https://english.vov.vn/en/economy/imf-optimistic-about-vietnams-economic-growth-post968532.vov>

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## MoMo becomes first e-wallet integrated for payment at Starbucks Vietnam



*Vietnam News | 08 September, 2022*

HCM City (VNA) – MoMo E-Wallet and Starbucks Vietnam have freshly announced their cooperation that turns the former into the first of its kind integrated in the payment method at all Starbucks shops nationwide. Through cooperation with MoMo, Starbucks Vietnam can instantly connect with the Vietnamese unicorn firm's ecosystem of tens of millions of users. It is expected that in the near future, the two sides will research and deploy more services, and improve new features and user experience. Patricia Marques, General Director of Starbucks Vietnam, said with the increasing demand for convenience in payment, e-wallet is one of the features Starbucks Vietnam wants to have in stores. She considered MoMo an ideal partner regarding the technology application and influence in the consumer community in Vietnam. Starbucks is a

leading coffee retailer and processor in the world. It opened the first Vietnamese store in Ho Chi Minh City in early 2013, with its local chain now expanded to Hanoi, Hai Phong, Da Nang, Khanh Hoa and Binh Duong. MoMo is Vietnam's largest e-wallet by users. It sets to double the number of users to 50 million by 2023./.

Source: <https://en.vietnamplus.vn/momo-becomes-first-ewallet-integrated-for-payment-at-starbucks-vietnam/236940.vnp>

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