

Highlight News / March 10/2023



- Cambodia's apparel exports to Japan grow further in 2022 to more than \$1.2 billion
- Cambodia's vehicle population grows by 11.3%
- Inflation forcing Asian nations to tighten monetary policies
- Myanmar to export 100,000 tonnes of onions in FY 2023-2024
- China's Sunny Optical Technology plans US\$2.5 billion investment in Vietnam
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Cambodia's apparel exports to Japan grow further in 2022 to more than \$1.2 billion



Cambodia News | 9 March, 2023

Cambodia's apparel exports to Japan have continued to grow for the second consecutive year in 2022, despite a dip in shipments in 2020 due to the COVID-19 pandemic. In 2022, the shipment increased to \$1,201.698 million after a recovery in 2021. Notably, the exports recorded a remarkable increase in the third quarter (July-September) of last year. The exports increased from \$842.179 million in 2017 to \$1,065.331 million in 2018, and further to \$1,147.483 million in 2019 before slipping to \$1,043.171 million in 2020. Cambodia managed to recover positively in 2021, and the shipment increased to \$1,105.338 million, according to Fibre2Fashion's market insight tool TexPro. Quarterly trade data shows an interesting aspect of the shipment, as it grew more than 60 per cent in the July-September 2022 period compared to the previous quarter. The trade increased to \$380.611 million in the quarter from \$237.491 million in Q2 2022. The shipment slipped to \$280.554 million in the fourth quarter of last year. Cambodia had exported garments worth \$303.040 million in Q1 2022, \$296.524 million in Q4 2021, and \$325.256 million in Q3 2021. Trousers and shorts were the largest product segment exported from Cambodia to Japan, contributing 38.88 per cent to the total segment. Among the other top five products were

jerseys (13.16 per cent), T-shirts (10.62 per cent), shirts (9.07 per cent), and innerwear (5.71 per cent).

Fibre2Fashion News Desk (KUL)

Source : <https://www.khmertimeskh.com/501252053/cambodias-apparel-exports-to-japan-grow-further-in-2022-to-more-than-1-2-billion/>

Cambodia's vehicle population grows by 11.3%



Cambodia News | 9 March, 2023

Cambodia recorded an average annual increase of 11.3 percent in the number of vehicles registered in the country in the last five years, according to the vehicle registration management system of the Ministry of Public Works and Transport (MPWT). The number of vehicles registered in the country from 1990 to 2022 stood at over 6.7 million, including 5.7 million motorcycles, 728,294 light vehicles and 285,271 heavy vehicles. Meanwhile, in a move to eliminate the use of fake licence plates, MPWT is planning to change the licence plates of old cars without QR codes to new ones with QR codes. While disclosing this to the media in Phnom Penh on Tuesday, Sun Chanthol, Minister of MPWT, said that his ministry will discuss the matter with the Ministry of Economy and Finance soon. The move will not only eliminate the use of fake licence plates but increase the state revenue as well. This will also help to trace vehicles evading tax. Meanwhile, corresponding to the growth in the total number of vehicles, the number of registered electric vehicles (EVs) in Cambodia is also growing. According to a

recent report, the registration of EVs increased by 1,000 percent last year, reflecting the growing awareness of their benefits. The government is also supporting the private sector in building EV charging stations. There are now more than 700 registered electric vehicles in the country. The MPWT is also encouraging people to use electric vehicles, as they significantly reduce pollution levels. Import duties on EVs have been reduced and the cost of travelling by them is cheaper than gasoline cars. The Royal Government is expected to announce a national policy on electric vehicles (EVs), intended to encourage the use of environment-friendly vehicles soon, a move that is in line with the country's commitment to be carbon neutral by 2050. The policy is expected to contain recommendations to reduce the import tariff on electric vehicles and steps to enhance the number of charging stations, service centres, spare parts stores and battery disposal sites across all provinces and the national capital. India-based Absolute Reports recently forecast that the Southeast Asian automobile industry will grow rapidly in 2022-2030. On the one hand, the lower labour costs will prompt global automobile vehicle and component manufacturers to transfer production capacity to these regions and on the other hand, the rising demand for vehicles will prompt manufacturers to increase exports to these countries. The overall economic growth rate in the region is also higher than the global average level and it is a major driving force of world economic development. The report indicated that the growing

affluence in the region could lead to a higher demand for vehicles. The report included Singapore, Thailand, the Philippines, Malaysia, Indonesia, Vietnam, Myanmar, Brunei, Laos and Cambodia. It also pointed out that by the end of 2021, the population in Southeast Asia exceeded 600 million. Meanwhile, five investment projects on vehicle assembly have been approved in Cambodia recently. With this, the number of vehicle assembly factories in Cambodia will go up to nine, three of which are already operational. The three auto assembly factories already in operation are Hyundai located in Koh Kong province, Daehan in Bavet city, Svay Rieng province, and RMA Cambodia's Ford in Pursat province. K Cambodia's Isuzu factory located in Kampong Speu province has completed its facility construction and is about to inaugurate operation soon. The other five companies are HGB Motor Assembly, EM Automotive, GTV Motor, Toyota, and China Matrix Technology Group.

Source : <https://www.khmertimeskh.com/501251641/cambodias-vehicle-population-grows-by-11-3/>

Inflation forcing Asian nations to tighten monetary policies



Laos News | 9 March, 2023

High inflation pressures in many Asian countries including Laos are driving central banks to tighten monetary policy more quickly than expected, according to a new report by the Asian Development Bank (ADB). The Asian Economic Integration Report 2023 stated that tightening monetary policies to

contain inflationary pressures in many advanced economies are affecting external demand and do not bode well for the region's exports. "Inflation rose to higher levels in most Asian economies in the second quarter (Q2) or Q3 of 2022, compared with 2021 and 2020, especially in Azerbaijan, Laos, Pakistan and Sri Lanka," the ADB report said. Laos has one of the highest inflation rates in Asia, with many low-income earners struggling to afford basic necessities. In February this year, the year-on-year inflation rate soared to 41.3 percent, up from 40.3 percent in January, according to the Lao Statistics Bureau. The price rise was driven by hikes in the food and non-alcoholic beverage category which soared by 49.3 percent, followed by the communications and transport category (47.4 percent), medical care and medicines (42.4 percent), hotel and restaurant category (36.2 percent), and household goods (35.4 percent). Khammuan province reported the highest inflation rate at 49.82 percent, followed by Vientiane province (47.18 percent), Luang Prabang province (45.09 percent), Oudomxay province (44.62 percent) and Huaphan province (42.94 percent). According to the ADB, policy rate hikes across the world to rein in surging inflation, exacerbated by the escalation of geopolitical tensions, provide another drag. In light of the buildup of headwinds, the Asian Development Outlook 2022 Supplement in December pared the growth forecast for developing Asia to 4.2 percent in 2022 and 4.6 percent in 2023. Nevertheless, recent trends point to growing inflation pressures on regional economies

as price pressures spread across broader economies from commodities to agriculture, manufacturing, and services. Excessive inflation due to rising food prices was exacerbated by rising oil and gas prices at the onset of the Russian-Ukraine conflict. The US Federal Reserve Bank (the Fed) began raising the federal funds rate in March 2022, the first time it has done so since December 2018. The currencies of the economies of South Asia, Southeast Asia, and East Asia generally weakened, while those of Central Asia and the Pacific and Oceania strengthened. Currency depreciations were highest in Sri Lanka and Laos since January 2022. Laos has huge potential to boost trade with other countries through the Laos-China railway, which links the Lao capital Vientiane to Kunming in southern China. In January and February the railway carried a total of 417,400 passengers, an increase of 256.2 percent compared to the same period last year. The railway also transported 647,700 tons of goods in these two months, an increase of 320 percent compared to the same period last year. The Laos-China railway is part of the bigger Kunming-Singapore railway or Pan-Asia rail network, which is a network of railways connecting China and all contiguous Southeast Asia. Besides the traditional manufacturing powerhouses, many developing economies in the region such as Laos, Cambodia and Vietnam are increasing their participation in global value chains.

Source : https://vientianetimes.org.la/freeContent/FreeContent2023_Inflation48.php

Myanmar to export 100,000 tonnes of onions in FY 2023-2024



Myanmar News | 10 March, 2023

Myanmar aims to deliver 100,000 tonnes of onions to external markets in the 2023-2024 financial year, according to the Ministry of Commerce. The country has planned to ship 300,000 tonnes of onions during the April-June period, 15,000 tonnes during the July-September period, 20,000 tonnes during October and December 2023 and 35,000 tonnes during January-March 2024 period to external markets. The onion output is estimated at over 1 million tonnes per year. Beyond self-sufficiency, the onions are exported to foreign countries. More than 80,000 tonnes have been shipped to global markets so far. Myanmar's onions are purchased from Viet Nam, Thailand, Bangladesh and China. The supply of new onions in the markets brings down the prices. The onion prices moved in the range between K1,000 and K1,750 per viss depending on the producing areas (Seikphyu and Myittha), according to Yangon Region Chambers of Commerce and Industry (Bayinthaung Commodity Depot). On 14 February, the Union Minister for Commerce gave a remark at the coordination meeting on the promotion of onion exports and price stability in the domestic market. There are over 170,000 acres of onions across the country, with an estimated production of 1 million tonnes. He also talked about promoting interest for the growers, having fair prices for the consumers and boosting exports in harmony with domestic

consumption. Officials from Myanmar Onion, Garlic and Culinary Crop Producers and Exporters Association also discussed the export barriers and export conditions through the seaborne and land borders and called for the government's support for market expansion. Additionally, to effectuate sustainable development in the onion export sector, government-to-government pacts to the potential markets including the Philippines, getting easy and quick access to the phytosanitary certificates, raising awareness of Good Agricultural Practices (GAP) among the growers, promoting onion exports and domestic market stability were also highlighted at the meeting. According to the Ministry of Agriculture, Livestock and Irrigation's 2018-2019 FY statistics, onion cultivation covered over 170,000 acres. The yield rate was over 3,600 viss per acre. Mandalay Region accounts for 36 per cent of onion outputs in the country, while Sagaing Region, 32 per cent and Magway Region, 26 per cent. — NN/EM

Source : <https://www.gnlm.com.mm/myanmar-to-export-100000-tonnes-of-onions-in-fy-2023-2024/#article-title>

China's Sunny Optical Technology plans US\$2.5 billion investment in Vietnam



Vietnam News | 9 March, 2023

HANOI: China's Sunny Optical Technology Group is planning to invest up to US\$2.5 billion to develop an optical production complex in northern Vietnam, the local government said on Wednesday. The complex

would cover an area of between 26 and 40 hectares in Yen Binh Industrial Park in Thai Nguyen province, the provincial People's Committee said in a statement, following the signing of a memorandum of understanding between the lens maker and the province. Construction of the facility would take five years upon the granting of an investment licence by the local authorities, the committee said, adding it would supply electronics and automobile industries. Thai Nguyen province, 45 kilometres north of Hanoi, is currently home to Samsung Electronics' largest Vietnam-based smartphone factory.

Source : <https://www.channelnewsasia.com/business/chinas-sunny-optical-technology-plans-us25-billion-investment-vietnam-3334711>

Petrolimex's sale volume of gasoline, diesel, kerosene and mazut reached 435,800 cubic metres, 344,935 cubic metres, 1.961 cubic metres and 18,171 cubic metres, respectively. Based on market demand forecasts in 2023, the ministry has allocated import quotas of gasoline and oil to businesses at 27.34 million cubic metres/tonnes, an increase of 15% compared to the previous year to ensure supply for the market./.

Source : <https://en.vietnamplus.vn/vietnam-spends-17-billion-usd-importing-petrol-in-two-months/249567.vnp>

Vietnam spends 1.7 billion USD importing petrol in two months



Vietnam News | 9 March, 2023

Hanoi (VNA) – Vietnam's petrol and oil imports increased sharply in the first two months of 2023, reaching 1.7 billion USD, a surge of 56.3% year on year, the Ministry of Industry and Trade (MoIT) has reported. According to the Vietnam National Petroleum Group (Petrolimex), from January 20 to February 21, the group imported 168,596 cubic metres of petrol, 162,308 cubic metres of diesel and 24,931 cubic metres of mazut to supply to the domestic market. The group also purchased 284,369 cubic metres of gasoline, 245,619 cubic metres of diesel and 1,651 cubic metres of kerosene from domestic oil refineries. During the reviewed period,