

## Highlight News / September 08, 2023



- Kingdom's public debt stands at \$10.7 billion
- Chinese-invested expressway in Cambodia saves time, money for travelers
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- PMI back above 50 mark for first time in six months
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## Kingdom's public debt stands at \$10.7 billion



*Cambodia News | 07 September, 2023*

Cambodia's public debt stood at \$10.72 billion by the end of the first half of the year, remaining at low risk, according to a report by the Ministry of Economy and Finance. Of this, 99.57 percent or \$10.67 billion is public external debt and the rest is domestic public debt, it said. While 64 percent of the public debt came as borrowings from bilateral development partners, multilateral development partners accounted for 36 percent and public domestic debt amounted to 0.43 percent, the report said. The public debt is also in foreign currencies, of which 46 percent is the US dollar, 20 percent SDR (Special Drawing Rights), 12 percent Chinese yuan, 11 percent Japanese yen, seven percent euro and five percent local and other currencies, it added. Bilaterally, China is Cambodia's main concessional loan lender, with \$4.08 billion, or 38.2 percent of the total public external debt, followed by Japan at \$1.13 billion and Korea at \$528 million while in multilateral, Cambodia's borrowings from the Asian Development Bank is at \$2.22 billion and the World Bank at \$1.26 billion. From January to June this year, the government signed new concessional loans with developing partners to the tune of \$787 million, which accounted for 36 percent of the ceiling permitted by law, it said. In the first semester of 2023, government securities for KHR120 billion (\$29

million) were issued accounting for 15 percent of the ceiling permitted by law. For 2023, the government planned to raise \$200 million from bonds, which can provide direct revenue and ensure investment efficiency and sustainability of debt management. The loans are highly concessional with an average grant element of around 42 percent, the report said. "The purpose of these newly signed loans is to finance public investment projects in the priority sectors that support long-term sustainable economic growth and increase economic productivity," the ministry said. According to the report, during the six months of this year, the government had paid debt services to the tune of \$247 million for public external debt and for public domestic debt. This showed that the main debt indicator, the present value of public and publicly guaranteed external debt to the gross domestic product, is at 24.4 percent compared to the 40 percent threshold. "Despite being impacted by the Covid-19 pandemic and other external factors, Cambodia's public debt situation continues to remain sustainable and at low risk," the ministry said. Sustainable and efficient public debt management has also contributed significantly to achieving impressive economic growth over the past two decades, and this also enabled Cambodia to mobilize more concessional credit to meet the financing needs of the priority areas, it said.

Source: <https://www.khmertimeskh.com/501356109/kingdoms-public-debt-stands-at-10-7-billion/>

## Chinese-invested expressway in Cambodia saves time, money for travelers



*Cambodia News | 07 September, 2023*

Connecting Phnom Penh, capital of Cambodia, with the international deep-water seaport province of Preah Sihanouk, the first Chinese-invested Phnom Penh-Sihanoukville Expressway has not only facilitated transportation, but also saved both time and money for travellers. Invested by the China Road and Bridge Corporation (CRBC) with \$2 billion, the 187-km freeway was opened to the public on Oct. 1, 2022 after more than three years of construction. Sareth Sreypich, a 29-year-old supervisor at the Expressway's toll station, said the Expressway enables people to travel fast and easily. "Previously, we traveled on National Road 4, it took up to five hours, but now, traveling on the Expressway, it takes two hours only," she told Xinhua. "All drivers always say that since there is the Expressway, their travel is easy. It saves them money and reduces the travel time," she added. Sreypich said traveling in smaller cars such as family cars from Phnom Penh to Sihanoukville now costs \$11.97 only. "For container trucks, previously, to run from Phnom Penh to Sihanoukville and back, it took a very long time, consuming one or two days, but since there is the Expressway,

they can travel two or three times per day," she said. "So, it reduces time and allows them to transport (goods) fast and easily." Cambodian Ministry of Commerce's Secretary of State Penn Sovicheat said the Expressway is the fruit of close cooperation between Cambodia and China under the framework of the Belt and Road Initiative (BRI). "The Phnom Penh-Sihanoukville Expressway eases traffic congestion, saves travel time, and reduces logistics and transportation costs," he told Xinhua. "It plays a crucial role in helping boost Cambodia's economic growth and tourism as it links the capital city to the country's largest seaport," he added. Paved with asphalt concrete, the Expressway has two lanes for traffic in each direction plus an emergency lane on each side. Xinhua

Source: <https://www.khmertimeskh.com/501356499/chinese-invested-expressway-in-cambodia-saves-time-money-for-travelers/>

## China-Laos land port has handled over 1 mln people this year



*Laos News | 07 September, 2023*

Mohan Port on China's border with Laos has cleared a total of 1,000,541 individuals hailing from 64 countries and regions this year, according to port authorities. Sengdala Nittiya, a Laotian China-Laos Railway crew member,

on Tuesday became the millionth person to pass through the land port in southwest China's Yunnan Province this year, receiving congratulations and flowers from staff at the Mohan border checkpoint. Entry and exit traffic at the land port has been increasing since the beginning of the year, rising from an average of 3,000 people per day to a maximum of 8,000 people. Since the China-Laos Railway launched its cross-border passenger services on April 13, such passenger flows at the Mohan railway port have also shown a steady growth trend, with the daily average number of inbound and outbound passengers surpassing 500. Mohan Port is the largest land port between China and Laos. It has evolved into a crucial hub for the Belt and Road Initiative and a significant gateway to countries in the Indochina Peninsula.

Source: <http://en.people.cn/n3/2023/0907/c90000-20068605.html>

## Bangladesh proposes three commercial models for importing sugar from Myanmar

 Myanmar News | 07 September, 2023

Bangladesh has offered to import Myanmar's sugar under the government-to-government (G2G), government-to-business (G2B) and business-to-

business (B2B) activities, according to Myanmar Sugar and Cane Related Products Association (MSCA). Bangladesh made an import proposal through the Bangladesh mission based in Yangon Region. The Bangladesh mission and the MSCA negotiated sugar imports and they reached the G2G, G2B and B2B agreements. "Our association is ready to export Myanmar's sugar to Bangladesh as we have adequate stocks in hand this FY. We have also discussed modes of transport. There is a plan to sign a Memorandum of Understanding with the Trading Corporation of Bangladesh (TCB). When they send a proposal letter officially through a diplomatic channel, we will proceed to negotiation which leads to an agreement. Bangladesh planned to buy 200 tonnes of onions from Myanmar in the current financial year as well. Moreover, they also proposed to buy Myanmar's rice again on account of good quality," said MSCA vice-chair U Win Htay. Myanmar ships sugar to Viet Nam and the Philippines through maritime trade annually beyond self-sufficiency. Moreover, the country conveyed sugar to China via the border as well. —ASH/EM

Source: <https://www.gnlm.com.mm/bangladesh-proposes-three-commercial-models-for-importing-sugar-from-myanmar/#article-title>

## PMI back above 50 mark for first time in six months



*Vietnam News | 07 September, 2023*

HCM CITY — Việ̣t Nam's manufacturing sector returned to growth in August as some signs of recovery in demand supported renewed increases in both new orders and production, according to the S&P Global Việ̣t Nam Manufacturing Purchasing Managers' Index™ (PMI). The PMI moved back above the 50.0 mark for the first time in six months during August. At 50.5, the index was up from 48.7 in July and pointed to a marginal monthly improvement in business conditions in the sector. Firms expanded their purchasing activity accordingly, but employment continued to fall marginally as firms were reluctant to take on extra staff given still fragile demand. Renewed increases in prices were also recorded midway through the third quarter. Input costs rose for the first time in four months, while selling price inflation was signaled for the first time since March. According to S&P Global, the nascent recovery in the health of the sector reflected tentative signs of demand improving. Manufacturers recorded a first increase in new orders for six months, while new export business also rose following a five-month sequence of decline. Growth rates were modest, however, amid some reports of ongoing demand fragility. Similarly,

manufacturing production returned to growth in August, ending a five-month period of falling output. However, the rate of increase was only marginal. Recoveries in output and new orders were most keenly felt in the investment goods category. Firms responded to higher new orders and greater output requirements by expanding their purchasing activity at a solid pace. The rise was the first in six months and most pronounced since last September. In turn, stocks of purchases also increased, the second month running in which this has been the case. The picture for employment was less positive, however, with row. That said, the pace of reduction was the weakest in this sequence and only marginal. Ongoing reductions in employment reflected continued signs of spare capacity in the sector, with backlogs of work decreasing for the eighth consecutive month. Firms also recorded a build-up of stocks of finished goods for the second month running amid some reports that weak demand had left finished products unsold. August data pointed to a solid increase in input prices, thereby ending a three-month period of decline. A number of panelists linked higher input costs to rising oil prices, while increased food prices were also mentioned. In turn, firms also raised their own selling prices, albeit only slightly. The increase in charges was the first since March. Suppliers' delivery times shortened for the eighth successive month as stocks at suppliers



remained sufficient to deal with orders despite a pick-up in demand for inputs during August. The improvement in vendor performance was solid, albeit the least marked since May. Tentative improvements in market demand helped to strengthen business confidence midway through the third quarter, with firms hoping for a continued recovery in the months ahead. Optimism in the 12-month outlook for production was the highest in five months, but still below the series average amid ongoing concerns around the strength of demand. Andrew Harker, economics director at S&P Global Market Intelligence, said that the latest S&P Global Việt Nam Manufacturing PMI paints a more encouraging picture regarding the health of the sector than had been the case in recent months, with output, new orders, exports and purchasing all returning to growth. Improvements were generally still quite muted, however, as demand conditions remained fragile. It is probably too early to say, therefore, that the sector is in full recovery mode. Another key aspect from the latest survey was the end of the recent period of falling prices, with both input costs and selling charges up in August, often linked to higher oil prices, he said. — VNS

Source: <https://vietnamnews.vn/economy/1593373/pmi-back-above-50-mark-for-first-time-in-six-months.html>

## Vietnam surpasses Thailand in motorcycle production capacity and domestic sales



*Vietnam News | 07 September, 2023*

VOV.VN - Vietnamese domestic motorcycle production is estimated at around 3 million units per year, while Thailand has set a target of reaching motorcycle production capacity of 2.1 million units in 2023. The Federation of Thai Industries (FTI) expects that total motorcycle production this year will exceed the target of 2.1 million units. The rebound of the tourism industry has increased demand for motorcycles, whilst the easing of the global semiconductor shortage means chip makers are capable of supplying a greater number to motorcycle producers, said Surapong Paisitpatanapong, vice-chairman and spokesman for the FTI's Automotive Industry Club. Earlier this year the FTI predicted that local motorcycle production would reach 2.1 million units this year. Of the total, production for the domestic market stands 1.75 million units, with the export market projected to account for 350,000 units. For the first seven months, Thailand's domestic motorcycle sales increased by 10% on-year to 1,144,760 units. Vietnamese domestic motorcycle production was estimated at more than 3.32 million units in 2022, with annual growth of 9.9%.

The Vietnam Association of Motorcycle Manufacturers (VAMM) reported that Vietnamese motorbike consumption in 2022 was over three million units. During the past seven months of the year total motorbike consumption in the country reached 1.56 million vehicles, a decline of 14.4% over the same period from last year. It is therefore forecast that this year motorbike consumption nationwide will reach approximately 2.8 million units.

Source: <https://english.vov.vn/en/economy/vietnam-surpasses-thailand-in-motorcycle-production-capacity-and-domestic-sales-post1044303.vov>

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