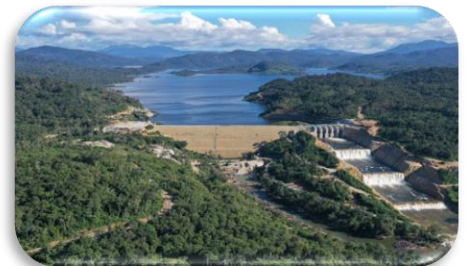


*Highlight News / October 04/2023*



- CGCC, Kasikornbank join hands to support MSMEs
- Insurance sector logs \$31 million premium in August
- Foreign firm to finance more clean hydropower plants in Laos
- Myanmar's fishery exports to over 40 foreign countries bag US\$270 mln in H1
- Vietnam's PMI falls slightly, new orders increase in September
- WB projects Vietnam's economic growth to slow to 4.7% this year



## CGCC, Kasikornbank join hands to support MSMEs



*Cambodia News | 3 October, 2023*

Credit Guarantee Corporation of Cambodia (CGCC) and the Branch of Kasikornbank Public Company Limited (Phnom Penh) have signed the Credit Guarantee Agreement to support micro, small and medium-sized enterprises (MSMEs). The signing ceremony was held at CGCC's office in the presence of Ros Seileva, Secretary of State of the Ministry of Economy and Finance and Chairman of CGCC, Cherdkiat Atthakor, Ambassador of Thailand to Cambodia and Suwat Techawatanawana, Executive Vice President of Kasikornbank Thailand. Wong Keet Loong, Chief Executive Officer of CGCC, said that the bank's branch in Cambodia can tap on their experience in providing guaranteed loans in Thailand. "The collaboration also opens up opportunities for us to explore cross-border guarantees between businesses in Thailand and Cambodia. We have also plans to collaborate with the Thai Credit Guarantee Corporation, which has more than 30 years of experience, towards the end of this year," he said. Ritthiwut Watthanachai, General Manager of Kasikornbank in Phnom Penh, said that the initiative seamlessly aligns with the bank's business plan for the next phase. "The partnership with CGCC will be the key enabler for us in extending our reach to a broader entrepreneur base while improving our service capabilities. As the first Thai bank to join the credit guarantee scheme,

this partnership underlines Kasikornbank's aspiration and commitment to supporting the government's vision for SME development," he said. CGCC aims to improve financial inclusion and develop MSMEs with the main mission of providing guarantees for loans given to MSMEs through Participating Financial Institutions (PFIs). The Kasikornbank in Phnom Penh now become one of the 27 PFIs of CGCC, committing to assisting business entities in line with the Cambodian government's direction to support MSMEs. The CGCC has provided credit guarantees of \$139.5 million to 1,648 businesses for their working capital expansion as of July 2023.

Source : <https://www.khmertimeskh.com/501369986/cgcc-kasikornbank-join-hands-to-support-msmes/>

## Insurance sector logs \$31 million premium in August



*Cambodia News | 3 October, 2023*

Cambodia's insurance sector collected \$31.6 million in premiums in August this year, a 1.6 percent increase compared to the same month last year. The gross premium of the general insurance market in June this year rose 5.65 percent to \$13.5 million and from \$12.8 million in August 2022, according to an Insurance Regulator of Cambodia report issued last week. Life insurance premiums totalled \$17.3 million, down 2.43 percent, while micro-insurance premiums went up by 40.2 percent, the report said. The total amount of claims paid out by insurers during the period increased 8.72 percent to \$2.6 million, from

\$2.39 million in August last year. The growth was driven by 18 general insurers, 14 life insurers, seven micro-insurance companies, one reinsurance firm and 20 insurance brokers, 34 corporate agents, and loss adjusters. Cambodia's gross insurance premium reached approximately \$332 million by the end of 2022, a year-on-year increase of 10.68 percent, said Ros Seilava, Secretary of State at the Ministry of Economy and Finance and Vice-Chairman of the Council of the Board of Non-Bank Financial Service Authority. The insurance sector has experienced substantial growth over the past two decades, he said in a recent insurance event, adding that the sector also has prevailing challenges. "The primary obstacle is a significant lack of public awareness about the benefits of insurance. This issue needs public outreach and education," he said. The increasing insurance premiums last year reflected the strength of the insurance market in Cambodia, as the insurance sector contributed about 1.17 percent to the country's gross domestic product (GDP), according to IRC. The insurance density in the country is about \$20.53 per person, which indicates that the insurance sector still has a great potential for growth, it said.

Source : <https://www.khmertimeskh.com/501369987/insurance-sector-logs-31-million-premium-in-august/>

## Foreign firm to finance more clean hydropower plants in Laos



*Laos News | 3 October, 2023*

The China International Water & Electric Corp (CWE) will continue to invest more capital in hydropower projects and other sectors in Laos despite the unprecedented crisis of the Covid-19 pandemic in the past few years. "We've been in Laos for over two decades, investing in five hydropower projects, and four transmission and transformation line projects with multiple million US dollars, and more investment capital is expected to be forthcoming in the future," the General Manager of the Namkong 1 hydropower project Mr Chen Yuquan told this Vientiane Times reporter during a recent one-on-one interview in China. The company faces numerous challenges and has been unable to collect a sizeable profit from its key energy buyers due to the current economic turbulence as well as the Covid-19 crisis in the past three years. The China International Water & Electric Corp owns five hydropower plants in Laos, of which three are under construction, namely the Nam Lik 1-2 hydropower plant, Namkong 1 hydropower plant, and Nam Ngiep 2 hydropower plant. These projects are creating employment opportunities for 300 to 400 local employees in the provinces of Xieng Khuang, Vientiane and Attapeu where the projects are located and operational. Meanwhile, the coverage of transmission systems and transformation lines in additional provinces is also creating job opportunities. The company has built a diverse and

inclusive career development and vocational education platform for nearly 200 local employees. “Our company will continue to invest more in diversifying projects in Laos because the country has the most abundant water resources in Asean,” Mr Chen said. Over the past 20 years, the company has increasingly contributed to local communities through the construction and improvement of roads and bridges, schools, children’s playgrounds, laboratories and other facilities in various provinces. Mr Chen said investment in hydropower by his company aligns with the Belt and Road Initiative’s focus on clean-energy technologies and seeking pathways for renewable energy investment in the future. The China International Water & Electric Corp is a subsidiary of China Communications Construction Company Ltd. (CCCC), which is a majority state-owned, publicly traded, multinational engineering and construction company primarily engaged in the design, construction and operation of infrastructure assets. The company has been a contractor for numerous Belt and Road Initiative projects in China and overseas, engaging in world-class design and construction projects including highways, bridges, tunnels, railways (especially high-speed rail), subways, airports, oil platforms, and marine ports. According to the CCCC source, one of the essential BRI projects built by CCCC is the China-Laos Railway. As of today, the railway continues to play a positive role in enabling the people of the two countries to travel conveniently and efficiently. Significantly, it also makes domestic

and international circulations unimpeded and demonstrates a strong trend in both passenger and cargo transport as well as supporting the development of the China-Laos Economic Corridor. Bounfaeng Phaymanivong, a journalist with Lao Press in Foreign Languages (Vientiane Times), is taking part in a four-month China Asia Pacific Press Centre 2023 Programme as one of more than 80 media personnel from almost 70 countries. The programme has been set up by the China Public Diplomacy Association under the supervision of the China International Press Communication Centre.

Source : [https://www.vientianetimes.org.la/freefreeneews/freecontent\\_192\\_Foreign\\_y23.php](https://www.vientianetimes.org.la/freefreeneews/freecontent_192_Foreign_y23.php)

## Myanmar’s fishery exports to over 40 foreign countries bag US\$270 mln in H1



*Myanmar News | 3 October, 2023*

Myanmar conveyed fisheries worth US\$270 million to over 40 foreign countries in the first half (April-September) of the current financial year 2023-2024, said U Nyunt Win, director of the Fisheries Department (Nay Pyi Taw). The fisheries exports steadily flow into the markets of Japan, Middle East countries, European Union countries, Malaysia, Chinese Taipei and Australia. Myanmar Fisheries Federation and the Fisheries Department are closely collaborating to bolster fisheries exports. “Myanmar’s fisheries penetrated over 40 foreign countries in the H1 of the current FY. Myanmar swelled by \$270 million from 175,000 tonnes of

fisheries exports. They are sent to both maritime and border trade channels,” U Nyunt Win elaborated. Myanmar strictly adheres to good production practices so that the fisheries are free from aquatic diseases in line with the rules and standards of the respective importing countries. Myanmar normally sends fisheries to international trade partners including Japan and European countries by sea, whereas it exports fisheries such as fish, shrimp, and crab to the neighbouring countries China, Thailand and others via Muse, Myawady, Kawthoung, Sittway, Myeik and Maungtau border points. The fisheries department and exporters are working together to meet the demand of each importing country, especially China which exercises strict supervision over seafood import and has sustainable exports depending on market conditions. — ASH/EM

Source : <https://www.gnlm.com.mm/myanmars-fishery-exports-to-over-40-foreign-countries-bag-us270-mln-in-h1/#article-title>

## Vietnam's PMI falls slightly, new orders increase in September



*Vietnam News | 3 October, 2023*

The S&P Global Vietnam Manufacturing Purchasing Managers' Index (PMI) posted 49.7 in September, compared to 50.5 in August, despite the second successive monthly increase in new orders. S&P Global said that after improving in August, overall business conditions in the Vietnamese manufacturing sector declined marginally in September. Underlying data pointed to a

strengthening demand environment and growing business confidence, but also a degree of spare capacity in the sector which led to reductions in output and employment. Rates of inflation gathered pace, with both input costs and output prices rising more quickly at the end of the third quarter. The PMI stood at 49.7 points in September, back below the 50.0 no-change mark following a reading of 50.5 in August. The index thereby signalled a deterioration in business conditions for Vietnamese manufacturers, albeit one that was only marginal. The most positive aspect of the latest survey was a second successive monthly increase in new orders, with the rate of expansion broadly in line with that seen in the previous survey period. A number of respondents signalled that strength in new export orders, particularly from other Asian economies, had helped to boost total new business. The rate of expansion in new sales from abroad was solid and more pronounced than that seen in August. Despite the continued pick-up in demand, manufacturers signalled that new order receipts remained relatively modest, leading to a scaling back of production. Output was down slightly following August's rise, with production now having fallen in six of the past seven months. The overall contraction in output was centred on intermediate goods producers, while the consumer and investment goods categories recording expansions, according to S&P Global. It said that a further reduction in backlogs of work in September signalled that manufacturers maintained sufficient capacity to cope with current workloads.

As such, there remained a reluctance to hire additional staff. Employment decreased for the seventh month running. Although modest, the rate of job cuts was the most marked since June. While manufacturers lowered their staffing levels, they did expand their input buying. Purchasing was up for the second month running in response to growth of new orders and plans to increase output in the coming months. These expansion plans were also evident in data on business confidence, which strengthened for the fourth consecutive month and was the highest since February. Firms expect new orders to improve further, thereby leading to output growth. Around 45% of respondents predicted output to rise over the coming year, against 7% that were pessimistic. Although demand for inputs strengthened again in September, suppliers continued to speed up their deliveries. Lead times shortened for the ninth consecutive month, albeit to the least extent since April. Stocks of both purchases and finished goods decreased at the end of the third quarter, in both cases for the first time in three months. Stocks of finished goods were used to help meet new export orders. "The picture was mixed in the Vietnamese manufacturing sector during September. On a positive note, firms continued to see demand pick up, with a particularly encouraging rise in new orders signalled. This fed through to greater confidence in the year-ahead outlook," said Andrew Harker, Economics Director at S&P Global Market Intelligence. "On the other hand, there is clearly still some excess capacity in the sector, which meant

that firms continued to lower employment and also scaled back output slightly, opting to use the inventories that had been building up in recent months to help meet new orders," he noted. Harker added that should demand continue to pick up, this should feed through to growth across the sector. If the recovery in new orders loses steam, however, firms will remain reluctant to expand capacity too quickly./.VNA

Source : <https://vietnamnews.vn/economy/1594585/viet-nam-records-21-68-billion-trade-surplus-in-nine-months.html>

## WB projects Vietnam's economic growth to slow to 4.7% this year



*Vietnam News | 3 October, 2023*

Vietnam's real economic growth is expected to slow to 4.7% this year before recovering to 5.5 % in 2024 and 6.0 % in 2025, according to Vietnam's Macro and Poverty Outlook released by the World Bank on October 2. The World Bank attributed the slow growth this year to weaker private consumption, a property market slump, and a sharp deceleration in external demand. After last year's strong rebound, the economy has been facing domestic and external headwinds in 2023. Weaker global growth and trade have dampened external demand for Vietnamese exports, in turn weighing on growth. Real GDP growth slowed to 3.7% in H1-2023, reflecting a slump in external demand and weakening domestic demand, while exports contracted by 12% year on year in H1-2023. Headline inflation fell from 4.9%

year on year in January 2023 to 2.1% year on year in July 2023, due to the slowdown of fuel prices and weakening domestic consumption. However, core inflation decelerated at a slower pace, from 5.2% year on year in January to 4.1% year on year in July 2023, partly due to higher costs of construction materials and housing. Inflation is forecast to average 3.5% this year due to expected civil service salary increases, moderating to 3.0% in 2024 and 2025 assuming stable commodity and energy prices. Despite external headwinds, Vietnam's external position improved in Q1-2023, recording a current account surplus of 1.5% of GDP. The merchandise trade balance improved as imports contracted more sharply than exports, partly due to falling imports of intermediate goods. Meanwhile, the deficit in services trade balance narrowed as international tourists returned. The financial account also remained in surplus, driven by resilient FDI and portfolio inflows.

Source : <https://vietnamnet.vn/en/wb-projects-vietnam-s-economic-growth-to-slow-to-4-7-this-year-2197044.html>

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