

## Economy Watch—External Environment

This section presents the main economic indicators of major world economies and economies in Southeast Asia. Overall, in the first quarter of 2020, GDP growth in all selected countries slowed drastically to record low levels.

Among the selected ASEAN countries, Singapore had the lowest growth rate at minus 2.2 percent, followed by Thailand (minus 1.8 percent), Malaysia (0.7 percent) and Indonesia (2.0 percent). The latest data on GDP growth in Cambodia and Vietnam was not available at the time of writing. Compared to the same quarter last year, Singapore's GDP dropped by 3.5 percentage points, Thailand's by 4.6 percentage points, Malaysia's by 3.8 percentage points and Indonesia's by 2.1 percentage points. Compared to the preceding quarter, Singapore's GDP decreased by 3.0 percentage points, Thailand's by 3.4 percentage points, Malaysia's by 2.9 percentage points and Indonesia's by 2.0 percentage points.

In selected other Asian countries, Hong Kong had the lowest GDP growth rate (minus 8.9 percent), followed by China (minus 6.8 percent), South Korea (1.3 percent) and Taiwan (1.5 percent). Compared to the same quarter last year, Hong Kong's GDP declined by 9.5 percentage points, China's by 13.2 percentage points, South Korea's by 0.5 percentage points and Taiwan's by 0.2 percentage points. Compared to the preceding quarter, Hong Kong's growth rate dropped by 6.0 percentage points, China's by 12.8 percentage points, South Korea's by 2.1 percentage points and Taiwan's by 1.8 percentage points.

Looking at the selected industrial countries, the Euro-12 had the lowest GDP growth rate (minus 3.3 percent), followed by Japan (minus 2.0 percent) and the USA (0.3 percent). Compared to the first quarter of 2019, the Euro-12's GDP declined by 4.5 percentage points, Japan's by 2.9 percentage points and the USA's by 2.9 percentage points. Compared to a quarter earlier, the Euro-12's growth rate dropped by 4.3 percentage points, Japan's by 1.3 percentage points and the USA's by 2.0 percentage points.

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### World inflation

Among the selected ASEAN countries, compared to the first quarter of 2019, Thailand and Singapore experienced falling inflation rates, whereas Cambodia, Indonesia, Malaysia and Vietnam experienced rising inflation. Vietnam had the highest inflation rate (5.6 percent), followed by Cambodia (3.0 percent), Indonesia (2.9 percent), Malaysia (0.9 percent), Singapore (0.4 percent) and Thailand (0.4 percent). Compared to the same quarter last year, the inflation rate in Vietnam increased by 3.0 percentage points, Cambodia by 1.1 percentage points, Malaysia by 1.2 percentage points and Indonesia by 0.3 percentage points. The inflation rate in Singapore dropped by 0.1 percentage point and in Thailand by 0.3 percentage points. Compared to a quarter earlier, the inflation rate in Vietnam rose by 1.9 percentage points and in Cambodia by 0.9 percentage points, that in Indonesia and Thailand remained stable, while that in Malaysia fell by 0.1 percentage point and in Singapore by 0.2 percentage points.

China had the highest inflation rate (4.4 percent), followed by Hong Kong (2.0 percent), South Korea (1.2 percent) and Taiwan (0.6 percent). Year on year, China's inflation rate rose by 2.6 percentage points, South Korea's by 0.6 percentage points and Taiwan's by 0.3 percentage points, while Hong Kong's fell by 0.2 percentage points. Compared to the preceding quarter, inflation rose in China by 0.1 percentage points and in South Korea by 0.9 percentage point, and dropped in Hong Kong by 1.0 percentage points and in Taiwan by 0.1 percentage point.

Among the selected industrial countries, the USA had the highest inflation rate (2.1 percent), followed by the Euro-12 (1.1 percent) and Japan (0.5 percent). Year on year, the inflation rate in the USA was up by 0.4 percentage points and in Japan by 0.2 percentage points, whereas that in the Euro-12 was down by 0.3 percentage points. Compared with the preceding quarter, the inflation rates in the USA and Japan remained stable, while that in the Euro-12 headed higher.

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Table 1: Real GDP growth of selected trading partners, 2012–20 (percentage increase over previous year)

	2012	2013	2014	2015	2016	2017	2018	2019				2020
								Q1	Q2	Q3	Q4	Q1
Selected ASEAN countries												
Cambodia	7.3	7.4	7.1	7.0	7.0	7.0	7.5	-	-	-	-	-
Indonesia	6.3	5.8	5.2	4.8	5.0	5.1	5.2	5.1	5.0	5.0	5.0	3.0
Malaysia	5.4	4.6	6.0	4.9	4.3	5.9	4.8	4.5	4.9	4.4	3.6	0.7
Singapore	1.3	3.8	3.0	2.0	2.0	3.8	3.2	1.3	0.1	0.5	0.8	-2.2
Thailand	6.8	2.8	1.6	2.8	3.2	3.8	4.1	2.8	2.3	2.4	1.6	-1.8
Vietnam	5.2	5.4	5.9	6.6	6.1	6.6	7.2	6.8	6.7	7.3	7.0	-
Selected other Asian countries												
China	7.8	7.7	7.3	7.0	6.7	6.9	6.6	6.4	6.2	6.0	6.0	-6.8
Hong Kong	2.9	3.0	2.3	2.3	1.7	2.8	3.1	0.6	0.5	2.9	-2.9	-8.9
South Korea	2.1	2.8	3.4	2.6	2.6	3.0	3.0	1.8	2.1	2.0	3.4	1.3
Taiwan	1.2	2.2	3.5	0.6	1.2	2.8	2.6	1.7	2.4	3.0	3.3	1.5
Selected industrial countries												
Euro-12	-0.5	0.1	0.7	1.3	1.6	2.3	1.9	1.2	1.1	1.2	1.0	-3.3
Japan	1.7	1.7	0.6	0.3	0.9	1.8	0.6	0.9	1.2	1.7	-0.7	-2.0
United States	2.1	1.8	2.4	2.3	1.6	2.3	3.0	3.2	2.3	2.1	2.3	0.3

Sources: International Monetary Fund; Economist; countries' statistics offices

Table 2: Inflation rates of selected trading partners, 2012–20 (percentage price increase over previous year – period averages)

	2012	2013	2014	2015	2016	2017	2018	2019				2020
								Q1	Q2	Q3	Q4	Q1
Selected ASEAN countries												
Cambodia	3.0	3.0	3.9	1.2	3.0	2.9	2.5	1.9	1.8	2.0	2.1	3.0
Indonesia	4.3	7.0	6.4	6.4	3.5	3.8	3.2	2.6	3.1	3.4	2.9	2.9
Malaysia	1.7	2.1	3.2	2.1	2.1	3.9	1.0	-0.3	0.6	1.3	1.0	0.9
Singapore	4.6	2.3	1.0	-0.5	-0.8	0.6	0.4	0.5	0.8	0.5	0.6	0.4
Thailand	3.0	2.2	1.9	-0.9	0.2	0.7	1.1	0.7	1.1	0.6	0.4	0.4
Vietnam	9.3	6.6	4.8	0.6	2.7	3.4	3.6	2.6	2.7	2.2	3.7	5.6
Selected other Asian countries												
China	2.7	2.6	2.0	1.4	2.0	1.6	2.1	1.8	2.6	2.9	4.3	4.4
Hong Kong	4.1	4.0	4.4	3.1	2.5	1.7	2.4	2.2	2.7	3.4	3.0	2.0
South Korea	2.1	1.1	1.3	0.7	0.8	2.0	1.4	0.6	0.7	0.1	0.3	1.2
Taiwan	1.9	0.8	1.5	0.6	1.4	0.6	1.4	0.3	0.8	0.4	0.7	0.6
Selected industrial countries												
Euro-12	2.5	1.4	0.4	0.0	0.3	1.5	1.8	1.4	1.4	1.0	1.0	1.1
Japan	0.0	0.4	2.8	0.9	-0.1	0.6	1.0	0.3	0.7	0.3	0.5	0.5
United States	2.1	1.5	1.6	0.0	1.2	2.1	2.5	1.7	1.8	1.7	2.1	2.1

Sources: International Monetary Fund; Economist; National Institute of Statistics

Table 3: Exchange rates against the US dollar of selected trading partners, 2012–20 (period averages)

	2012	2013	2014	2015	2016	2017	2018	2019				2020
								Q1	Q2	Q3	Q4	Q1
Selected ASEAN countries												
Cambodia (riel)	4037.8	4027.2	4037.6	4060.4	4053.6	4047.0	4045.0	4006.6	4052.1	4086.8	4063.7	4064.1
Indonesia (rupiah)	9363.0	10419.2	11,850.2	13394.8	13338.3	13379.8	14227.6	14127.8	14246.8	14117.6	14060.5	14220.3
Malaysia (ringgit)	3.1	3.1	3.3	3.9	4.1	4.3	4.0	4.1	4.1	4.2	4.2	4.2
Singapore (Singapore dollar)	1.2	1.3	1.3	1.4	1.4	1.4	1.3	1.4	1.4	1.4	1.4	1.4
Thailand (baht)	31.1	30.7	32.5	34.2	35.3	33.9	32.3	31.6	31.6	30.7	30.3	31.2
Vietnam (dong)	20856.9	20990.3	21,138.2	21917.7	22507.5	22645.9	22663.3	22902.9	23255.5	23258.3	23217.3	23351.0
Selected other Asian countries												
China (yuan)	6.3	6.1	6.2	6.3	6.6	6.8	6.6	6.7	6.8	7.0	7.0	7.0
Hong Kong (Hong Kong dollar)	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8
South Korea (won)	1126.6	1095.0	1053.6	1131.9	1161.0	1130.5	1099.9	1125.0	1165.4	1193.4	1174.7	1191.5
Taiwan (New Taiwan dollar)	29.6	29.7	30.3	31.8	32.3	30.4	30.1	30.8	31.1	31.2	30.5	30.1
Selected industrial countries												
Euro-12 (euro)	0.8	0.8	0.8	0.9	0.9	0.9	0.8	0.9	0.9	0.9	0.9	0.9
Japan (yen)	79.8	97.6	105.9	121.0	108.8	112.1	110.4	110.1	109.9	107.3	108.7	109.0

Sources: International Monetary Fund; Economist; National Bank of Cambodia

Table 4: Selected commodity prices on world market, 2012–20 (period averages)

	2012	2013	2014	2015	2016	2017	2018	2019				2020
								Q1	Q2	Q3	Q4	Q1
Maize (US No. 2) – USA (USD/tonne)	298.4	259.4	192.9	169.8	159.2	154.5	164.4	167.5	175.9	170.1	166.8	167.6
Palm oil – NW Europe (USD/t)	999.3	856.9	821.4	622.7	643.6	714.7	638.7	586.9	568.1	570.1	680.2	724.7
Rubber SMR 5 (USD/tonne)	3200.7	2575.3	1755.6	1392.7	1416.1	1688.3	1401.4	1436.6	1549.5	1389.7	1410.1	1374.4
Rice (Thai 100% B) – Bangkok (USD/tonne)	594.8	533.8	434.9	395.5	406.7	452.3	444.2	426.7	430.0	439.7	442.7	481.3
Soybeans (US No.1) – USA (USD/tonne)	591.4	538.4	491.8	390.4	405.7	400.6	405.4	353.3	347.8	339.7	347.3	360.7
Crude oil – OPEC spot (USD/barrel)	109.5	105.9	96.2	49.6	40.7	52.6	69.5	60.5	65.1	59.7	60.3	49.1
Gasoline US – Gulf Coast (cents/litre)	74.6	71.2	65.6	41.0	35.2	42.4	49.6	40.9	49.4	46.0	43.3	34.2
Diesel (low sulphur No.2) – US Gulf Coast (cents/litre)	80.7	78.4	71.5	41.7	34.8	42.9	53.8	49.5	51.1	48.9	49.4	39.2

Sources: Food and Agriculture Organisation; US Energy Information Administration

## Economy Watch—Domestic Performance

### Main economic activities

Total fixed asset investment approvals in the first quarter of 2020 decreased by 52.7 percent year on year to USD916.1 m. This was due to there being no approvals for agriculture, a 20.1 percent drop in approvals for industry and a 58.0 percent drop in approvals for services. The hotel and tourism sector was one of the worst performing sectors with a 91.8 percent drop in approvals year on year. In contrast, garment manufacturing, with a 43.4 percent increase in approvals year on year, showed the best performance. Compared to the preceding quarter, approvals for industry decreased by 74.6 percent and services by 52.6 percent. Among all sectors, only approvals for garments increased compared to previous quarters from the first quarter of 2019.

Foreign visitor arrivals, except for those from Thailand, decreased year on year. Arrivals from China dropped by 62.0 percent, South Korea by 56.4 percent, Malaysia by 48.9 percent, USA by 45.9 percent, Japan by 33.9 percent, France by 29.6 percent, the UK by 25.6 percent and Vietnam by 4.0 percent. Compared to the preceding quarter, arrivals from China declined by 47.7 percent, Malaysia by 61.5 percent, South Korea by 38.8 percent, USA by 40.0 percent, Vietnam by 33.9 percent, Japan by 31.6 percent, Thailand by 14.4 percent, France by 6.1 percent and the UK by 3.1 percent.

Total exports increased by 10.2 percent year on year, by 5.1 percent compared to the second quarter of 2019 and by 0.7 percent compared to the fourth quarter of 2019, but decreased by 16.7 percent compared to the third quarter of 2019. The

year-on-year increase in total exports was driven by increases of 7.5 percent in garment exports, 57.2 percent in electronics exports, 27.5 percent in automotive exports and 25.0 percent in agricultural exports. Looking at the destinations of garment exports, compared to the same quarter last year, exports to the USA increased by 27.9 percent and to ASEAN by 43.3 percent, whereas exports to the EU decreased by 1.8 percent, the UK by 10.1 percent and the rest of the world by 0.9 percent. Compared with the preceding quarter, garment exports increased by 4.6 percent and automotive exports by 7.9 percent, while exports of agricultural products dropped by 8.7 percent and of electronics by 2.8 percent. The drop in agricultural exports was largely driven by a 58.0 percent decrease in rubber exports with smaller decreases of 7.4 percent in wood exports and 11.4 percent in other agricultural product exports.

Total imports increased by 18.3 percent year on year but decreased by 1.4 percent compared to the preceding quarter. Year on year, imports of gasoline increased by 8.5 percent, diesel by 8.7 percent, construction materials by 3.6 percent and others by 19.8 percent. Compared to the preceding quarter, only imports of gasoline increased (by 7.8 percent), whereas imports of diesel dropped by 0.3 percent, construction materials by 21.1 percent and others by 0.7 percent.

### Public finance

Total revenue increased by 8.8 percent year on year but decreased by 20.0 percent compared to the preceding quarter. Compared to the same quarter last year, current revenue rose by 9.0 percent, tax revenue by 3.8 percent, domestic tax by 4.4 percent, international trade taxes by 0.2 percent, non-tax

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revenue by 52.4 percent, property income by 63.2 percent, sale of goods and services by 51.5 percent and other non-tax revenues by 5.5 percent. Capital revenue decreased by 34.2 percent. Compared to the preceding quarter, only property income rose (by 1,164.6 percent), whereas other types of revenue dropped. Current revenue decreased by 19.6 percent, tax revenue by 21.8 percent, domestic tax by 21.8 percent, international trade taxes by 21.8 percent, non-tax revenue by 3.8 percent, sale of goods and services by 33.2 percent, other non-tax revenue by 58.2 percent and capital revenue by 66.7 percent.

Year on year, total expenditure increased by 27.7 percent, driven by rises of 22.9 percent in capital expenditure, 29.3 percent in current expenditure, 13.1 percent in wages, 76.7 percent in subsidies and social assistance and 52.0 percent in other current expenditure. Compared to the preceding quarter, total expenditure fell by 30.9 percent due to drops of 60.0 percent in capital expenditure, 9.8 percent in current expenditure, 20.5 percent in subsidies and social assistance, and 23.6 percent in other current expenditure. Among all types of expenditure, only wages increased (by 9.3 percent).

The overall balance in the first quarter of 2020 was KHR242.4 bn, a 74.4 percent drop compared to the same quarter last year.

### **Inflation and foreign exchange rates**

The consumer price index for all items increased by 3.0 percent compared to 2.0 percent in the previous two quarters. The price of food and non-alcoholic beverages increased by 3.7 percent and of transportation by 2.6 percent.

In terms of exchange rates, the riel depreciated 1.4 percent against the US dollar to KHR4,064.1 per dollar, 2.6 percent against the Thai baht to KHR130.7 per baht and 1.1 percent against the Vietnamese dong to KHR17.6 per 100 dongs compared to the same quarter of 2019. Compared to the preceding quarter, the riel depreciated 0.01 percent against the US dollar, but appreciated 3.1 percent against the Thai baht, while the riel-to-Vietnamese dong exchange rate remained stable.

Gold price was USD188.3 per chi, a 20.2 percent increase compared to the same quarter last year and a 5.7 percent increase compared to the preceding quarter. Diesel price dropped by 2.1 percent compared to the same quarter last year and 4.5 percent compared to the preceding quarter. Gasoline price increased by 3.9 percent compared to

the same quarter last year but decreased by 4.0 percent compared to the preceding quarter.

### **Real average daily earnings of vulnerable workers**

This section describes the situation of vulnerable workers based on a survey in May 2020 of 120 garment workers and 360 vulnerable workers in nine other types of work. Overall, daily earnings increased for five types of vulnerable workers – porters, waitresses/waiters, ricefield workers, unskilled construction workers and skilled construction workers, and decreased for the remaining five types – cyclo drivers, small vegetable sellers, scavengers, garment workers and motorcycle taxi drivers. Compared to the survey in February 2020, the average daily earnings of porters increased by 3.1 percent, waitresses/waiters by 0.9 percent, ricefield workers by 11.4 percent, unskilled construction workers by 9.7 percent and skilled construction workers by 8.2 percent. Cyclo drivers' earnings dropped by 14.1 percent, small vegetable sellers by 6.0 percent, scavengers by 34.4 percent, garment workers by 12.5 percent and motorcycle taxi drivers by 11.9 percent.

Excluding garment workers, among the nine types of vulnerable workers, the majority (86.4 percent) were from a family with 3–6 members. Most of them (86.4 percent) reported that they were the main income earner of their family, and 68.3 percent of them migrated alone to work in Phnom Penh or Siem Reap. Nearly half of them (44.7 percent) did not have other jobs, and 49.7 percent did farm work and raised livestock for household consumption. In response to the question “can your income support your family?”, 82.8 percent of them reported “some”, 16.4 percent “no” and 0.9 percent “yes”. The vast majority of the vulnerable workers (91.9 percent) said that they could not save any of their earnings to future proof their job. Their income was mainly spent on food (77.5 percent), accommodation (9.5 percent), transport (1.7 percent), health (0.5 percent) and others (10.8 percent).

Regarding the garment workers, all of them reported that they worked six days per week. In response to the question “can your daily earnings support your family?”, the majority of them (83.3 percent) reported “some”, 10.8 percent “no” and 5.8 percent “yes”. Their income mainly went on food (69.7 percent), accommodation (18.3 percent), health (0.3 percent) and other expenses (11.7 percent).

Table 1: Private investment projects approved, 2012–2020

	2012	2013	2014	2015	2016	2017	2018	2019				2020
								Q1	Q2	Q3	Q4	
fixed assets (USD m)												
Agriculture	531.6	930.5	56.5	169.8	117.1	62.9	214.9	17.2	48.2	1.9	27.5	0.0
Industry	829.3	3257.0	1002.5	1014.7	1436.4	982.2	1186.2	292.9	113.7	302.0	919.9	234.0
<i>Garments</i>	497.0	324.1	393.5	225.2	380.7	211.1	187.3	73.9	34.4	47.3	74.1	106.0
Services	916.6	140.7	622.6	2734.4	1664.3	3858.6	4351.8	1625.6	2518.2	849.7	1440.4	682.1
<i>Hotels and tourism</i>	691.5	106.0	446.9	98.6	1366.9	2759.6	1584.0	1618.8	2518.2	808.7	1703.8	133.0
Total	2278.0	4328.0	1583.9	3918.9	3217.7	4903.7	5752.9	1935.6	2680.1	1153.5	2387.8	916.1
percentage change from previous quarter												
Total	-	-	-	-	-	-	-	4.9	38.5	-57.0	107.0	-61.6
percentage change from previous year												
Total	90.1	63.4	-63.4	147.4	-17.9	52.4	17.3	312.5	12.6	8.9	29.4	-52.7

Note: Including expansion project approvals. Source: Cambodian Investment Board

Table 2: Value of construction project approvals in Phnom Penh, 2009–15

	2009	2010	2011	2012	2013	2014				2015		
						Q1	Q2	Q3	Q4	Q1	Q2	Q3
USD m												
Villas, houses and flats	213.9	220.1	405.1	547.3	658.9	133.6	84.0	33.1	20.4	122.3	-	637.6
Other	227.3	217.8	199.9	463.6	859.6	190.0	141.7	105.6	11.7	49.8	-	252.6
Total	441.2	489.8	605.0	1010.9	1518.5	323.6	225.7	138.7	32.1	172.0	-	897.4
percentage change from previous quarter												
Total	-	-	-	-	-	34.3	-30.2	-38.5	-77.8	437.3	-	-
percentage change from previous year												
Total	-60.5	11.0	23.5	67.1	28.1	8.0	-9.2	-64.2	-86.7	-46.8	-	-

Source: Department of Cadastre and Geography of Phnom Penh municipality

Table 3: Foreign visitor arrivals, 2012–2020

	2012	2013	2014	2015	2016	2017	2018	2019				2020
								Q1	Q2	Q3	Q4	
thousands												
China	333.9	463.1	560.3	694.7	830.0	1210.8	2024.4	683.4	609.1	572.5	496.9	259.7
Vietnam	763.1	854.1	905.8	987.8	959.7	835.4	800.1	186.9	214.8	235.7	271.5	179.5
South Korea	411.5	435.0	424.4	395.3	357.2	345.0	301.8	95.7	43.6	47.4	68.1	41.7
Thailand	201.4	221.3	279.5	349.9	398.1	394.9	382.3	97.9	76.3	113.9	178.4	152.7
USA	173.1	185.0	191.4	217.5	238.7	256.5	250.8	79.0	53.2	45.5	71.2	42.7
Japan	179.3	206.9	215.8	193.3	191.6	203.4	210.5	60.2	40.4	48.9	58.2	39.8
France	121.2	131.5	141.1	145.7	150.3	166.4	170.8	59.4	27.3	32.9	44.5	41.8
UK	110.2	123.9	133.3	154.3	159.5	171.2	162.4	59.4	29.7	28.5	45.6	44.2
Malaysia	116.8	130.7	144.4	149.4	152.8	179.3	201.1	48.7	43.2	46.5	64.6	24.9
By air	1722.1	2017.7	2273.5	2476.0	2778.0	3312.7	6405.6	1299.1	1054.8	1039.9	1010.2	663.6
By land or water	1862.2	2192.5	2229.3	2299.2	2331.4	2289.4	3242.2	578.7	405.8	436.0	786.1	491.6
Total	3584.3	4210.2	4502.8	4775.2	4980.4	5602.2	9647.7	1877.9	1460.6	1475.8	1796.3	1155.2
percentage change from previous quarter												
Total	-	-	-	-	-	-	-	2.9	-22.2	1.0	21.7	-35.7
percentage change from previous year												
Total	24.4	17.5	7.0	6.1	4.3	12.5	72.2	9.7	13.2	7.4	-1.6	-38.5

Source: Ministry of Tourism

Table 4: Exports and imports, 2012–2020\*

	2012	2013	2014	2015	2016	2017	2018	2019				2020
								Q1	Q2	Q3	Q4	
USD m												
Total exports	4929.5	6106.4	8106.0	9256.4	10043.3	10772.9	12783.8	3222.7	3379.0	4263.9	3524.9	3550.1
Of which: Garments	4259.6	5015.4	5960.5	6827.0	7308.0	8020.3	9506.0	2463.4	2526.3	3143.8	2530.9	2647.2
<i>To USA</i>	2055.3	2143.3	1963.6	2009.4	1831.5	1923.8	2483.2	739.8	802.9	1006.5	848.0	945.9
<i>To EU</i>	1322.2	1716.9	2403.7	2903.9	2928.7	2782.2	3155.3	719.2	801.1	965.4	716.2	706.3
<i>To ASEAN</i>	17.6	39.4	83.3	103.4	98.4	106.9	135.3	38.1	41.3	48.2	53.1	54.6
<i>To Japan</i>	147.0	188.6	383.1	524.2	655.5	701.2	890.8	262.9	175.8	291.2	236.8	262.9
<i>To UK</i>	-	-	-	-	439.8	904.0	1007.0	211.5	197.7	272.9	200.3	190.2
<i>To rest of the world</i>	717.5	927.2	1126.8	1286.3	1354.2	1602.2	1834.3	491.7	507.5	559.7	476.4	487.3
Electronics	-	-	-	-	-	380.0	328.7	71.9	123.8	142.3	116.3	113.0
Automotives	-	-	-	-	-	11.6	94.4	20.4	18.2	22.7	24.1	26.0
Agriculture	362.1	376.7	624.4	548.8	534.1	706.4	850.9	210.4	177.7	211.0	288.1	262.9
<i>Rubber</i>	197.6	176.6	153.9	165.4	165.3	273.5	217.6	43.8	42.2	60.0	73.3	30.8
<i>Wood</i>	48.8	36.8	132.0	46.3	47.2	100.5	142.3	22.2	35.2	42.4	47.5	44.0
<i>Fish</i>	3.1	2.0	0.8	0.5	0.6	0.6	1.3	0.1	0.1	0.1	0.1	0.1
<i>Rice</i>	106.6	146.4	248.5	315.3	300.8	255.1	413.6	122.4	72.2	84.5	140.2	145.9
<i>Other agriculture</i>	6.0	14.9	89.1	21.3	20.2	76.7	76.2	21.9	28.1	24.1	26.9	42.2
Others	307.9	714.4	1520.1	1880.2	2201.2	1654.7	2003.8	456.6	532.9	744.0	565.6	501.0
Total imports	8593.3	8639.4	10295.4	11494.5	15013.4	16815.4	16904.7	4437.7	5328.6	5091.4	5324.3	5250.9
Of which: Gasoline	308.0	306.4	334.7	377.3	384.8	256.7	320.5	121.1	117.1	118.6	121.9	131.4
Diesel	559.5	569.1	602.3	607.8	709.1	472.9	594.1	228.2	250.2	166.4	248.9	248.1
Construction materials	66.1	80.8	117.6	164.4	253.2	304.3	564.5	170.8	231.4	271.2	224.4	177.0
Other	7659.1	7682.6	9240.7	10345.1	13666.3	15781.6	15425.7	3917.7	4729.9	4535.2	4729.1	4694.4
Trade balance	-1341.6	-1610.9	-2184.3	-2238.1	-4970.0	-5974.1	-4120.9	-1215.0	-1990.6	-827.5	-1799.4	-1700.9
Percentage change from previous quarter												
Total garment exports	-	-	-	-	-	-	-	7.0	2.6	24.4	-19.5	4.6
Total exports	-	-	-	-	-	-	-	2.8	7.8	26.2	-17.3	0.7
Total imports	-	-	-	-	-	-	-	6.0	27.2	-4.5	4.6	-1.4
Percentage change from previous year												
Total garment exports	17.7	7.4	10.7	14.5	7.0	9.7	18.5	17.7	12.8	9.5	9.9	7.5
Total exports	23.9	14.3	16.1	14.2	8.5	7.9	17.9	13.7	12.6	11.8	12.4	10.2
Total imports	16.8	15.4	19.7	11.7	30.6	12.0	0.5	4.6	18.5	28.0	27.1	18.3

Note: \* Import data include tax-exempt imports. Sources: Department of Trade Preference Systems; MOC and Customs and Excise Department; MEF (website)

Table 5: National budget operations on cash basis, 2012–2020 (billion riels)

	2012	2013	2014	2015	2016	2017	2018	2019				2020
								Q1	Q2	Q3	Q4	
Total revenue	7691.9	8255.2	10543.4	11879.9	14201.5	16582.0	19743.1	5097.5	6357.1	6364.5	6930.3	5544.2
Current revenue	7443.8	8233.2	10359.4	11759.0	14088.7	16481.4	19549.0	5066.8	6322.2	6309.2	6869.7	5524.0
Tax revenue	6334.8	7198.1	8995.2	10502.4	12196.5	14314.3	17019.2	4524.3	5663.5	5415.1	6009.8	4697.1
Domestic tax	5002.8	5728.1	7226.5	8591.7	10185.8	12338.7	14648.3	3904.9	4944.9	4634.1	5215.9	4076.5
Taxes on international trade	1331.7	1470.0	1822.7	1910.7	2010.7	1875.6	2370.9	619.4	718.6	781.0	793.9	620.6
Non-tax revenue	1118.2	1035.2	1310.3	1256.6	1892.2	2167.2	2520.9	542.5	658.7	894.1	859.9	826.9
Property income	143.0	84.0	88.5	77.3	116.0	127.2	197.3	177.4	34.0	30.2	22.9	289.6
Sale of goods and services	667.4	750.3	871.2	1047.1	1248.3	1517.0	2075.6	330.7	531.2	798.5	750.0	500.9
Other non-tax revenue	298.8	200.8	350.5	132.2	528.0	523.1	253.9	34.5	93.5	65.5	87.1	36.4
Capital revenue	247.9	73.4	184.0	121.0	113.4	100.5	194.1	30.7	35.0	55.4	60.7	20.2
Total expenditure	9660.9	12535.7	13306.5	13849.5	13775.4	17251.0	19027.1	4150.4	4997.6	5386.5	7676.8	5301.7
Capital expenditure	3628.3	5567.5	5590.7	5290.3	3785.3	5207.2	5730.2	1025.0	1392.7	1358.6	3195.4	1259.3
Current expenditure	6188.4	6968.3	7715.8	8544.6	9990.1	12043.7	13297.0	3125.4	3604.9	4027.9	4481.3	4042.5
Wages	2486.6	2997.3	3755.5	4271.9	5381.7	6647.4	7558.4	1820.2	1911.1	2102.0	1883.3	2058.0
Subsidies and social assistance	1586.8	1563.0	1627.0	1742.9	1774.9	2314.8	2505.4	729.2	1061.9	855.5	1620.3	1288.2
Other current expenditure	2115.1	2408.0	2333.4	2529.8	2833.5	5394.3	5738.6	1305.2	1693.8	1925.8	2598.1	1984.4
Overall balance	-9.0	-160.8	-2763.1	-1969.6	426.1	-669.1	-205.4	947.1	1359.6	978.0	-746.4	242.4
Foreign financing	-1969.0	-4280.6	3972.1	3729.4	1878.9	3358.1	716.1	652.8	895.5	608.8	1383.3	369.5
Domestic financing	2457.8	4326.2	-1428.7	-2034.9	-1858.7	-2454.1	2513.5	-44.4	-7.6	11.9	-18.0	3.2

Source: MEF website

Table 6: Consumer price index, exchange rates and gold prices (period averages), 2012–2020

	2012	2013	2014	2015	2016	2017	2018	2019				2020
								Q1	Q2	Q3	Q4	
Consumer price index (percentage change from previous year)												
Phnom Penh - All Items	2.3	3.0	3.9	1.2	3.1	2.9	2.5	1.9	1.8	2.0	2.0	3.0
- Food and non-alcoholic beverages	2.5	3.9	4.9	4.0	5.6	3.4	2.5	2.1	1.6	2.2	2.4	3.7
- Transportation	3.3	-0.6	-1.0	-9.2	-6.9	4.1	2.9	-3.8	-1.5	-2.5	-1.4	2.6
Exchange rates, gold and oil prices (Phnom Penh market rates)												
Riels per US dollar	4039.2	4037.3	4036.2	4060.4	4053.7	4047.5	4045.0	4006.6	4052.1	4086.8	4063.7	4064.1
Riels per Thai baht	130.0	133.1	124.9	119.4	115.5	120.0	125.9	127.4	128.9	133.7	134.9	130.7
Riels per 100 Vietnamese dong	19.4	19.3	19.1	18.7	18.2	17.9	17.7	17.4	17.5	17.7	17.6	17.6
Gold (US dollars per chi)	200.9	175.9	152.3	140.6	151.2	151.5	152.8	156.6	157.1	175.7	178.1	188.3
Diesel (riels/litre)	4941.2	5019.0	4852.1	3771.3	3004.0	3385.8	3808.7	3413.9	3595.4	3499.7	3499.5	3343.5
Gasoline (riels/litre)	5312.7	5264.2	5083.3	3951.7	3336.8	3716.0	3982.5	3405.7	3770.2	3629.3	3685.9	3538.8

Sources: NIS; NBC; CDRI

Table 7: Monetary survey, 2012–2020 (end of period)

	2012	2013	2014	2015	2016	2017	2018	2019				2020
								Q1	Q2	Q3	Q4	
Billion riels												
Net foreign assets	18154.5	21260.1	26699.7	26665.5	31814.5	42575.3	55214.3	55214.3	58148.8	62699.5	67081.5	57001.8
Net domestic assets	10437.4	11508.3	15859.8	22157.6	25802.3	28743.5	33228.9	33228.9	33997.2	33548.0	34814.3	62221.0
Net claims on government	-2486.4	-2794.9	-4359.1	-6428.8	-8148.5	-11066.5	-14803.7	-14803.7	-17381.0	-18747.4	-20263.2	-24650.6
Credit to private sector	23536.6	27608.8	36244.6	46071	56458.8	66922.6	82419.3	82419.3	86574.4	91568.6	98320.3	131815.3
Total liquidity	28591.9	32768.4	42559.5	48823.1	57616.6	71318.9	88443.2	88443.2	92146.0	96247.6	101895.8	11922.8
Money	4045.7	4878.2	6308.4	6741.4	7273.0	9428.4	10226.8	10226.8	10782.0	11274.5	13465.9	96047.6
Quasi-money	18154.5	21260.1	26699.7	42081.7	50343.8	61890.4	78216.4	78216.4	81364.0	84973.0	88429.9	7976.9
Percentage change from previous year												
Total liquidity	20.9	14.6	29.9	14.7	18.0	23.8	24.0	24.0	22.6	21.3	20.4	-
Money	2.3	20.6	29.3	6.9	7.9	29.6	8.5	8.5	12.6	18.0	32.7	-
Quasi-money	44.6	13.6	30.0	16.1	19.6	22.9	26.4	26.4	24.1	21.7	18.8	-

Source: National Bank of Cambodia

Table 8: Real average daily earnings of vulnerable workers (base November 2000)

	Daily earnings (riels)								Percentage change from previous year			
	2016	2017	2018	2019			2020		2019	2020		
				Feb	May	Aug	Nov	Feb		May		
Cyclo drivers	11516	10793	10793	11764	10567	11114	12046	10997	9081	14.7	-6.5	-14.1
Porters	14318	14942	14942	15882	17323	16560	18802	18246	17856	21.7	14.9	3.1
Small vegetable sellers	17177	17015	17015	18912	21472	19197	18651	15207	20181	-11.3	-19.6	-6.0
Scavengers	10299	11591	11591	12941	12685	13123	13099	14759	8322	4.2	14	-34.4
Waitresses*	20008	22901	22901	8299	8348	8564	8724	8706	8420	4.5	4.9	0.9
Ricefield workers	17365	17341	17341	8209	7909	9180	9376	9154	8812	4.4	11.5	11.4
Garment workers	14509	14231	14231	16073	15166	16076	16578	16483	13271	5.1	2.6	-12.5
Motorcycle taxi drivers	7989	8093	8093	14705	15104	14219	14904	17748	9081	1.8	20.7	-11.9
Unskilled construction workers	8088	8055	8055	19820	17987	18322	18814	22916	19741	-0.5	15.6	9.7
Skilled construction workers	13688	14093	14093	26265	24743	25235	27225	27164	26778	2.4	3.4	8.2

Notes: \* Waitresses' earnings do not include meals and accommodation provided by shop owners. Surveys on the revenue of waitresses, ricefield workers, garment workers, motorcycle taxi drivers and construction workers began in February 2000. November 2015 data are not available. \*\*Not available.

*Continued from page 12* **External...**

### **Exchange rate**

Year on year, the Thai baht, Taiwanese dollar and Japanese yen appreciated against the US dollar, whereas the Khmer riel, Indonesian rupiah, Malaysian ringgit, Vietnamese dong, Chinese yuan, Hong Kong dollar, South Korean won and the euro depreciated. The Khmer riel depreciated 1.4 percent to 4,064.1 riels/dollar and the Vietnamese dong 2.0 percent to 23,351.0 dongs/dollar, but the Thai baht appreciated 1.3 percent to 31.2 baht/dollar. Compared to the preceding quarter, the Khmer riel depreciated 0.01 percent against the US dollar, Thai baht 3.0 percent and Vietnamese dong 0.6 percent.

### **Commodity prices**

Compared to the first quarter of 2019, the prices of rubber, crude oil, gasoline and diesel dropped, while those of maize, palm oil, rice and soybeans rose. The price of rubber price decreased by 4.3 percent, of crude oil by 18.8 percent, of gasoline by 16.4 percent and of diesel by 20.8 percent. The prices of maize increased by 0.1 percent, palm oil by 23.5 percent, rice by 12.8 percent, and soybeans by 2.1 percent. Compared to the preceding quarter, the prices of rubber price dropped by 2.5 percent, crude oil by 18.6 percent, gasoline by 21.0 percent and diesel by 20.6 percent. The prices of maize rose by 0.5 percent, palm oil by 6.5 percent, rice by 8.7 percent and soybeans by 3.9 percent.

*Continued from page 24* **CDRI UPDATE**

value chains, agri-business development, and innovation and technology. Many AGID managers and CDRI directors and staff members attended the signing ceremony. Under this MOU, AGID and CDRI will explore and discuss the development and implementation of specific cooperative and collaborative undertakings of mutual interest.

On that occasion Mr Chan Sopheak shared some lessons learned from AGID's contract farming scheme, mango exports to Japan, agricultural mechanisation initiatives, and farm business innovation.

### **Meeting with the Ministry of Economy and Finance Committee for Productivity Promotion**

CDRI on 18 May welcomed a delegation from the Secretariat of the National Productivity Committee led by HE Sisovath Doung Chanto, Secretary-General. CDRI is honoured to be part of this important platform for promoting Cambodia's productivity growth, quality of governance, human resources (knowledge, skills and attitudes) capabilities, and innovation and technology development. Given CDRI's standing as a leading national independent development policy research institute, the Secretary-General suggested that CDRI and the National Committee for Cambodia's Productive Economy (NCCPE) collaborate meaningfully for the sake of Cambodia's productive economic development. CDRI's ED welcomed this approach and looked forward to fruitful collaboration.

### **Visit by HE Tean Somnang, President of the National Institute of Diplomacy and International Relations (NIDIR) of the Ministry of Foreign Affairs and International Cooperation (MOFAIC)**

On 21 May, HE Tean Somnang, President of NIDIR, had a meeting with CDRI's ED, DOR and directors of the Centre for Natural Resources and Environment (CNRE) and the Centre for Policy Research in Agricultural and Rural Development (CPARD). The aim was to discuss and strengthen cooperation between the two institutes. The NIDIR/MOFAIC delegation included Chan Bunnarith, Director of Public Relations Department, and Dr Phon Sokpanya, Assistant to the President.

### **HE Academician Aun Pornmoniroth, Deputy Prime Minister, met with CDRI senior managers and researchers**

HE Academician Aun Pornmoniroth, Deputy Prime Minister, Minister of Economy and Finance (MEF), welcomed CDRI's ED, DOR, director of the Centre for Development Economics and Trade (CDET) and PR officer on 26 May. He shared with the CDRI team the strategic directions and research information needs of MEF, especially those related to globalisation and regionalisation vs. unilateralism – a new reality emerging as an outcome of Covid-19, as well as self-reliance, digital economy, e-governance, e-trade, knowledge and skill requirements. He has asked the Supreme National Economic Council (SNEC), MEF and CDRI to develop an MOU on collaboration in