

Economy Watch—External Environment

This section focuses on the major world economies and economies in east Asia during the second quarter of 2010.

World Economic Growth

In the second quarter of 2010, real GDP growth in Indonesia was 6.2 percent year on year, the fastest pace since the third quarter of 2008. Strong growth in demand from China contributed to Indonesia's GDP. Malaysia's GDP growth went down to 8.9 percent, while growth in Singapore increased to 18.7 percent, the second fastest growth since records have been kept in Singapore. The Singapore government also revised GDP growth in the first quarter from 16.0 percent to 17.4 percent. Thailand's GDP growth contracted to 9.1 percent. The slowdown was due to anti-government protests that brought Bangkok's commercial centre to a standstill between March and May. GDP in Vietnam grew by 6.4 percent year on year, up from 5.8 percent in the first quarter of 2010. This was based on the expansion of garments, the service sector, agriculture and the foreign-invested sector, including the oil and gas industry.

Year-on-year growth in China dropped to 10.3 percent from 11.9 percent in the first quarter of 2010. Consumption contributed 3.9 percentage points, gross fixed capital formation 6.6 percentage points and net exports 0.6 percentage points to the rate of growth. Year-on-year growth in Hong Kong dropped to 6.5 percent, South Korea to 7.1 percent and Taiwan to 11.4 percent. Japan's growth dropped to 2.4 percent, while in the US, year-on-year growth accelerated to 3.0 percent. The increase in real GDP was caused primarily by a sharp expansion in imports, acceleration in inventory investment and a pick-up in consumer spending for services.

World Inflation and Exchange Rates

During the second quarter of 2010, deflationary pressures remained evident in Japan, while inflation increased in many countries. In Indonesia, the inflation rate was 4.4 percent, accelerating from 3.6 percent in the first quarter. This was due to higher food prices after the end of the main harvest season. Inflation in Malaysia remained low at 1.7 percent, and in Singapore it was 3.2 percent, up from the previous quarter's 0.9 percent. Consumer inflation in Thailand was 2.1 percent and in China 2.7 percent. Year-on-year consumer prices in Hong Kong rose by 2.1 percent, compared to 1.9 percent in the previous quarter. In South Korea, inflation was 2.6 percent and in Taiwan 1.1 percent, while in Japan it remained negative at -0.9 percent. Euro zone inflation was 1.5 percent and in the US it was 1.8 percent.

During the same period, the rupiah appreciated against the US dollar by 1.5 percent from the preceding quarter, the ringgit appreciated by 3.9 percent, the Singapore dollar by 2.9 percent and the Thai baht by 1.7 percent, while the Vietnamese dong depreciated 0.9 percent. The Hong Kong dollar depreciated against the US dollar by 0.3 percent, the South Korean won by 1.9 percent, the euro by 9.7 percent and the yen by 1.6 percent, but the Chinese yuan appreciated by 0.9 percent, and the Taiwan dollar by 0.1 percent.

Commodity Prices in World Markets

During the second quarter, the prices of maize and soybeans dropped slightly from the previous quarter. Maize (US No. 2) declined by 3.4 percent to USD157.4/tonne. Rubber SMR 5 went down by 0.7 percent to USD3083.7/tonne, rice (Thai 100%) by 18.5 percent to USD461/tonne and soybeans (US No.1) by 0.5 percent to USD371/tonne. Crude oil rose by 1.7 percent to USD77/barrel, gasoline by 1.0 percent to USD0.54/ℓ and diesel fuel by 2.3 percent to USD0.55/ℓ.

Prepared by Sry Bopharath

Economy Watch—External Environment

Table 1. Real GDP Growth of Selected Trading Partners, 2004–2010 (percentage increase over previous year)

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 Q1 | Q2 | Q3 | Q4 | 2010 Q1 | Q2 |
|--------------------------------|------|------|------|------|------|------------|------|------|------|------------|------|
| Selected ASEAN countries | | | | | | | | | | | |
| Cambodia | 7.7 | 13.4 | 10.6 | 10.2 | 6.8 | - | - | - | - | - | - |
| Indonesia | 5.1 | 5.6 | 5.4 | 6.3 | 6.1 | 4.4 | 3.9 | 4.2 | 5.4 | 5.7 | 6.2 |
| Malaysia | 7 | 5.2 | 5.9 | 6.3 | 4.6 | -6.2 | -3.9 | -1.2 | 4.5 | 16.9* | 8.9 |
| Singapore | 8.5 | 5.7 | 7.7 | 7.7 | 1.1 | -10.1 | -3.5 | 0.8 | 4.0 | 17.4* | 18.7 |
| Thailand | 6 | 4.5 | 4.8 | 4.9 | 2.6 | -7.1 | -4.9 | -2.8 | 5.8 | 12.0 | 9.1 |
| Vietnam | 7.5 | 8.4 | 8.1 | 8.5 | 6.2 | - | - | - | - | 5.8 | 6.4 |
| Selected other Asian countries | | | | | | | | | | | |
| China | 9.5 | 9.6 | 10.5 | 11.9 | 9.0 | 6.1 | 7.9 | 9.1* | 10.7 | 11.9* | 10.3 |
| Hong Kong | 8.3 | 6.5 | 6.6 | 6.4 | 2.4 | -7.8 | -3.8 | -2.2 | 2.6 | 8.0* | 6.5 |
| South Korea | 4.7 | 4.7 | 5.0 | 4.9 | 2.2 | -4.4 | -2.2 | 0.4 | 6.1 | 8.1 | 7.1 |
| Taiwan | 5.7 | 4.1 | 4.6 | 5.2 | 0.1 | -10.2 | -7.5 | -1.3 | 8.4* | 14.6* | 11.4 |
| Selected industrial countries | | | | | | | | | | | |
| Euro-12 | 1.8 | 1.5 | 2.7 | 2.9 | 0.9 | -2.5 | -4.8 | -4.7 | 0.1 | - | - |
| Japan | 3.4 | 2.5 | 2.1 | 2.0 | -0.7 | -9.1 | 0.6 | -4.7 | -1.4 | 4.4* | 2.4 |
| United States | 4.4 | 3.7 | 3.3 | 2.2 | 1.1 | -2.6 | -3.9 | -2.5 | 0.1 | 2.4* | 3.0 |

Sources: International Monetary Fund, Economist and countries' statistic offices. * Updated data

Table 2. Inflation Rate of Selected Trading Partners, 2004–2010 (percentage price increase over previous year—period averages)

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 Q1 | Q2 | Q3 | Q4 | 2010 Q1 | Q2 |
|--------------------------------|------|------|------|------|------|------------|------|-------|-------|------------|------|
| Selected ASEAN countries | | | | | | | | | | | |
| Cambodia | 4.0 | 5.8 | 4.7 | 10.5 | 19.7 | 4.3 | -4.8 | -3.0 | 1.7 | 7.0 | 4.1 |
| Indonesia | 8.3 | 10.5 | 13.4 | 6.4 | 10.1 | 8.5 | 5.6 | 2.78 | 2.6 | 3.6 | 4.4 |
| Malaysia | 1.6 | 3.1 | 3.7 | 2.0 | 5.3 | 3.7 | 1.3 | -2.23 | -0.2 | 1.3 | 1.7 |
| Singapore | 1.7 | 0.5 | 1.0 | 2.1 | 6.5 | 2.1 | -0.5 | -0.4 | -0.3 | 0.9 | 3.2 |
| Thailand | 2.7 | 4.5 | 4.7 | 2.2 | 5.5 | -0.2 | -2.8 | -2.1 | 1.9 | 3.7 | 2.1 |
| Vietnam | 7.8 | 8.2 | 7.7 | 8.3 | 23.3 | 15.1 | 6.2 | 2.6 | 4.6 | 7.5 | - |
| Selected other Asian countries | | | | | | | | | | | |
| China | 3.9 | 1.8 | 1.5 | 4.8 | 5.9 | -0.6 | 1.5 | -1.26 | 0.7 | 2.1* | 2.7* |
| Hong Kong | -0.4 | 1.1 | 2.2 | 2.0 | 4.3 | 1.7 | -0.1 | -0.9 | 1.3 | 1.9 | 2.1 |
| South Korea | 3.5 | 2.8 | 2.4 | 2.5 | 4.6 | 3.9 | 2.8 | 2.0 | 2.4 | 2.7 | 2.6 |
| Taiwan | 1.6 | 2.3 | 0.6 | 1.8 | 3.2 | 0.0 | -0.8 | -1.3 | -1.3* | 1.3* | 1.1 |
| Selected industrial countries | | | | | | | | | | | |
| Euro-12 | 2.2 | 2.2 | 2.1 | 2.1 | 3.3 | 1.0 | 0.9 | -0.34 | 0.4 | 1.1 | 1.5 |
| Japan | Nil | -0.3 | 0.5 | 0.1 | 1.4 | -0.1 | -1.0 | -2.2 | -2.0 | -1.2 | -0.9 |
| United States | 2.7 | 3.4 | 3.2 | 2.9 | 3.8 | -0.2 | -0.9 | -1.6 | 1.4 | 2.3 | 1.8 |

Sources: International Monetary Fund, Economist and National Institute of Statistics. * Updated data

Table 3. Exchange Rates against US Dollar of Selected Trading Partners, 2004–2010 (period averages)

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 Q1 | Q2 | Q3 | Q4 | 2010 Q1 | Q2 |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|------------|-----------|-----------|-----------|------------|-----------|
| Selected ASEAN countries | | | | | | | | | | | |
| Cambodia (riel) | 4016.30 | 4092.50 | 4103.20 | 4062.70 | 4054.20 | 4108.00 | 4128.60 | 4164.40 | 4163.10 | 4180.11 | 4209.02 |
| Indonesia (rupiah) | 8938.00 | 9705.00 | 9134.00 | 9419.00 | 9699.00 | 11,630.80 | 10,225.00 | 9887.00 | 9472.44 | 9266.93 | 9,132.00 |
| Malaysia (ringgit) | 3.80 | 3.80 | 3.70 | 3.30 | 3.30 | 3.60 | 3.50 | 3.50 | 3.40 | 3.37 | 3.24 |
| Singapore (S\$) | 1.69 | 1.66 | 1.59 | 1.51 | 4.58 | 1.51 | 1.45 | 1.44 | 1.39 | 1.40 | 1.36 |
| Thailand (baht) | 40.20 | 40.20 | 37.90 | 32.22 | 33.36 | 35.29 | 33.98 | 33.96 | 33.30 | 32.90 | 32.33 |
| Vietnam (dong) | 15,777.00 | 15,859.00 | 15,994.00 | 16,030.00 | 16,382.00 | 16,954.00 | 17,801.00 | 17,841.00 | 18,472.00 | 18,825.67 | 18,993.00 |
| Selected other Asian countries | | | | | | | | | | | |
| China (yuan) | 8.28 | 8.19 | 7.97 | 8.03 | 6.94 | 6.84 | 6.83 | 6.83 | 6.83 | 6.83 | 6.77 |
| Hong Kong (HK\$) | 7.79 | 7.78 | 7.77 | 7.80 | 7.78 | 7.75 | 7.75 | 7.75 | 7.75 | 7.76 | 7.78 |
| South Korea (won) | 1145.00 | 1024.00 | 955.00 | 929.04 | 1137.23 | 1412.50 | 1273.90 | 1239.04 | 1167.77 | 1143.97 | 1166.04 |
| Taiwan (NT\$) | 33.60 | 32.10 | 32.50 | 32.85 | 31.54 | 34.00 | 33.10 | 32.77 | 32.29 | 31.93 | 31.90 |
| Selected industrial countries | | | | | | | | | | | |
| Euro-12 (euro) | 0.80 | 0.80 | 0.80 | 0.70 | 0.84 | 0.76 | 0.71 | 0.70 | 0.68 | 0.72 | 0.79 |
| Japan (yen) | 108.20 | 110.20 | 116.40 | 117.80 | 102.46 | 93.72 | 95.95 | 93.58 | 89.78 | 90.73 | 92.20 |

Sources: International Monetary Fund, Economist and National Bank of Cambodia

Table 4. Selected Commodity Prices on World Market, 2004–2010 (period averages)

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 Q1 | Q2 | Q3 | Q4 | 2010 Q1 | Q2 |
|---|---------|---------|---------|---------|---------|------------|---------|---------|---------|------------|---------|
| Maize (USNo.2)—USA (USD/tonne) | 110.65 | 89.19 | 111.04 | 149.08 | 218.15 | 183.12 | 171.16 | 146.85 | 168.13 | 162.88 | 157.41 |
| Palm oil—north-west Europe (USD/tonne) | 427.47 | 381.32 | 433.85 | 707.68 | 912.23 | 636.53 | 719.35 | 659.16 | 732.33 | N/A | N/A |
| Rubber SMR 5 | 1276.90 | 1430.50 | 1996.30 | 2202.30 | 2586.30 | 1439.77 | 1638.77 | 1924.80 | 2536.03 | 3105.90 | 3083.73 |
| Rice (Thai 100% B)—Bangkok (USD/tonne) | 221.67 | 262.88 | 282.00 | 305.36 | 615.32 | 522.13 | 499.45 | 307.31 | 569.00 | 565.67 | 461.33 |
| Soybeans (US No.1)—USA (USD/tonne) | 262.03 | 224.25 | 213.88 | 294.59 | 460.41 | 434.40 | 420.10 | 411.18 | 390.43 | 372.68 | 370.95 |
| Crude oil—OPEC spot (USD/barrel) | 33.50 | 50.14 | 61.58 | 69.25 | 95.44 | 42.34 | 57.46 | 68.32 | 73.86 | 75.73 | 77.00 |
| Gasoline—US Gulf Coast (cents/litre) | 30.90 | 42.19 | 47.70 | 53.58 | 62.22 | 31.97 | 43.11 | 46.92 | 49.64 | 53.87 | 54.43 |
| Diesel (low sulphur No.2)—US Gulf Coast (cents/litre) | 29.48 | 44.35 | 51.35 | 55.51 | 76.20 | 34.17 | 40.51 | 46.46 | 51.03 | 53.87 | 55.13 |

Sources: Food and Agriculture Organisation and US Energy Information Administration

Economy Watch—Domestic Performance

Main Economic Activities

In the second quarter of 2010, fixed asset investment approvals decreased 57 percent. Agriculture dropped by 75 percent compared with the previous quarter, to USD41.4m, and industry by 78 percent to USD54.5m. However, service sector approvals grew 36 percent. During the same quarter, the value of construction approvals increased nearly three times to USD202.1m. Compared with the previous quarter, villa and house approvals increased 47 percent, other approvals 92 percent and flat approvals by 1046 percent. If the investment approvals are fully implemented, they could create 23,846 jobs.

Visitor arrivals in the second quarter declined by 21 percent compared with the previous quarter, to 537,465. Holiday arrivals dropped by 22 percent to 465,830, business arrivals by 2.0 percent to 35,203 and other arrivals by 24 percent to 36,432. Among ASEAN countries, Vietnamese arrivals escalated 33 percent from the preceding quarter to 122,981. This was the sixth consecutive quarter of increased Vietnamese arrivals. Thai arrivals rose to 22,270 and Malaysian arrivals to 20,382.

During the same period, garment exports increased by 17 percent compared with the previous quarter, to USD505.4m. The expansion was due to exports to the “rest of the world” increasing 28 percent to USD112m, to Japan rising 25 percent to USD54.8m, to the EU increasing 13 percent to USD115.9m and to the US increasing 11 percent to USD85.2m. Exports to ASEAN dropped by 12 percent to USD37.5m. The total of agricultural exports declined by 78 percent compared with the previous quarter. Rubber dropped by 62 percent and wood by 79 percent, while other agricultural exports remained stable. Fish exports escalated from USD0.81m to USD51.2m. In the second quarter, gasoline imports contracted by 21 percent to USD17.3m, and construction material imports by 6.9 percent to USD13.5m. Cement imports declined by 4.0 percent from the previous quarter to USD53.2m, while steel imports declined by 4.7 percent to USD7.2m. Fabric imports expanded by 49 percent to USD17.8m, while tractor imports declined by 13 percent to USD2.5m. Fertiliser imports dropped 3.0 percent to USD13m, while

diesel increased by 10.1 percent to USD49.6m and other imports by 62.5 percent to USD94.4m.

Public Finance

Current revenue declined 13 percent compared with the previous quarter. Tax revenue rose 4.5 percent, and non-tax revenue dropped 57 percent. Capital revenue decreased 1.9 percent. However, capital expenditure expanded 142 percent from the previous quarter and current expenditure increased by 40 percent. Wages increased 46 percent, subsidies and social assistance increased 19 percent, and other current expenditures dropped 18 percent. Foreign financing rose 176 percent, while domestic financing contracted 54 percent.

Inflation and Foreign Exchange Rates

In the second quarter, the consumer price index rose 4.1 percent year on year, food and non-alcoholic beverages rose 3.6 percent and transportation 8.7 percent. In the same quarter, the riel depreciated 0.7 percent against the US dollar and 2.3 percent against the Thai baht, while it appreciated 0.9 percent against the Vietnamese dong. Gold sold at USD142.9 per chi, an increase of 6.7 percent. Diesel traded at KHR3835/ℓ, an increase of 6.5 percent, and gasoline was KHR4358/ℓ, an increase of 4.7 percent.

Monetary Developments

Total liquidity (M2) in the second quarter rose to KHR18,267bn from KHR17,234bn in the previous quarter. Riels in circulation dropped 2.8 percent to KHR2942bn, and riel deposits soared 43 percent to KHR173bn. During the same period, foreign currency deposits rose 7.5 percent to KHR14,787bn. Net foreign assets increased 6.2 percent to KHR16,482bn due to an increase in foreign assets of 1.0 percent to KHR18,487bn and an increase of foreign liabilities 6.0 percent to KHR2006bn. Net domestic assets increased 3.8 percent to KHR1785bn. Domestic credit rose to KHR9499bn and other liabilities to KHR7713bn.

Poverty Situation

In August 2010, CDRI's survey found an increase in real daily earnings of seven types of vulnerable workers among the 10 groups, compared to the same

month last year. Cyclo drivers, porters, waitresses, small vegetable traders, motor taxi drivers, rice-field workers and garment workers found a better situation, while the other three groups' earnings decreased.

The average daily earnings of cyclo drivers increased 8.5 percent from the same month last year to KHR8393. Eighty-seven percent of cyclo drivers came from the provinces. Most of them spent six months a year working as cyclo drivers, after they produced a rice crop. Cyclo drivers spent an average of KHR4822 for their daily living, an increase of 13 percent compared to the same month last year. They saved around KHR3000 per day to support their families.

The average real daily earnings of vegetable traders increased by 0.7 percent compared to last year, to KHR8380. Their earnings have increased in each survey since November 2009. However, 67 percent of vegetable traders were short of capital to run their business; therefore most of them were in debt.

The average real daily earnings of motor taxi drivers increased to KHR10,544, 10.2 percent higher than in the same month last year. Normally, motor taxi drivers spent KHR5000 for food and then sent money home to support their families. Seventy percent of them said that the money they sent home was only for food, 19 percent said it was for running

a business, 3 percent for paying debt and 8 percent to pay for study. Fifty-two percent of the drivers reported that their living condition was better since they began this occupation, 28 percent that it was constant and 20 percent that it was worse.

The real daily earnings of scavengers declined to KHR6450—by 9 percent compared to the same month last year. Ninety percent of these interviewees reported that the decrease was due to an increased number of scavengers and lower rubbish prices. Eighty-seven percent of scavengers did not save but just survived from hand to mouth. Seventy-five percent reported that their families were in debt because of food shortages or illness. Eighty-eight percent of scavengers came from rural areas, and 67 percent of all scavengers had no land.

The real daily earnings of skilled construction workers decreased by 1.6 percent from August 2009, to KHR11,722. Sixty percent of workers interviewed reported that the decline was due to an increase in skilled construction worker numbers. After spending on food of KHR4300 per day, skilled construction workers could save KHR168,000 a month to send home; 57 percent said that their families were better off since they came to work in Phnom Penh.

The average real daily earnings of garment workers increased 14.3 percent from the same month last year. Increased working hours, which went up from 53 to

60 hours a week, were the main reason. Moreover, 50 percent of garment workers reported that their earnings increased compared to 2008, 18 percent of them that they stayed the same, 19 percent were not certain, and the other 13 percent said that their earnings decreased. Garment workers' food consumption increased by 25 percent to KHR5800 a day and they could save an average KHR52,600 per month for sending home.

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Economy Watch—Domestic Performance

Table 1. Private Investment Projects Approved, 2003–10

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2009 | 2009 | 2009 | 2010 | 2010 |
|-----------------------------|---|-------|--------|--------|--------|---------|-------|-------|-------|--------|--------|-------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| | Fixed Assets (USD m) | | | | | | | | | | | |
| Agriculture | 3.7 | 12.3 | 26.8 | 498.0 | 135.6 | 92 | 175.3 | 0.0 | 176.1 | 94.4 | 165.7* | 41.4 |
| Industry | 137.2 | 187.9 | 914.6 | 365.3 | 709.1 | 724.9 | 257.7 | 39.4 | 60.6 | 685.5 | 247.7 | 54.5 |
| <i>. Garments</i> | 68.1 | 132.6 | 174.4 | 89.4 | 170.7 | 142.8 | 16.4 | 35.0 | 21.9 | 14.2 | 13.1 | 21.3 |
| Services | 168.4 | 91.8 | 155.5 | 2939.1 | 1742.5 | 10003.2 | 495.6 | 0.0 | 150.2 | 3475.8 | 89.5 | 121.6 |
| <i>. Hotels and tourism</i> | 124.1 | 55.9 | 102.6 | 345.0 | 1048.3 | 8758.1 | 254.1 | 0.0 | 150.2 | 0.0 | 3.78 | 14.0 |
| Total | 309.3 | 292.0 | 1096.9 | 3802.4 | 2587.2 | 10570.9 | 928.6 | 39.4 | 386.3 | 4255.7 | 502.9 | 217.5 |
| | Percentage change from previous quarter | | | | | | | | | | | |
| Total | - | - | - | - | - | - | -41.2 | -95.7 | 882.0 | 1001.7 | -91.2 | -56.8 |
| | Percentage change from previous year | | | | | | | | | | | |
| Total | 22.1 | -5.6 | 275.6 | 246.6 | -32.0 | 308.6 | 266.5 | -99.0 | -91.5 | 169.3 | -59.8 | 452.0 |

Including expansion project approvals. Source: Cambodian Investment Board. *Updated data

Table 2. Value of Construction Project Approvals in Phnom Penh, 2003–10

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2009 | 2009 | 2009 | 2010 | 2010 |
|-------------------|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| | USD m | | | | | | | | | | | |
| Villas and houses | 20.0 | 30.3 | 45.5 | 33.1 | 79.1 | 154.7 | 32.1 | 6.7 | 2.2 | 9.8 | 5.1 | 7.5 |
| Flats | 91.6 | 167.6 | 204.2 | 213.3 | 297.2 | 221.6 | 95.2 | 18.9 | 6.3 | 28.0 | 11.1 | 127.2 |
| Other | 87.3 | 65.6 | 109.1 | 76.8 | 259.6 | 740.9 | 53.7 | 36.7 | 12.2 | 29.0 | 35.2 | 67.4 |
| Total | 198.9 | 263.5 | 358.8 | 323.3 | 635.8 | 1117 | 181.1 | 62.3 | 20.7 | 66.8 | 51.4 | 202.1 |
| | Percentage change from previous quarter | | | | | | | | | | | |
| Total | - | - | - | - | - | - | -48.5 | -65.6 | -66.8 | 222.7 | -23.1 | 293.2 |
| | Percentage change from previous year | | | | | | | | | | | |
| Total | -9.5 | 32.5 | 36.2 | -9.9 | 96.7 | 75.7 | 31.9 | -55.8 | -95.7 | -81.0 | -71.6 | 224.4 |

Source: Department of Cadastre and Geography of Phnom Penh municipality

Table 3. Foreign Visitor Arrivals, 2003–10

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2009 | 2009 | 2009 | 2010 | 2010 |
|-------------------|---|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| | Thousands of visitors | | | | | | | | | | | |
| By air | 456.0 | 626.1 | 856.5 | 1029.0 | 1296.5 | 1239.4 | 335.2 | 221.2 | 247.2 | 308.1 | 371.5 | 260.9 |
| By land and water | 245.0 | 428.9 | 565.1 | 672.9 | 718.6 | 881.9 | 287.1 | 243.0 | 240.2 | 279.5 | 312.2 | 276.6 |
| Total | 701.1 | 1055.0 | 1421.6 | 1701.9 | 2015.1 | 2121.3 | 622.3 | 464.2 | 487.4 | 587.6 | 683.7 | 537.5 |
| | Percentage change from previous quarter | | | | | | | | | | | |
| Total | - | - | - | - | - | - | 7.7 | -25.4 | 5.0 | 20.6 | 16.4 | -21.4 |
| | Percentage change from previous year | | | | | | | | | | | |
| Total | -10.9 | 50.5 | 34.7 | 19.7 | 28.4 | 5.3 | -3.4 | 2.2 | 9.4 | 1.7 | 9.9 | 15.8 |

Source: Ministry of Tourism

Table 4. Exports and Imports, 2003–10

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2009 | 2009 | 2009 | 2010 | 2010 |
|-------------------------------|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| | USD m | | | | | | | | | | | |
| Total exports | 1787.8 | 2189.4 | 2452.5 | 2920.4 | 3160.1 | 3206.9 | 568.94 | 558.11 | 618.84 | 648.87 | 496.06 | 519.21 |
| Of which: Garments* | 1708.1 | 2108.1 | 2352.8 | 2810.8 | 3050.2 | 3097.8 | 462.2 | 492.4 | 535.5 | 579.3 | 433.3 | 505.4 |
| <i>. To U S</i> | 1101.8 | 1281.7 | 1555.6 | 1851.7 | 1959.9 | 1913.0 | 88.0 | 88.1 | 89.3 | 80.1 | 76.7 | 85.2 |
| <i>. To EU</i> | 419.2 | 593.1 | 506.9 | 603.0 | 660.9 | 693.4 | 108.6 | 128.3 | 125.7 | 113.8 | 102.5 | 115.9 |
| <i>. To ASEAN</i> | 60.8 | 55.4 | 70.7 | 80.4 | 90.3 | 99.6 | 51.0 | 55.1 | 62.1 | 152.1 | 42.7 | 37.5 |
| <i>. To Japan</i> | 18.3 | 23.0 | 25.0 | 40.6 | 30.1 | 26.5 | 110.9 | 112.8 | 149.3 | 128.3 | 124.1 | 154.8 |
| <i>. To rest of the world</i> | 108.0 | 154.9 | 194.6 | 235.1 | 309.0 | 365.3 | 103.7 | 108.1 | 109.1 | 105.0 | 87.3 | 112.0 |
| Agriculture | 79.7 | 81.3 | 99.7 | 109.6 | 109.9 | 109.1 | 106.74 | 65.71 | 83.34 | 69.57 | 62.76 | 13.81 |
| <i>. Rubber</i> | 35.1 | 38.3 | 36.7 | 41.5 | 41.0 | 35.8 | 11.79 | 8.27 | 15.08 | 16.49 | 11.94 | 13.81 |
| <i>. Wood</i> | 10.2 | 11.1 | 10.3 | 8.6 | 8.7 | 3.4 | 0.55 | 0.5 | 0.64 | 1.83 | 2.75 | 4.48 |
| <i>. Fish</i> | 2.8 | 10.6 | 10.1 | 5.9 | 3.2 | 2.3 | 0.83 | 0.85 | 1.11 | 1.2 | 0.81 | 0.56 |
| <i>. Other</i> | 31.6 | 21.3 | 42.6 | 53.6 | 57.0 | 67.6 | 93.57 | 56.09 | 66.51 | 50.05 | 47.26 | 51.15 |
| Total imports* | 1824.9 | 2148.9 | 2513 | 512.2 | 554.8 | 1010.9 | 173 | 177.8 | 148.8 | 133.2 | 139.3 | 174.8 |
| Of which: Gasoline | 33.2 | 30.2 | 40.2 | 38.8 | 58.7 | 70.1 | 16.8 | 15.6 | 19.3 | 19.4 | 22.0 | 17.3 |
| Diesel | 109.6 | 109.4 | 93.1 | 113.0 | 122.8 | 113.5 | 34.2 | 40.0 | 46.0 | 43.1 | 44.7 | 49.6 |
| Construction materials | 80.8 | 95.3 | 134.7 | 56.5 | 69.0 | 77.8 | 13.8 | 14.8 | 15.7 | 13.3 | 14.5 | 13.5 |
| Other | 1601.3 | 1914.0 | 2245 | 303.9 | 304.3 | 749.5 | 108.2 | 107.4 | 67.8 | 57.4 | 58.1 | 94.4 |
| Trade balance | -37.1 | 40.5 | -60.5 | 2408.2 | 2605.3 | 2196 | 395.94 | 380.31 | 470.04 | 515.67 | 356.76 | 344.41 |
| | Percentage change from previous quarter | | | | | | | | | | | |
| Total garment exports | - | - | - | - | - | - | -16.0 | 6.5 | 8.8 | 8.2 | -25.2 | 16.6 |
| Total exports | - | - | - | - | - | - | -1.7 | -1.9 | 10.9 | 4.9 | -23.6 | 4.7 |
| Total imports | - | - | - | - | - | - | -6.5 | 2.8 | -16.3 | -10.5 | 4.6 | 25.5 |
| | Percentage change from previous year | | | | | | | | | | | |
| Total garment exports | 20.1 | 23.4 | 11.6 | 19.5 | 8.5 | 1.6 | -5.4 | -7.0 | -11.4 | 5.3 | -6.3 | 2.6 |
| Total exports | 17.5 | 22.5 | 12.0 | 19.1 | 8.2 | 1.5 | 12.1 | -5.5 | -3.0 | 12.1 | -12.8 | -7.0 |
| Total imports | 6.9 | 17.8 | 16.9 | -79.6 | 8.3 | 82.2 | 30.9 | -67.5 | 0.0 | -28.0 | -19.5 | -1.7 |

Import data include tax-exempt imports. Sources: Department of Trade Preferences Systems, MOC and Customs and Excise Department, MEF (web site). Updated data

Table 5. National Budget Operations on Cash Basis, 2003–10 (billion riels)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | | | | | 2010 |
|---------------------------------|--------|--------|--------|--------|--------|---------|--------|--------|--------|--------|--------|--------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| Total revenue | 1764.0 | 2126.0 | 2625.0 | 3259.2 | 1146.1 | 5290.0 | 1101.7 | 1252.7 | 1184.7 | 1346.1 | 1536.8 | 1341.1 |
| Current revenue | 1733.0 | 2107.0 | 2474.0 | 2881.8 | 1141.6 | 5210.7 | 1097.7 | 1245.7 | 1174.9 | 1337.7 | 1526.4 | 1330.9 |
| Tax revenue | 1220.0 | 1577.0 | 1911.0 | 2270.9 | 965.2 | 4409.9 | 947.4 | 1096.5 | 999.5 | 1224.1 | 1094.1 | 1143.8 |
| Domestic tax | - | - | - | - | 661.8 | 3248.4 | 712.0 | 838.7 | 731.8 | 808.5 | 820.3 | 890.9 |
| Taxes on international trade | - | - | - | - | 303.5 | 1161.5 | 235.4 | 257.8 | 268.0 | 303.4 | 273.7 | 253.0 |
| Non-tax revenue | 513.0 | 530.0 | 563.0 | 610.9 | 176.4 | 800.8 | 150.3 | 149.2 | 176.1 | 225.7 | 432.4 | 187.1 |
| Property income | - | - | - | - | 13.6 | 78.0 | 13.1 | 9.7 | 27.5 | 14.3 | 237.0 | 20.2 |
| Sale of goods and services | - | - | - | - | 124.3 | 424.7 | 93.5 | 100.9 | 91.7 | 121.9 | 108.4 | 102.9 |
| Other non-tax revenue | - | - | - | - | 38.5 | 298.2 | 43.7 | 38.6 | 56.5 | 89.5 | 84.0 | 61.0 |
| Capital revenue | 31.0 | 19.0 | 152.0 | 377.4 | 4.5 | 79.3 | 4.0 | 7.0 | 9.8 | 8.4 | 10.4 | 10.2 |
| Total expenditure | 2757.0 | 2932.0 | 3295.0 | 4174.7 | 1689.7 | 6297.8 | 1650.6 | 1766.1 | 2089.5 | 1877.1 | 2129.4 | 2154.8 |
| Capital expenditure | 1171.0 | 1163.0 | 1328.0 | 1638.1 | 807.4 | 2574.4 | 693.6 | 607.1 | 759.2 | 634.9 | - | 913.0 |
| Current expenditure | 1586.0 | 1769.0 | 1967.0 | 2536.8 | 882.3 | 3809.0 | 752.4 | 1064.7 | 1290.4 | 1332.3 | 831.8 | 1168.1 |
| Wages | 615.0 | 640.0 | 711.0 | 822.0 | 362.6 | 1397.0 | 327.4 | 515.5 | 526.6 | 642.5 | - | 545.6 |
| Subsidies and social assistance | - | - | - | - | 194.2 | 927.1 | 217.3 | 185.9 | 272.6 | 195.6 | 213.3 | 253.2 |
| Other current expenditure | - | - | - | - | 325.5 | 1384.9 | 207.7 | 363.2 | 491.2 | 494.3 | 449.6 | 369.3 |
| Overall balance | -993.0 | -806.0 | -706.0 | -915.6 | -543.6 | -1007.8 | -548.9 | -513.4 | -904.8 | 90.2 | -592.6 | -813.7 |
| Foreign financing | 886.0 | 864.0 | 1127.0 | 1360.7 | 741.5 | 2055.1 | 507.8 | 326.7 | 484.5 | -531.0 | 270.8 | 746.0 |
| Domestic financing | 106.0 | 148.0 | -396.0 | -445.1 | -185.8 | -127 | -310.3 | 236.5 | 316.4 | 406.4 | 422.8 | 194.1 |

Source: MEF web site.

Table 6. Consumer Price Index, Exchange Rates and Gold Prices (period averages), 2003–10

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | | | | | 2009 | 2010 |
|-------------------------------|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| (October-December 2006:100) | Consumer price index (percentage change over previous year) | | | | | | | | | | | |
| Phnom Penh: | 1.1 | 3.9 | 5.8 | 4.7 | 5.8 | | 4.3 | -4.8 | -3.0 | 1.7 | 7.0 | 4.1 |
| - All Items | | | | | | 19.7 | | | | | | |
| - Food & non-alcoholic bev. | 1.5 | 6.4 | 8.6 | 6.4 | 9.9 | 33.1 | 6.1 | -5.2 | -2.7 | 1.8 | 7.8 | 3.6 |
| - Transportation | 4.9 | 9.7 | 11.4 | 9.1 | 5.8 | 19.4 | -13.0 | -16.5 | -13.8 | 2.4 | 12.9 | 8.7 |
| | Exchange rates, gold and oil prices (Phnom Penh market rates) | | | | | | | | | | | |
| Riels per US dollar | 3973.3 | 4016.3 | 4119.7 | 4119.0 | 4062.7 | 4058.2 | 4111.6 | 4128.6 | 4164.4 | 4157.3 | 4180.1 | 4209.0 |
| Riels per Thai baht | 95.8 | 99.9 | 102.6 | 108.7 | 122.8 | 123.5 | 116.6 | 119.2 | 122.9 | 126.0 | 127.0 | 129.9 |
| Riels per 100 Vietnamese dong | 25.6 | 25.5 | 25.8 | 25.1 | 25.0 | 24.8 | 23.6 | 23.3 | 23.5 | 23.0 | 22.3 | 22.1 |
| Gold (US dollars per chi) | 41.4 | 46.3 | 54.0 | 70.6 | 83.2 | 105.9 | 105.6 | 110.7 | 123.2 | 133.8 | 133.9 | 142.9 |
| Diesel (riels/litre) | 1508.0 | 2088.0 | 2633.0 | 3140.0 | 3262.3 | 4555.2 | 2873.7 | 3056.9 | 3867.0 | 3381.9 | 3599.5 | 3835.1 |
| Gasoline (riels/litre) | 2150.0 | 2833.0 | 3442.0 | 4004.0 | 4005.0 | 4750.8 | 3112.6 | 3452.4 | 3371.1 | 3940.2 | 4163.0 | 4358.7 |

Sources: NIS, NBC and CDRI

Table 7. Monetary Survey, 2003–10 (end of period)

| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | | | | | 2010 |
|--------------------------|--------------------------------------|---------|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|
| | | | | | | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| | Billion riels | | | | | | | | | | | |
| Net foreign assets | 4027.0 | 4,797.0 | 5,475.0 | 7,224.0 | 10,735.0 | 10,345.0 | 11,222.0 | 12,611.0 | 13,869.0 | 14,655.0 | 15,514.6 | 12,610.9 |
| Net domestic assets | -698.0 | -467.0 | -450.0 | -282.0 | 576.0 | 1513.3 | 1,266.0 | 1,249.0 | 1,042.0 | 1,573.0 | 1,720.0 | 1,785.3 |
| Net claims on government | -128.0 | -209.0 | -421.0 | -953.0 | -1816.0 | -2987.0 | -3048.0 | -2889.0 | -2463.0 | -2252.0 | -2484.8 | -2362.7 |
| Credit to private sector | 1337.0 | 1817.0 | 2394.0 | 3630.0 | 6386.0 | 9894.0 | 9814.0 | 10,129.0 | 10,127.0 | 10,532.0 | 11,146.7 | 11,859.1 |
| Total liquidity | 3329.0 | 4330.0 | 5025.0 | 6942.0 | 11,311.0 | 11,858.0 | 12,488.0 | 13,859.0 | 14,912.0 | 16,228.0 | 17,234.5 | 18,267.1 |
| Money | 937.0 | 1153.0 | 1323.0 | 1658.0 | 2052.0 | 2399.0 | 2545.0 | 2695.0 | 2773.0 | 3120.0 | 3148.5 | 3115.1 |
| Quasi-money | 2392.0 | 3177.0 | 3702.0 | 5285.0 | 9259.0 | 9459.0 | 9942.0 | 11,164.0 | 12,139.0 | 13,108.0 | 14,086.0 | 15,152.0 |
| | Percentage change from previous year | | | | | | | | | | | |
| Total liquidity | 15.2 | 30.0 | 16.1 | 38.1 | 62.9 | 4.8 | 3.7 | 9.1 | 18.7 | 36.9 | 38.0 | 6.0 |
| Money | 15.3 | 23.0 | 14.7 | 25.3 | 23.8 | 16.9 | 6.5 | 9.2 | 18.7 | 30.1 | 23.7 | -1.1 |
| Quasi-money | 15.2 | 32.8 | 16.6 | 42.8 | 75.2 | 2.2 | 2.9 | 9.1 | 18.7 | 38.6 | 41.7 | 7.6 |

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 | | |
|--------------------------------|------------------------|-------------|-------------|-------------|--------|--------|-------------|--------|--------|--------------------------------------|-------------|--------|
| | 2007 | 2007 Nov | 2008 Nov | 2009 May | Aug | Nov | 2010 Feb | May | Aug | Feb | 2010 May | August |
| Cyclo drivers | 8075 | 9675 | 12628 | 8896 | 7738 | 7446 | 9413 | 9570 | 8393 | 10.3 | 7.6 | 8.5 |
| Porters | 8588 | 9119 | 9005 | 10,319 | 8159 | 9566 | 9953 | 9340 | 10,500 | -5.0 | -9.5 | 28.7 |
| Small vegetable sellers | 8220 | 8552 | 9926 | 9764 | 8323 | 7647 | 7826 | 8062 | 8380 | 2.8 | -17.5 | 0.7 |
| Scavengers | 5422 | 5727 | 4652 | 6637 | 7087 | 4693 | 6238 | 7407 | 6452 | 21.7 | 11.6 | -9.0 |
| Waitresses* | 4482 | 4643 | 4327 | 4346 | 4574 | 5568 | 5131 | 5380 | 6418 | 19.8 | 23.8 | 40.3 |
| Rice-field workers | 5516 | 6426 | 8697 | 7126 | 5785 | 5003 | 5358 | 6260 | 6177 | -23.9 | -12.2 | 6.8 |
| Garment workers | 7568 | 7240 | 6554 | 6691 | 7410 | 7745 | 7557 | 7491 | 8470 | 11.9 | 12.0 | 14.3 |
| Motorcycle-taxi drivers | 10,634 | 11,872 | 15,691 | 12,148 | 9569 | 9696 | 11,302 | 10,274 | 10,544 | -3.0 | -15.9 | 10.2 |
| Unskilled construction workers | 6155 | 7777 | 8779 | 9956 | 9444 | 8132 | 7699 | 9013 | 11,722 | 25.9 | -9.5 | -1.6 |
| Skilled construction workers | 11,154 | 11,286 | 12,710 | 13,688 | 11,918 | 13,011 | 11,924 | 11,928 | 8733 | 1.3 | -12.9 | -7.5 |

* Waitresses' earnings do not include meals and accommodation provided by shop owners. Surveys on the revenue of waitresses, rice-field workers, garment workers, unskilled workers, motorcycle taxi drivers and construction workers began in February 2000. Source: CDRI