



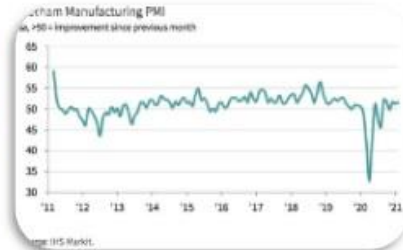
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Highlight News / March 2, 2021



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ADVISORY INSTITUTE FOR TRADE AND INVESTMENT BY TCC (AITI)



Cross-border trade between Thailand and Cambodia down by 3.15 percent



Cambodia News / 1 March, 2021

Thailand's cross-border trade is expected to recover to growth of 3-6% this year, helped by Covid-19 vaccine distribution and the global economic recovery. According to Keerati Rushchano, director-general of the Foreign Trade Department, cross-border trade, which includes transit trade, is likely to generate 1.36 to 1.40 trillion baht, up from 1.31 trillion baht in 2020. Last year overall border trade, including transit trade, declined 1.7% from the year before mainly because of the pandemic and the closed border checkpoints to curb the spread of the Covid-19 outbreak, in addition to the strong baht. Transit trade involves the passage of goods through more than one country. Of last year's figures, exports represented 766 billion baht, down 2.16% year-on-year, while imports shrank by 1.05% to 553 billion, resulting in a trade surplus of 213 billion. Border trade with four neighbouring countries amounted to 760 billion baht, down 8.01% year-on-year. Cambodia was at 156 billion (down by 3.15%), Malaysia was the biggest partner by value with two-way trade totalling 249 billion baht (down 9.1%), followed by Laos at 190 billion (down 3.85%) and Myanmar at 165 billion (down by 14.7%). Transit trade, mainly with Singapore, Vietnam and southern China, rose 8.41% last year to 559 billion baht. Transit trade with southern China and Singapore

went up by 20% and 17.2%, respectively. Transit trade value was 238 billion baht with southern China and 88.7 billion with Singapore. Transit trade value with Vietnam and other countries fell by 1.3% to 172 billion baht. According to Mr Keerati, the key risk factor that may derail border trade growth is the political chaos in Myanmar that will weaken purchasing power there and cause a delay in goods transport. He pledged to accelerate negotiations with neighbouring countries to promote border trade by reopening more border checkpoints that were closed because of the outbreak. Only 39 of 97 border checkpoints are reopened. "We still believe Thailand and neighbouring countries will recover this year. The vaccine inoculations will increase overall consumer and business confidence and restore economic activities that will boost product demand, especially in Cambodia, Malaysia and Laos." Mr Keerati said.

Source: <https://www.khmertimeskh.com/50819149/cross-border-trade-between-thailand-and-cambodia-down-by-3-15-percent/>

Japanese gov't helps fund Mekong forecasting system



Cambodia News / 1 March, 2021

The Japanese government granted \$2.9 million to the Mekong River Commission (MRC) to help implement its strategic plan to promote responsible development in the region. "The new funding gets right to the heart of the challenges our region faces and will be facing in the future," said An Pich Hatda,

MRC Secretariat chief executive officer. The new strategic plan, set to run until 2024, will help the MRC and its member countries monitor and assess the river's environment to help adapt to prevailing changes. Japan donated \$3.9 million to the MRC last year to bolster the MRC's flood and drought forecasting system. "This additional funding should enable the MRC to provide more accurate and efficient river monitoring and forecasting services to the public and its member countries," Japanese Ambassador to Laos Keizo Takewaka said. The Mekong River and its tributaries support nearly 70 million people living in the Lower Mekong Basin (LMB) in Laos, Cambodia and Vietnam. On Feb 22, the MRC announced that water had increased slightly over a seven-day period after alarms were raised that the Jinghong hydrological station was adversely affecting water levels, resulting in stretches of the Mekong River to turn brown in colour. The commission said that the outflow at the Jinghong station had increased from 786 square cubic metres to 1,020 by Feb 22. The Chinese Ministry of Water Resources, however, stated that outflow at the hydro station has consistently remained at no more than 1,000 cubic metres square since January. The Mekong is the longest river in Southeast Asia, the 7th longest in Asia, and the 12th longest in the world. It has a length of about 2,700 miles (4,350 km). From its headwaters in China's southeastern Qinghai province, it flows through the eastern part of the Tibet Autonomous Region and Yunnan province, after which it forms part of the

international border between Myanmar and Laos, as well as between Laos and Thailand. The river then flows through Laos, Cambodia, and Vietnam before draining into the South China Sea south of Ho Chi Minh City. The river is a life-source to the 60 million people that live within the lower Mekong basin. Aquatic resources such as fish and molluscs account for 80 percent percent of the protein in basin's household diets, while the fisheries of the Mekong are estimated to be worth more than \$2 billion per year. Representing almost 2 percent of the combined (freshwater and marine) global fish catch by weight, it is the largest inland fishery in the world. The river system is home to a great cultural diversity, with more than 95 different ethnic groups living in the Mekong basin. In the lower basin, Khmer, Lao, Thai and Vietnamese people have depended upon the Mekong's resources for thousands of years and the river forms an integral part of local culture.

Source: <https://www.khmertimeskh.com/50819129/japanese-govt-helps-fund-mekong-forecasting-system/>

EDCF, MOH to study modern hospital construction



Laos News | 2 March, 2021

The Economic Development Cooperation Fund (EDCF) in Laos will associate with the Ministry of Health (MOH) to conduct a feasibility study for the construction of a modern hospital each in the four southern provinces of Laos. Representatives from

the ministry and the EDCF gathered in Vientiane to discuss the feasibility study for the modern hospital construction project. Via a video conference, they connected with a consulting team from the Republic of Korea. The main objective of the project is providing a tertiary level hub hospital which is focused on improving quality of healthcare service and universal healthcare for southern provinces of Laos by establishing the following components;

1. Construction of modernised new hospital in 500 beds size;
2. Supply and Installation of medical equipment/supplies;
3. Hospital Information Systems (HIS) for the control of health/medical data and information;
4. Self-supporting hospital through the introduction of human resources training and management consulting system.

The meeting was co-chaired by the Head of office of the Ministry of Health, Dr Nao Boutta, and Chief Resident Representative of Economic Development Cooperation Fund in Laos, Mr Lee Dong-Geon. The feasibility study is funded by the South Korean government's EDCF through its administrative operation by the Export-Import Bank of Korea (Korea Eximbank). This study will take six months it kickstarted in December. The Seoul National University Hospital Consortium is the consultant. The Ministry of Health and Champassak Provincial Health Department is the Project Management Agency. The meeting discussed various points, especially its

work scope, and the overall plan of the feasibility study presented by the consulting team. "We (EDCF) believe that today's meeting will give a better understanding to all participants regarding the purpose and work plan of this feasibility study stage for this project, and we really hope the feasibility study will ultimately serve as the basis for this project's successful implementation," said Mr Lee Dong-Geon.

Source: https://www.vientianetimes.org.la/freeContent/FreeContent_EDCF_42.php

Maritime trade decreases by \$2.28

bIn in 2020-2021FY



Myanmar News | 1 March, 2021

The value of Myanmar's maritime trade for the period between 1 October and 12 February in the 2020-2021 financial year touched a low of US\$7.997 billion, a drastic drop of over \$2.28 billion compared to the year-ago period, according to the Ministry of Commerce. While maritime exports were valued at \$3.28 billion, imports were registered at \$4.7 billion. Compared to the same period in the 2019-2020 budget year, imports fell by \$1.53 billion, while exports decreased by \$751 million. Meanwhile, the value of trade through the border this FY was estimated at \$3.9 billion, a decrease of \$56 million as against a year-ago period. Both sea trade and border trade dropped amid the coronavirus impacts. The neighbouring countries tightened border security and limited trading time to contain the virus's

spread. Pandemic-induced container shortage pushed up the freight rates to almost triple in Myanmar, causing delays for traders. Additionally, according to the Myanmar Mercantile Marine Development Association, some ocean liners suspended cargo transport from Myanmar. "The halt of ocean liners will undoubtedly affect the maritime trade. The cargo transport will double or triple if we conduct the trade with small ships," said an official of the association. The country's total external trade reached \$11.987 billion, which plunged from \$14.3 billion recorded in a year-ago period. Myanmar's sea trade generated \$26 billion from an overall trade value of \$36 billion in the last FY2019-2020, the Ministry of Commerce's statistics indicated. Myanmar exports agricultural products, fishery products, minerals, livestock, forest products, finished industrial goods, and other products. At the same time, it imports capital goods, consumer goods, and raw industrial materials. The country currently has nine ports involved in sea trade. Yangon Port is the main gateway for Myanmar's maritime trade. It includes the Yangon inner terminals and the outer Thilawa Port.—MM/GNLM

Source: <https://www.gnln.com.mm/maritime-trade-decreases-by-2-28-bln-in-2020-2021fy/#article-title>

February CPI growth highest in eight years



Vietnam News | 1 March, 2021

HCMC – Vietnam's consumer price index (CPI) in February grew 1.52% against the previous month,

the highest for the month over the past eight years, according to the General Statistics Office. However, the index was only 0.7% higher than that of the same month last year, the lowest since 2016. Specifically, 10 of the 11 groups of consumer goods and services in the basket of commodities used to work out the CPI saw their prices rise against the previous month. Of these, housing and construction materials witnessed the largest increase of 4%, followed by food and catering services at 1.61% and transport at 1.55%. In terms of food and catering services, the price of food inched up 1.77% and that of foodstuffs, 1.82%, against the previous month, mainly due to a surge in the demand from consumers during the lunar New Year holiday. Moreover, the statistics agency attributed the rise in the prices of transport services to the two adjustments in fuel prices on January 26 and February 25. In addition, residents' travel demands during the Tet holiday surged, leading to an increase in the prices of public transport services, and their demands for buying and repairing vehicles also increased, so the prices of some vehicles and maintenance services picked up. Seven other groups also saw an increase in their prices, including beverages and tobacco by 0.9%; footwear, hats and textiles by 0.25%; household equipment and appliances by 0.2%; culture and entertainment and tourism by 0.13%; post and telecommunications by 0.03%; medicines and medical services by 0.01% and other products and services by 0.74%. This month's core inflation, which excludes the prices of fresh food, energy and State-

controlled services, such as healthcare and education, edged up 0.48% over January 2021 and 0.79% versus February last year. The rate in the first two months of 2021 increased 0.64% compared to the same periods last year.

Source: <https://vietreader.com/business/35093-february-cpi-growth-highest-in-eight-years.html>

Manufacturing output returns to growth in February



Vietnam News / 1 March, 2021

The Hanoitimes - The health of the sector has now strengthened in three successive months. The Vietnam Manufacturing Purchasing Managers' Index (PMI) ticked up to 51.6 in February from 51.3 in January, signaling a modest improvement in business conditions, according to Nikkei and IHS Markit. The health of the sector has now strengthened in three successive months. A reading below the 50 neutral mark indicates no change from the previous month, while a reading below 50 indicates contractions and above 50 points to an expansion. Sustained growth of new orders was recorded, helping to drive the improvement in overall business conditions. New work has now increased in six successive months. Total new orders were supported by a return to growth of new export business amid some signs of improving international demand. Rising new orders was the main factor behind a return to growth of manufacturing production. The slight increase was also partly attributed to efforts to build stocks of finished goods.

These efforts were successful in bringing an end to a four-month sequence of falling post-production inventories. Employment increased for the second time in three months as firms responded to rises in demand and production requirements. This enhanced capacity meant that firms were able to keep on top of workloads and reduced outstanding business again. A renewed expansion of buying activity was also recorded, but stocks of purchases continued to fall amid the use of inputs to support production. Problems securing raw materials also contributed to falling stocks of purchases. Suppliers' delivery times lengthened sharply again. Difficulties sourcing goods from abroad due to a lack of shipping containers and global demand for materials outpacing supply continued to cause longer lead times. These imbalances led to a further sharp increase in input costs in February. Although the rate of inflation eased to a three-month low, the rise in input prices was still faster than the average seen across the ten-year survey so far. Manufacturers responded to higher input costs by raising their own selling prices accordingly. That said, the rate of inflation was modest and the slowest since last November. Business confidence continued to wane in February, dropping for the third month running to the lowest since August 2020. Sentiment was hit by concerns over the ongoing impact of the Covid-19 pandemic. That said, firms remained optimistic on balance, with hopes that the pandemic will be brought under control over the coming year supporting confidence. "Renewed increases in

output, employment and purchasing activity are all welcome signs, but a recent increase in Covid-19 cases sounds a note of caution. In fact, confidence among firms slumped to the lowest since August 2020, the last time a significant outbreak of the pandemic was seen," said Andrew Harker, associate director at IHS Markit, which compiles the survey. "Previously, Vietnam has proved successful in quickly suppressing the virus, and should this be the case again we will hopefully see the manufacturing sector remain in growth territory. IHS Markit currently forecasts a rise in industrial production of 6.8% this year."

Source: <http://hanoitimes.vn/manufacturing-output-returns-to-growth-in-february-316473.html>
