

ASIA SOURCING UPDATE

SOUTHEAST ASIA | SOUTH AND WEST ASIA

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IN THE NEWS

CAMBODIA

EXPORTS TO US JUMP 26.2% YOY IN 2018

Cambodia's exports to the US surged by 26.2% to US\$3.87 billion in 2018, thanks to a huge increase in travel goods exports, according to data released by the US International Trade Commission.

The breakdown of the export figures shows that exports of knitwear and woven garments, which remained Cambodia's top two export categories to the US market, increased by 13.9% yoy and 14.5% yoy, respectively, to US\$1.82 billion and US\$0.64 billion. These two categories accounted for 63.7% of all products exported to the US in 2018. Exports of travel goods, which replaced footwear as the third largest export category to the US, reached US\$0.42 billion in 2018, with a dramatic growth of 124.0% yoy. And exports of footwear to the US rose by 24.8% yoy to US\$0.33 billion in 2018.

Long Kemvichet, spokesman of the Ministry of Commerce, told *The Khmer Times* that the country's duty-free access for travel goods under the US Generalized System of Preferences (GSP) was the main contributor to the growth in exports to the US. He added that the government is lobbying the US government to expand Cambodia's GSP privileges to garments and footwear. Meanwhile, he highlighted the necessity for Cambodia to improve its export competitiveness in case of trade privilege withdrawal.

In January, two US senators introduced an act requiring the US administration to re-examine Cambodia's eligibility for the US GSP, based on claims of Cambodia's violations of human rights and election integrity.

On a side note, Cambodia also witnessed an impressive export growth to Japan in 2018. It exported US\$1.6 billion worth of goods to Japan, mostly garments, footwear and, to a lesser degree,

electronic components such as mobile phone batteries, with a growth rate of 27.3% yoy, according to data released by the Japan External Trade Organization.

CAMBODIA

EU STARTS PROCEDURE TO TEMPORARILY WITHDRAW CAMBODIA'S TRADE PREFERENCES

The EU announced on 12 February the launch of the process that could lead to a temporary suspension of Cambodia's trade preferences under EU's Everything But Arms (EBA) trade scheme, due to democratic and human rights setbacks in Cambodia.

According to the press release, the official launch of the temporary withdrawal procedure does not entail an immediate removal of EBA preferences; instead, it kicks off a six-month period of intensive monitoring and engagement with the Cambodian authorities. After that, there will be another three-month period for the EU to produce a report based on the findings. After a total of twelve months from the launch of procedure, the European Commission will then conclude the procedure with a final decision on whether or not to withdraw trade preferences and the scope and duration of the withdrawal. Any withdrawal would come into effect after a further six-month period, bringing the total timeframe to withdraw Cambodia from the EBA scheme to 18 months.

Commenting on EU's decision, the Garment Manufacturers Association of Cambodia (GMAC) said the competitiveness of Cambodia's garment sector will be put at risk and all efforts made in building a responsible garment supply chain in Cambodia will be jeopardised. GMAC added that suspending Cambodia's duty-free preferences under the EBA would lead to an increase in tariffs

to 12% for garments exporting to the EU and to 8%-17% for footwear.

Following the EU's announcement, the European Chamber of Commerce (EuroCham) in Cambodia issued a press release expressing its regret at the decision. It said the launch of the EBA withdrawal investigation is counterproductive to Cambodia's socioeconomic transformation and hurts the past and future achievements of the EU-Cambodia partnership.

Meanwhile, top Cambodian government officials condemned the decision made by the EU and claimed that Cambodia is prepared to survive without the EBA trade preferences. 'We need to jointly work for economic growth in order to strengthen our independence. We should not exchange our sovereignty for economic assistance,' Prime Minister Hun Sen said following the EU's announcement. He emphasized that the EBA trade preferences will be gone sooner or later as the economy is growing constantly and Cambodia will be inevitably excluded from the least-developed country group.

Many economic analysts and academics in Cambodia shared the view that losing the EBA trade preferences will provide an opportunity for economic reform and export diversification. The Cambodian government has already introduced some economic mitigation plans in case of withdrawal of trade preferences, including the reduction of export and import fees and the removal of unnecessary institutions at the borders — to cut corruption and improve efficiency.

In March, an EU fact-finding mission visited Cambodia and held discussions with Cambodian officials on the country's EBA preferential trade status. Both sides are reportedly committed to working together to iron out issues so that the EBA trade preferences can be retained. Another EU delegation is scheduled to visit Cambodia to review the EBA trade preferences in May or June.

CAMBODIA

SHENZHOU INTERNATIONAL STARTS BUILDING SECOND FACTORY IN CAMBODIA

In mid-March, China's largest vertically integrated knitwear manufacturer Shenzhou International Group held a groundbreaking ceremony for its second factory in Cambodia. The new factory, with US\$150 million investment, will be located in the Phnom Penh Special Economic Zone in the outskirts of the capital and is scheduled to become operational in March 2021. The new factory will specialise in producing Nike products.

Shenzhou International has been operating in Cambodia for 14 years. It is now the biggest textile manufacturer in Cambodia, with an export value of US\$440 million in 2018 and 11,500 workers.

Shenzhou International chairman Ma Jianrong said Cambodia has become a crucial production base for the company and for Nike, reported *The Khmer Times*. He added that their expansion plans in the country are in line with China's Belt and Road Initiative and they will help Cambodia play a bigger role in the region's supply chains.

Since the first shipment from Shenzhou Cambodia in 2007, Nike's sourcing volume from Cambodia has grown tremendously. Mark Griffie, Nike's vice-president, said Shenzhou International has grown into one of Nike's largest and most important apparel suppliers. Currently, the majority of the Nike products manufactured in Cambodia are shipped to Europe. ■

INDONESIA



INDONESIA RECORDS TRADE SURPLUS IN FEBRUARY

According to Statistics Indonesia (BPS), Indonesia recorded a trade surplus of US\$329.5 million in February, as the country's balance of trade is

showing signs of recovery. February's figure marks the first trade surplus since September last year and a turnaround from a trade deficit of US\$1.06 billion booked in January.

The improvement in the balance of trade in February can be largely attributed to a sharp 14.0% yoy fall in imports to US\$12.20 billion, reflecting the government's success in curbing imports to trim the current account deficit. However, exports were also down sharply by 11.3% yoy to US\$12.53 billion in the month amid a challenging external environment.

BPS head Suhariyanto warned that this year would be a difficult year for the country's external trade, especially amid the global economic slowdown as well as the trade war between China and the US, Indonesia's top two trade partners.

INDONESIA

INFLATION IN FEBRUARY EASES TO NEAR-DECADE LOW

Indonesia's consumer prices rose 2.57% in February from a year earlier, the lowest since November 2009, according to figures released by the BPS. That was lower than the 2.75% median estimate in a Bloomberg survey of 24 economists and the January figure of 2.82%. The annual core inflation, which excludes administered prices and volatile food prices, stabilised at 3.06% yoy in February.

On a month-on-month basis, consumer prices in Indonesia experienced a deflation of 0.08% in February, compared with a 0.32% inflation in January. The BPS said that the February deflation was driven primarily by a 1.11% mom decline in food prices.

February's Inflation was at the lower end of the Bank Indonesia's 2.5% to 4.5% target band. Enrico Tanuwidjaja, head of economics and research for Bank UOB Indonesia in Jakarta, said that inflation might remain benign for a while and that the case for the central bank to begin cutting rates strengthened, which would provide stimulus to the country's economy.

INDONESIA

INDONESIA AND AUSTRALIA SIGN CEPA

Indonesia and Australia signed the Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA) on 4 March.

Under the IA-CEPA, all Indonesia's goods exports will enter Australia duty-free. Greater access to the Australian market is expected to spur Indonesia's automotive and textile industries and boost Indonesian exports of timber, electronics and pharmaceuticals. The IA-CEPA will also allow 99% of Australia's goods exports to enter Indonesia duty-free or with significantly improved preferential treatment. In addition, the IA-CEPA will reduce non-tariff barriers to trade and improve conditions for services providers and the climate for two-way investment.

The IA-CEPA was due to be signed last November but was postponed after Australian Prime Minister Scott Morrison proposed the relocation of the country's embassy in Israel to Jerusalem, which sparked strong criticism from Indonesia. After signing the trade pact, the two countries are now aiming at bringing it into force by the end of this year or early next year, pending ratification by the Indonesian House of Representatives and the Australian Parliament.

Separately, the Indonesian and the South Korean governments announced on 19 February that the two countries would relaunch negotiations for the Indonesia-Korea Comprehensive Economic Partnership Agreement (IK-CEPA). Enggartiasto Lukita, Indonesia's Minister of Trade, said that the two countries expect to sign the trade deal by November this year. ■

PHILIPPINES



EXPORTS FALL 1.7% YOY IN JANUARY

The latest foreign trade statistics released by the Philippine Statistics Authority showed that the country's exports amounted to US\$5.28 billion in January, down by 1.7% yoy. The decline was milder than the 12.3% yoy export contraction recorded in last December. In January, export growth in agricultural and forest products failed to offset lower exports in manufactured goods and mineral products.

Among the top ten export categories, exports of electronic products, which accounted for 52.9% of the Philippines' total exports in January, rose by 1.7% yoy in the month. Export categories registering double-digit growth in the top-ten list included bananas, cathodes of refined copper, and ignition wiring sets and other wiring sets used in vehicles, aircrafts and ships. On the contrary, five out of the top ten export categories recorded double-digit declines in the month, including machinery and transport equipment, other manufactured goods, and metal components. While exports of garments and accessories grew by 29.7% yoy in the month, exports of travel goods and handbags dropped by 12.1% yoy.

By export destination, Japan was the largest export market of Philippine products in January, with a 16.8% share, followed by the US (15.8%), Hong Kong (12.2%) and the Chinese Mainland (12.1%).

Imports rebounded from last December's 9.4% yoy decline, rising by 5.8% yoy to US\$9.03 billion in January. This led to a larger trade deficit of US\$3.76 billion in the month, 0.1% higher than last December and 18.8% higher than in January 2018.

PHILIPPINES

FDI DROPS 4.4% YOY IN 2018

The Philippines' net foreign direct investment (FDI) inflows reached US\$9.80 billion in 2018, a 4.4% decline from the previous year's US\$10.26 billion, according to data provided by the Bangko Sentral ng Pilipinas (BSP), the country's central bank.

The decline in net FDI inflows was attributed to a sharp drop in equity placements as investors were spooked by external headwinds led by the China-US trade war. Specifically, equity capital and reinvestment of earnings fell by 33.3% yoy and 0.4% yoy, respectively, to US\$2.27 billion and US\$0.86 billion in 2018, while net debt instruments rose by 11.3% yoy to US\$6.68 billion.

By sector, the manufacturing industry received the largest amount of equity capital in 2018, accounting for 47.7% of all equity investment in the year, followed by financial services and real estate.

By source of investment, Singapore, Hong Kong, Japan, the Chinese Mainland and the US were among the top investors in equity capital in the Philippines in 2018.

The drop in the country's net FDI inflows was a temporary phenomenon caused by uncertainties in the global economy, according to Finance Undersecretary and chief economist Gil Beltran. Net FDI inflows are expected to recover when world economic conditions improve, Beltran said.

PHILIPPINES

GOVERNMENT URGED TO PROVIDE MORE INCENTIVES TO REVITALIZE GARMENT SECTOR

The garment sector will see a revival if the government provides more subsidies, particularly on labour and power expenses, for manufacturers, said Foreign Buyers Association of the Philippines (FOBAP) director Ding Buendia, *The Philippine Daily Inquirer* reported. He added that a couple of Chinese firms are now considering setting up factories in the Philippines, while some are planning to partner with local companies.

Buendia's suggestions came at a time when the Philippine government is pushing for the Trabaho bill, which proposes to gradually reduce the corporate income tax rate to 20% by 2029 from the current 30%, and to overhaul the fiscal incentives system which includes the removal of the 5% preferential tax rate on gross income currently enjoyed by enterprises located in economic zones. Buendia said the tax incentives should not be removed; instead, the government should give more subsidies on power, labour and skill training as garment manufacturing is very labour-intensive.

FOBAP president Robert Young shared the same view. He said it is the time to revive the Philippines' garment sector while neighbouring countries such as Bangladesh, Vietnam, Sri Lanka and even Myanmar are now getting filled up and have no new production capacities.

The Philippines' textile and garment sector used to be one of the top performing sectors both domestically and internationally during the 1990s. The abolition of the quota system on international trade of textiles and garments by the World Trade Organisation in January 2005 led to the gradual contraction of the sector, according to the Philippine Board of Investments. In 2018, the country exported US\$0.93 billion of apparel and clothing accessories to the rest of the world, a 15.6% decline from the previous year, according to data released by the Philippine Statistics Authority.



GDP GROWS BY 4.1% IN 2018, FASTEST IN SIX YEARS

The Thai economy expanded by 4.1% yoy in 2018, up from 4.0% yoy growth in 2017. It was the fastest growth in six years, according to the state planning agency, the National Economic and Social Development Council (NESDC). Quarterly

GDP growth in 2018 was 5.0% yoy in the first quarter, 4.7% yoy in the second, 3.2% yoy in the third and 3.7% yoy in the fourth quarter.

The NESDC economic report revealed that export value in US dollar terms (on a balance of payment basis) grew by 7.7% yoy in 2018, slower than the 9.8% yoy growth registered in 2017. Meanwhile, private consumption and total investment posted faster growth in real terms than the previous year, with real growth rates of 4.6% yoy and 3.8% yoy, respectively, in 2018.

The NESDC projected the Thai economy to grow at a rate of 3.5%-4.5% in 2019, supported by favourable momentum in private consumption, an improvement in private investment, acceleration of public investment following progress in key infrastructure projects, a robust tourism sector and a clearer redirection of international trade, global manufacturing production and foreign investment that will help ease the impacts from a global economic slowdown.

Meanwhile, the state planning agency adjusted downward its export growth (in US dollar terms, balance of payment basis) forecast for 2019 to 4.1% from 4.6% projected in November 2018, citing lower export prices assumption.

THAILAND

EXPORTS REBOUND IN FEBRUARY

Thailand's exports amounted to US\$21.55 billion in February, with an unexpected growth of 5.9% yoy following three consecutive contractions since last November, according to data released by the Ministry of Commerce. In January – February, exports edged up by 0.2% to US\$40.55 billion, compared to the same period last year.

The rebound in exports was largely due to a one-time shipment of arms for military drills and higher exports of gold. Excluding weaponry, gold and oil-related products, exports would have contracted by 4.9% yoy in February, said Pimchanok Vonkorpon, director-general of the Trade Policy and Strategy Office under the Ministry of Commerce.

While agricultural and agro-industrial exports fell 0.9% yoy to US\$3.14 billion in the month, exports of industrial products rebounded with 7.5% yoy growth to US\$17.71 billion, led by gold, rubber products, cosmetics and iron and steel products.

'The overall outlook of Thai exports in the first quarter is not very good, but we are positive that the prospects will improve in the second quarter,' said Ms. Pimchanok.

THAILAND

PRIVATE SECTOR CONCERNED ABOUT MINIMUM WAGE HIKE PLEDGED BY PARTIES

Thailand held its first general election on 24 March after more than four years of military rule. Populist economic policies have dominated many campaign pledges made by major political parties prior to the election, including a sharp rise in minimum wage.

The pro-junta Palang Pracharath Party has vowed to raise the daily minimum wage to 400-425 baht, while the Pheu Thai Party, which is aligned with ousted former Prime Minister Thaksin Shinawatra, has pledged to hike minimum wage to 400 baht a day. Similarly, the Democrat Party has campaigned on a minimum guaranteed salary of 120,000 baht a year. The highest daily minimum wage is proposed by the Commoners Party, at 500 baht. The current daily minimum wage in Thailand ranges from 308 to 330 baht per day depending on region.

The private sector has expressed their concern about the minimum wage hike pledges. Achana Limpitton, president of the Thai Auto Parts Manufacturers Association, said many business operators are opposed to the plan to hike the daily minimum wage. 'It would pressure many plant operators to invest more in robotics and automation to avoid the increasing labour cost', she added. A sharp minimum wage increase will prompt investors to relocate production bases to offset the higher wage burden, as neighbouring countries have lower labour costs and workers with

acceptable skills, said Sooksunt Jiumjaiswanglerg, chief executive of Charoen Pokphand Foods PCL.

However, it is still too early to project any negative impact from a daily minimum wage hike proposed by several political parties until the complete election results are announced and the actual plan on labour wage issues is unveiled.

On 25 March, the Election Commission announced the winners of 350 seats of the House of Representatives (lower house), while the remaining 150 'party seats', which will be allocated by a complex formula involving total number of votes cast and each party's share of the nationwide vote, will not be announced until 9 May. As of the date of writing, preliminary election results show it is likely that no party will win a clear majority in the 500-seat lower house (the upper house, or the Senate, will be chosen entirely by the military according to the 2017 constitution) and it is expected that a coalition government will be formed. ■

VIETNAM



EXPORTS RISE 5.9% YOY IN FIRST TWO MONTHS

Vietnam's exports increased by 5.9% yoy to US\$36.68 billion during the first two months of this year, according to data released by the General Statistics Office (GSO).

'Phones and parts' remained the top export category in the two-month period, despite a 7.3% year-on-year decline in its export value to US\$6.79 billion. Meanwhile, exports of 'textiles and garments', the second largest export category, surged by 19.0% yoy to US\$4.89 billion.

The above-mentioned staples were followed by 'electronic goods, computers and parts' with an export turnover of US\$4.17 billion, up 1.9% yoy;

'footwear' at US\$2.67 billion, up 18.4% yoy; and 'machinery, instrument and accessory' at US\$2.63 billion, up 19.3% yoy.

By export destinations, the US was the largest export market of Vietnam with the export value jumping by 34.4% yoy to US\$8.1 billion in January-February. It was followed by the EU, with exports to the EU totalling US\$6.3 billion; and China, with US\$5.1 billion.

VIETNAM

HONG KONG TOPS FDI INVESTORS IN VIETNAM IN FIRST TWO MONTHS

In the first two months of 2019, realized foreign direct investment (FDI) in Vietnam was estimated to be US\$2.58 billion, up 9.8% as compared with the same period last year, according to a statement released by the Ministry of Planning and Investment.

In January-February, FDI pledges, which indicate the size of future FDI disbursements, were more than 2.5 times higher than the same period last year, climbing to US\$8.47 billion. Some 81.8% of the FDI pledges would be invested in manufacturing and processing, while 5.6% would go to real estate. Hong Kong was the top source of FDI pledges, with total investment capital of US\$4.3 billion, followed by Singapore (US\$0.98 billion) and South Korea (US\$0.87 billion).

In the two-month period, notable large-scale projects granted investment certificate by the Vietnamese government included a factory project for manufacturing electronic equipment and multimedia audio products, invested by Goertek (HongKong) Co., Ltd in Bac Ninh, and a project for producing tires and rubber products, invested by Guizhou Advance Type Investment Co., Ltd (China) in Tien Giang.

VIETNAM

GOVERNMENT ISSUES PLAN FOR CPTPP IMPLEMENTATION

Vietnam's Ministry of Industry and Trade (MoIT) approved in early March a plan for the implementation of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which came into force in Vietnam on 14 January.

The plan details the main targets and tasks assigned to each agency in the MoIT, including the prompt creation of legal documents on the CPTPP implementation, particularly in export-import management, trace of origin, and competitiveness.

In addition, the MoIT will step up communication work on the CPTPP across various media channels to ensure businesses' understanding of the multilateral trade agreement. As such, local firms can decide how to make the most of the opportunities arising from the trade pact, as well as minimise the negative impacts on them.

Meanwhile, relevant government agencies are urged to take measures to improve the competitiveness of domestic firms through export market development programmes, and to provide support for them in trade protection cases. ■

MAJOR ECONOMIC INDICATORS

CAMBODIA

	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18
Consumer price index (yoy growth %)	2.9	2.9	2.3	2.6	2.6	3.1
Exports (yoy growth %)	29.1	8.1	12.9	24.5	13.0	-3.8
Exports (fob, in Cambodian riel billion)	4,025.1	5,079.7	4,818.7	5,640.2	5,006.6	3,537.0
<i>Of which:</i>						
Garments (in Cambodian riel billion)	2,633.2	3,501.0	3,261.3	3,776.1	3,557.3	2,377.5
Footwear (in Cambodian riel billion)	357.5	453.2	378.6	403.0	319.5	264.2
Textiles (in Cambodian riel billion)	17.4	10.4	10.4	15.4	-	-
Imports (yoy growth %)	35.8	30.9	38.0	48.9	13.4	51.8
Imports (fob, in Cambodian riel billion)	5,979.3	5,739.1	5,861.6	6,203.5	5,746.1	6,056.0

*Note: October 2018 figures are the most up-to-date as of the date of publishing.
Source: National Bank of Cambodia*

INDONESIA

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19
Quarterly GDP (real yoy growth %)	5.2 (3Q18)		5.2 (4Q18)			-
Production index of large and medium manufacturing (yoy growth %)	0.5	-	-	-	-	-
Manufacturing PMI (Nikkei)	50.7	50.5	50.4	51.2	49.9	50.1
Real retail sales index (yoy growth %)	4.8	2.9	3.4	7.7	7.2	10.9
Consumer price index (yoy growth %)	2.9	3.2	3.2	3.1	2.8	2.6
Exports (yoy growth %)	2.4	4.2	-2.8	-3.6	-4.3	-11.3
Exports (FOB, US\$ mn)	14,924.0	15,894.2	14,905.8	14,333.2	13,927.9	12,531.6
<i>Of which:</i>						
Textile and textile products (US\$ mn)	1,073.0	1,055.9	1,049.5	1,101.4	1,199.3	-
Footwear (US\$ mn)	366.7	470.5	481.1	427.4	469.6	-
Furniture (US\$ mn)	131.5	148.4	141.2	146.0	159.0	-
Sports requisites (US\$ mn)	49.0	48.8	42.4	35.1	34.3	-
Imports (yoy growth %)	14.2	24.0	11.8	1.7	-9.0	-14.0
Imports (US\$ mn)	14,610.1	17,667.6	16,901.8	15,364.9	13,927.9	12,202.1

Source: Statistics Indonesia, Bank Indonesia, Nikkei PMI reports

PHILIPPINES

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19
Quarterly GDP (real yoy growth %)	6.0 (3Q18)		6.1 (4Q18)		-	
Value of production index, manufacturing (yoy growth %)	2.5	3.2	2.0	-11.7	-0.7	-
Volume of production index, manufacturing (yoy growth %)	0.7	2.0	1.6	-11.9	-4.1	-
Manufacturing PMI (Nikkei)	52.0	54.0	54.2	53.2	52.3	51.9
Producer price index (yoy growth %)	1.8	1.1	0.4	0.3	3.6	-
Consumer price index (yoy growth %) *	6.7	6.7	6.0	5.1	4.4	3.8
Exports (yoy growth %)	0.8	5.5	-0.3	-12.3	-1.7	-
Exports (FOB, US\$ mn)	6,031.2	6,239.0	5,568.8	4,720.9	5,279.0	-
<i>Of which:</i>						
Woodcrafts and furniture (US\$ mn)	39.8	62.9	57.3	52.2	54.7	-
Garments (US\$ mn)	77.0	82.0	74.9	61.4	73.6	-
Travel goods and handbags (US\$ mn)	58.3	50.0	39.3	49.3	39.4	-
Imports (yoy growth %)	26.1	21.4	6.8	-9.4	5.8	-
Imports (FOB, US\$ mn)	9,753.9	10,320.0	9,469.4	8,473.2	9,034.8	-
Balance of trade (US\$ mn)	-3,722.7	-4,081.0	-3,900.6	-3,752.4	-3,755.8	-

* Starting March 2018, the consumer price index has been rebased using 2012 as the base year.

Source: Philippine Statistics Authority, Nikkei PMI reports

THAILAND

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19
Quarterly GDP (real yoy growth %)	3.2 (3Q18)		3.7 (4Q18)		-	
Industrial production index (value added weight, not seasonally adjusted, yoy growth %) *	-0.1	5.7	0.8	1.2	0.6	-1.6
Manufacturing PMI (Nikkei)	50.0	48.9	49.8	50.3	50.2	49.9
Producer price index (yoy growth %)	1.3	1.7	0.9	-0.5	-1.1	-0.6
Consumer price index (yoy growth %)	1.3	1.2	0.9	0.4	0.3	0.7
Exports (yoy growth %)	-5.2	8.7	-0.9	-1.7	-5.6	5.9
Exports (US\$ mn)	20,699.8	21,757.9	21,237.2	19,381.4	18,993.9	21,553.7
<i>Of which:</i>						
Textiles and apparel (US\$ mn)	575.2	618.0	601.0	581.3	592.4	576.5
Furniture (US\$ mn)	97.9	102.7	101.0	98.4	90.2	94.3
Footwear (US\$ mn)	41.1	52.5	52.1	56.8	50.9	50.3
Imports (yoy growth %)	9.9	11.2	14.7	-8.1	14.0	-10.0
Imports (US\$ mn)	20,212.6	22,037.5	22,415.0	18,316.4	23,026.3	17,519.2
Trade balance (US\$ mn)	487.2	-279.5	-1,177.8	1,064.9	-4,032.4	4,034.4

* Starting from January 2019, the base year for the industrial production index has adjusted to 2016.

Source: National Economic and Social Development Board, Office of Industrial Economics, Ministry of Commerce, Nikkei PMI reports

VIETNAM

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19
Quarterly GDP (real yoy growth %)	6.9 (3Q18)		7.3 (4Q18)		-	
Industrial production index (yoy growth %)	9.1	7.7	9.6	11.4	8.1	10.3
Manufacturing PMI (Nikkei)	51.5	53.9	56.5	53.8	51.9	51.2
Retail sales of consumer goods and services (year-to-date, yoy growth %)	11.3	11.4	11.5	11.7	12.2	12.2
Price index of materials used for production (yoy growth %)	4.9 (3Q18)		-		-	
Producer price index for industrial products (yoy growth %)	3.9 (3Q18)		2.8 (4Q18)		-	
Consumer price index (yoy growth %)	4.0	3.9	3.5	3.0	2.6	2.6
Exports (year-to-date, yoy growth %)	15.8	15.2	14.5	13.2	8.9	4.2
Exports (US\$ mn)	21,124.9	22,531.0	21,747.4	19,635.0	22,075.7	13,905.4
<i>Of which:</i>						
Textiles & garments (US\$ mn)	2,700.5	2,732.3	2,539.2	2,768.4	3,294.1	1,308.2
Footwear (US\$ mn)	1,168.4	1,381.6	1,526.8	1,579.8	1,769.0	853.8
Wood & wooden products (US\$ mn)	715.4	845.4	836.8	840.0	981.1	401.0
Toys and sports requisites (US\$ mn)	122.5	124.0	120.9	108.4	126.7	61.5
Imports (year-to-date, yoy growth %)	11.6	12.4	12.1	11.1	5.4	5.8
Imports (US\$ mn)	19,512.9	21,761.4	21,594.5	20,446.0	21,260.2	14,673.6

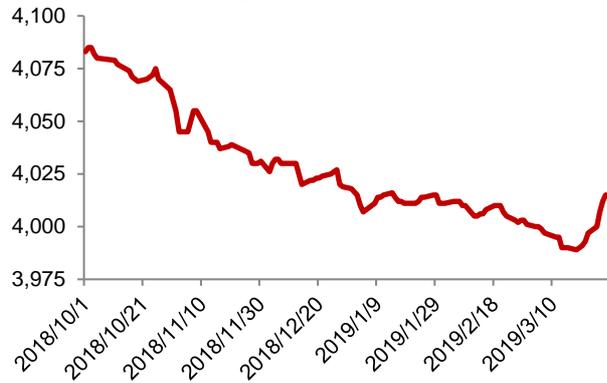
Source: General Statistics Office of Vietnam, General Department of Vietnam Customs, Nikkei PMI reports

DAILY EXCHANGE RATES

OCTOBER 2018 – MARCH 2019

CAMBODIAN RIEL

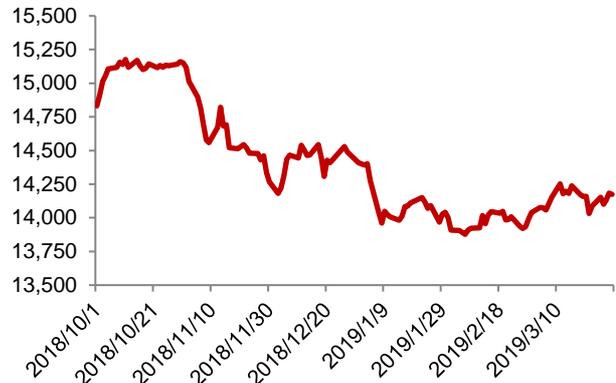
USD:KHR official exchange rate



Source: National Bank of Cambodia

INDONESIAN RUPIAH

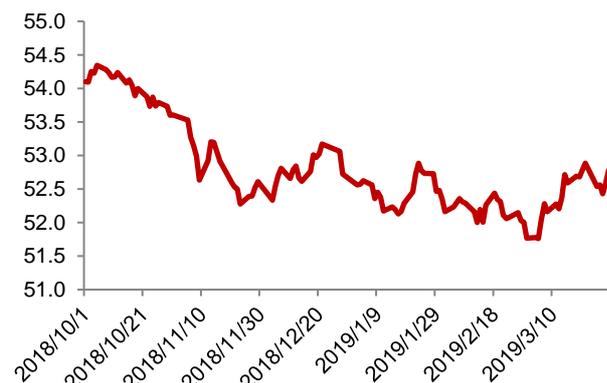
USD:IDR buy rate



Source: Bank Indonesia

PHILIPPINE PESO

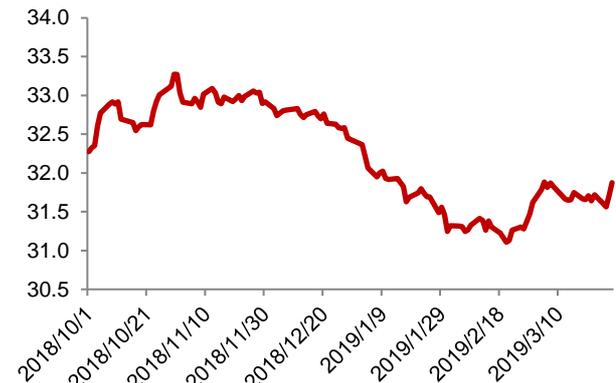
USD:PHP BSP reference rate



Source: Bangko Sentral ng Pilipinas (BSP)

THAI BAHT

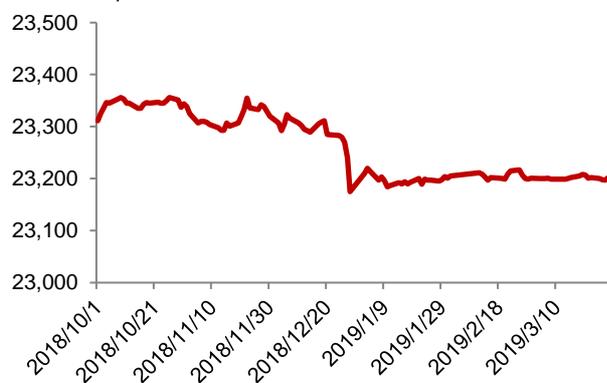
USD:THB mid-rate



Source: Bank of Thailand

VIETNAMESE DONG

USD:VND spot rate



Source: Bloomberg

FUNG BUSINESS INTELLIGENCE

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