



Highlights from this week's economic and fiscal developments in ASEAN member states and abroad:

- Cambodia's exports to U.S. up 26%
- Wage growth in Japan fastest in 21 years
- U.S. to raise tariffs on \$16 billion of Chinese goods on August 23

FACT Sheet is a weekly newsletter that tracks the latest economic and fiscal developments in Cambodia and its trading partners. It is produced by the Fiscal Analysis Capacity Training (FACT) department of the Parliamentary Institute of Cambodia to practice research and drafting skills. Every effort is made to ensure that the analysis and insight is of high quality; however, readers should treat it as a training exercise. We cannot guarantee that it is free from error or omission.

Cambodia news and data

Cambodia's exports to U.S. up 26%

Cambodian's exported goods and services to the United States amounted to \$1.7 billion in the first half of this year, an increase of 26 per cent compared to the same period last year, according to the U.S. government's latest [trade data](#). Imports from the U.S. into Cambodia amounted to \$214 million.

Supreme National Economic Council senior adviser, Mey Kalyan, attributes the accomplishment to efforts to strengthen economic relationships between the two countries, despite setbacks from political tensions in the previous year between the two countries, according to the [Phnom Penh Post](#).

Cambodia and Thailand plan QR code-based payment system

A new project to develop an electronic payment system based on QR codes, [announced in July](#), will allow Khmer citizens and Thai citizens to make payment in each others' countries using their own local currency. Cambodians can use the QR code system for payment from a bank account in Riel without

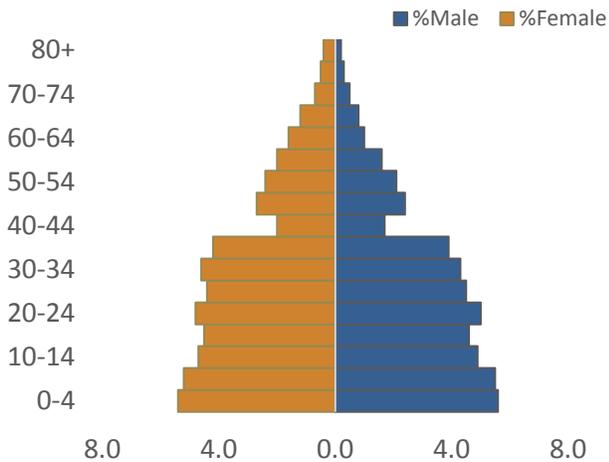
having to exchange to Thai baht when visiting Thailand. The method is expected to be particularly useful for tourism purposes or paying for medical treatment. The service would have the advantage of being convenient, safe, and cheap.

Chart of the week: Cambodia's population structure by age and sex in 2018

The figure below shows a population pyramid giving Cambodia's population structure by age and sex in 2018. Total population is estimated to be 16.3 million, of which 8.4 million (51.2%) are female and 7.9 million (48.8%) are male, according to the United Nations Population Division.

Cambodia has seen a rapid increase in the working age population between the ages of 15-64, which reached about 10.5 million people (64.2% of the total population) and has been an important contribution to Cambodia's labour force and economic growth.

Cambodia's population by age and sex, 2018



Source: United Nations Population Division, World Population Prospects: The 2017 Revision.

ASEAN and other trading partners news and data

Wage growth in Japan fastest in 21 years

Real wages in Japan increased 2.8 per cent in June from a year earlier, the fastest growth in more than 21 years. The growth is attributed to higher summer bonuses, according to [The Japan Times](#).

At the same time, household spending in Japan declined 1.2 percent, although, consumers spent more on beverages, air conditioners and eating out during the month of abnormally hot weather.

Although falling household spending is concerning, the rise in wages should help the Bank of Japan in its efforts to achieve its inflation target of 2 per cent. Further, the government reports that they are seeing early signs that spending may have ramped up in July as households spent their June bonuses.

U.S. economy and Federal Reserve

U.S. to raise tariffs on \$16 billion of Chinese goods on August 23

The U.S. will levy tariffs of 25 per cent on 279 classifications of Chinese imports, totaling \$16 billion of traded goods, starting from 23 August, 2018, said the U.S. Trade Representative's Office this Tuesday (reported by [Bloomberg](#)). This will be the second time since July that the U.S. has imposed tariffs on Chinese goods, escalating a trade war between the world's two biggest economies.

The week ahead

Next week is a slow week for data releases, with only a handful of statistics expected—most importantly GDP growth in Singapore and Malaysia for the second quarter of 2018.

Below is the complete calendar of data releases and developments that the FACT team will be following next week.

Monday, 13 August

- Singapore GDP for 2018Q2
- China FDI for July

Tuesday, 14 August

- South Korea import and export prices for July
- China retail sales for July
- Japan industrial production for June

Wednesday, 15 August

- China house price index for July

Thursday, 16 August

- Japan balance of trade for July
- Japan foreign bond investment for August
- Malaysia current account for 2018Q2
- Malaysia GDP for 2018Q2

Friday, 17 August

- South Korea unemployment rate for July
- Singapore balance of trade for July