



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

- Early trade data shows growth slowdown in Cambodia's garment sector
- South Korea's unemployment rate holds steady
- Trump's tariffs will do more harm than good, say economists

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

Early trade data shows growth slowdown in garment sector

Cambodia's garment sector grew by 4.0 per cent in 2017 (from \$7.3 billion in 2016 to \$7.6 billion in 2017); however, this shows a stalling of growth, as the sector rose by 7.2 per cent in 2016 (up from \$6.8 billion in 2015).

The new data was [announced](#) by the minister of labour on Monday this week.

ASEAN and other trading partners news and data

South Korea's unemployment rate holds steady

South Korea's seasonally-adjusted unemployment rate was relatively stable at 3.6 per cent in February 2018 month-over-month ([Statistics Korea](#)). However, it was down from 4.0 per cent in the same month last year. Although the number of

employed decreased by 154,000 to 26.8 million, the number of unemployed also decreased proportionally by 12,000 leaving the ratio unchanged. The result is in-line with South Korea's average unemployment rate of 3.6 per cent since 1999.

China's industrial production beats expectations

Industrial production in China grew by 7.2 per cent year-on-year in the combined months of January and February, up from 6.2 per cent in December, according to the [NBSC](#). The results beat market expectations of 6.1 per cent. The boost was driven by mining output (up 1.6 per cent, rebounding from -0.9 per cent in December), manufacturing (up 7.0 per cent), and electricity, gas and water production (up 13.3 per cent).

U.S. economy and Federal Reserve

Trump's tariffs will do more harm than good, say economists

The U.S economy will suffer from Trump's import tariffs on steel and aluminum imports, according to the vast majority (80 per cent) of economists [polled by Reuters](#) over March 3rd to 13th. Nearly 90 per cent also said that they were concerned tariffs would lead to a wider trade war.

The majority of economists also anticipated that the Federal Reserve would raise interest rates this year by more than in previous surveys. All 104 economists polled by Reuters said that the Fed would raise interest rates next week, with three more hikes to follow this year (compared to two additional hikes after March expected in a poll taken several weeks ago).

The week ahead

Data highlights in the coming week include inflation data for Japan, Singapore, Malaysia, and Hong Kong.

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

Monday, 19 March

- Hong Kong unemployment rate for February
- Indonesia loan growth for February
- South Korea Producers Price Index for February

Tuesday, 20 March

- Japan Leading Economic Index for January
- Taiwan export orders for February
- Hong Kong inflation rate for February

Wednesday, 21 March

- Malaysia inflation rate for February
- Japan manufacturing Purchasing Managers' Index for March

Thursday, 22 March

- Thailand balance of trade for February
- Philippines budget balance for February
- Taiwan unemployment rate for February
- Hong Kong current account for 2-17Q4
- Indonesia interest rate decision

Friday, 23 March

- Japan inflation rate for February
- Philippines consumer confidence for 2018Q1
- Singapore inflation rate for February
- Taiwan retail sales for February
- Taiwan industrial production for February
- Taiwan interest rate decision