



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

- Real estate association expects growth to continue in Cambodia
- Vietnam’s economy booms in 2018, experts expect 2019 to beat expectations
- Consumers resiliency key to U.S. economy picture, but data missing on account of shutdown

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

Real estate association expects growth to continue in Cambodia

The president of the Cambodian Valuers and Estate Agents Association (CVEA) gave a rosy outlook for the real estate sector in the Kingdom in an [interview](#) with the Phnom Penh Post.

According to the CVEA, real estate prices have grown 15 percent on average annually over the last few years as the result of a strong banking sector, political stability, economic growth, and rising FDI.

In 2018, land prices increased by 20 percent while residential and commercial buildings increased by around 10 percent. The CVEA expects that the health of the real estate sector in Cambodia will remain strong over the next five years.

Chart of the week: Cambodia’s Foreign Direct Investment

This week’s chart shows Cambodia’s net foreign direct investment (FDI) flows from January 2016 to June 2018. FDI in the second quarter of 2018 was \$831.7 million, an increase of 1.4 percent compared to the previous quarter.

FDI rose steadily in 2016 but declined in the first and third quarter of 2017. Following that brief setback, FDI continued to increase and fully recovered by the first quarter of 2018.

Cambodia FDI (\$ millions)



Source: World Bank

ASEAN and other trading partners news and data

Vietnam's economy booms in 2018, experts expect 2019 to beat expectations

A report issued on Wednesday by the Vietnam Institute for Economic and Policy Research (VEPR) at the [University of Economics and Business](#) revealed that Vietnam's economy last year hit its highest growth in the last decade at 7.1 percent. Growth is expected to continue to be strong, at 6.9 percent in 2019, exceeding the 6.8 percent growth assumed in Vietnam's 2019 socio-economic development plan.

At a workshop in Hanoi on December 20, VEPR director Nguyen Duc Thanh said that Vietnam would benefit from free trade agreements, including the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and the manufacturing shift resulted from the U.S. trade war with China.

However, he warned that favorable international conditions can only be seized with institutional reforms, continued improvement of the business environment, more drastic economic restructuring, and more intensive changes in Vietnam's growth model.

U.S. economy and Federal Reserve

Consumers resiliency key to U.S. economy picture, but data missing on account of shutdown

After being hit with a trade war and stock market downturn, the U.S. economy will count on the resiliency of consumers in the face of shrinking prospects. But we won't know how they behaved over the Christmas shopping season, as the Commerce Department, responsible for statistics on retail sales, [remains closed](#) as a result of the government shutdown.

If the shutdown continues, personal income and spending data due at the end of January will also be delayed.

Some economists and investors are concerned that without hard data on the current economic environment, businesses will be reluctant to invest potentially contributing to an economic slowdown.

The week ahead

Data highlights in the coming week include GDP in China, South Korea, Brunei, and Philippines, as well as interest rate decisions in Japan, Singapore, and Malaysia.

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

Monday, 21 January

- China GDP for 2018Q4
- China industrial production for December
- China retail sales for December
- Thailand balance of trade for December

Tuesday, 22 January

- South Korea Producers Price Index for December
- South Korea GDP growth for 2018Q4
- Taiwan unemployment for December
- Hong Kong inflation for December
- Brunei GDP for 2018Q3

Wednesday, 23 January

- Japan balance of trade for December
- Bank of Japan interest rate decision
- Malaysia inflation for December
- Singapore inflation for December
- Taiwan retail sales for December

Thursday, 24 January

- South Korea interest rate decision
- Philippines GDP for 2018Q4
- Malaysia interest rate decision

Friday, 25 January

- South Korea consumer confidence for January
- Thailand new car sales for December
- Japan Tokyo CPI for January
- Singapore industrial production for December
- Indonesia FDI for 2018Q4