



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

- Cambodian inflation a modest 2.2% in July
- Indonesia posts trade surplus in August
- Oil prices fall as Saudi Arabia restores supply

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

Inflation a modest 2.2% in July

The price of goods and services in Phnom Penh rose by 2.2% in July on an annual basis, according to the latest [inflation report](#) from the Ministry of Economic and Finance. The increase was driven by the rise of food and non-alcoholic beverages (2.2%), alcoholic beverages, narcotics and tobacco (6.3%), and dining in restaurants (6.1%).

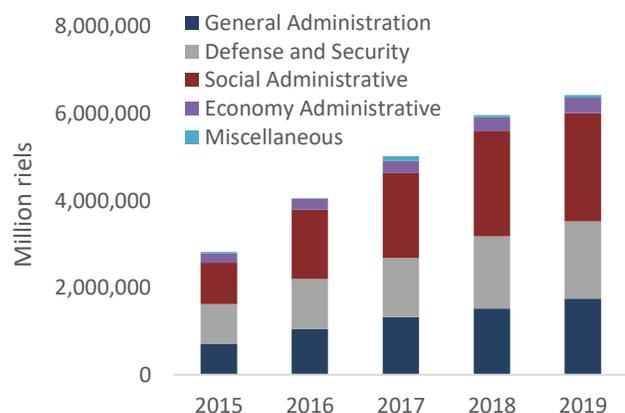
Chart of the week: spending slows in first half of 2019

This week’s chart shows current expenditure over the first half of the year for five functional areas from 2015 to 2019: General Administration, Defense and Security, Social sector, Economic Sector and Miscellaneous.

The figure shows that overall spending in 2019 has slowed considerably compared to recent years, to 8% from an average of 29%.

Expenditure on Social Administration has led the way and is the highest category of expenditure, followed by Defense and Security.

Chart of the week: Current expenditure over the first half of 2019



Source TOFE 2015-2019

ASEAN and regional news and data

Indonesia posts trade surplus in August

Indonesia posted a trade surplus of US\$0.09 billion in August, compared to a deficit of US\$0.95 billion in the same month of 2018, according to newly released statistics from the [Ministry of Trade](#). Over the first eight months of the year the trade deficit has narrowed to US\$1.81 billion from US\$4.16 billion over the same period in 2018.

The surplus nonetheless fell short of market expectations of a surplus of US\$0.19 billion, as exports fell by 10.0% compared to an expected 6.0% decline. The decline was driven by oil and gas exports, which continued to tumble, dropping 39.5%.

Global economy

Oil prices fall as Saudi Arabia restores supply

Saudi Arabia's Energy Minister Prince Abdulaziz bin Salman has [reassured markets](#) that the oil supplier has restored production and returned levels to what they were prior to the attacks on oil facilities. The announcement prompted prices to tumble 6% after climbing 15% earlier in the week.

International Energy Agency Executive Director Fatih Birol has added to stability, saying in a [statement](#) that global oil markets are for now "well supplied with ample commercial stocks."

The week ahead

Data and economic highlights in the coming week include interest rate decisions in the Philippines and Thailand.

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

Monday, 23 September

- Singapore core inflation rate for August
- Philippines budget balance for August
- Taiwan industrial production for August
- Hong Kong current account for 2019Q2

Tuesday, 24 September

- Thailand industrial product for August
- Japan leading Economy index for July
- Taiwan M2 money supply for August

Wednesday, 25 September

- Bank of Japan monetary policy meeting minutes
- Thailand interest rate decision
- Malaysia inflation rate for August
- Malaysia coincident index for July

Thursday, 26 September

- South Korea consumer confidence for September
- Philippines interest rate decision
- Hong Kong balance of trade for August

Friday, 27 September

- Japan foreign bond investment Sep/21
- Singapore export price for August
- China industrial profits for August
- Japan stock investment by foreigners Sep/21