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

- Cambodia and Republic of Korea strengthen ties and economic cooperation
- Bangkok ranked in top 10 most expensive cities in Asia
- U.S. Federal Reserve holds rates steady, signals no more hikes this year

*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 and Republic of Korea strengthen ties and economic cooperation

The President of the Republic of Korea, H.E. Moon Jae-in, visited Phnom Penh between 14 and 16 March for a bilateral meeting with Cambodia’s Prime Minister Hun Sen. The two had a cordial discussion and reached agreement on several areas to promote bilateral trade through the expansion of market access for Cambodian products, in particular agricultural products, and to jointly work to further promote the ASEAN-ROK strategic partnership.

Details of the results of the meeting were published in a government press release ([pdf](#)). The following seven cooperation documents were concluded during the visit:

- Framework Arrangement on FDCF loan for 2019-2023
- Loan Agreement for Establishing the University of Health Science Teaching Hospital
- MoU on the project for the “Supply of Microgrids and Battery Charging Stations in Cambodia”

- MoU on Bilateral Investment Promotion Cooperation between the Council for the Development of Cambodia and Korea-Trade-Investment Promotion Agency
- MoU on Cooperation between the Royal Academy of Cambodia and RoK National Research Council for Economics, Humanities and Social Sciences
- Loan Agreements for Rural Roads Improvement Projects III, and
- MoU on Bilateral Cooperation between KOTRA and CCA for Cooperation on Construction Material and Equipment.

#### Table of the week: ASEAN GDP growth rates

The table below compares annual growth rates of ASEAN member states for select years from 2000 to 2017 and the average over the period.

After recovering from the Asian financial crisis, growth in ASEAN economies has consistently been positive, with some of the highest rates among global trading areas. However, growth varies significantly among countries, with the highest average annual growth in Myanmar, at 10 percent, and the lowest in Brunei, at 0.8 percent. Cambodia had the second

highest growth over the period, at an average annual rate of 7.7 percent. Lao PDR was not far behind, at 7.1 percent.

ASEAN Member State	GDP growth rate (%)			Annual average
	2000	2010	2017	2000-2017
Brunei Darussalam	2.9	2.6	1.3	0.8
Cambodia	8.4	6.0	6.8	7.7
Indonesia	5.4	6.2	5.1	5.3
Lao PDR	5.8	8.1	6.9	7.1
Malaysia	8.9	7.4	5.9	5.1
Myanmar	13.7	9.6	6.8	10.0
Philippines	4.4	7.6	6.7	5.3
Singapore	8.9	15.2	3.6	5.3
Thailand	4.5	7.5	3.9	4.0
Viet Nam	6.8	6.4	6.8	6.5
<b>ASEAN</b>	<b>6.0</b>	<b>7.5</b>	<b>5.3</b>	<b>5.3</b>

Source: [ASEAN Secretariat, ASEANstats database](#).

## ASEAN and other trading partners news and data

### Bangkok ranked in top 10 most expensive cities in Asia

For the first time, Bangkok has entered the top ten most expensive cities in Asia for foreigners, with an average monthly rental cost of \$3,880 for a three-bedroom unit. The same unit in Singapore has fallen 1.3 percent to \$4,215 per month, according to research by [ECA International](#).

The firm attributes the increase in rents to continued foreign investment in Thailand, particularly from China. Thailand remains a popular destination for many multinational corporations.

## U.S. economy and Federal Reserve

### Federal Reserve holds rates steady, signals no more hikes this year

The U.S. Federal Reserve held its benchmark policy rate steady on Wednesday, continuing to target a range of 2.25 percent to 2.5 percent.

The Fed flagged concerns over a potential slowdown in the economy and signaled only one more hike through 2021, as concerns over inflation have disappeared ([press release](#)).

## The week ahead

On Friday, Vietnam will release its complete range of headline statistics. We will also receive industrial production data for most other countries in the region.

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

### Monday 25 March 2019

- Thailand inflation for February
- Philippines retail prices for January
- Singapore inflation for February
- Taiwan industrial production for February

### Tuesday 26 March 2019

- Thailand industrial production for February
- Singapore industrial production for February
- South Korea consumer confidence for March
- Vietnam foreign direct investment for March

### Wednesday 27 March 2019

- China industrial profits for January and February
- Taiwan consumer confidence for March
- South Korea business confidence for March

### Thursday 28 March 2019

- Philippines consumer confidence for 2019Q1
- Malaysia PPI for February
- South Korea industrial production for February
- South Korea retail sales for February
- Japan unemployment for February
- Japan industrial production for February

### Friday 29 March 2019

- Thailand unemployment for February
- Philippines PPI for February
- Vietnam balance of trade for March
- Vietnam industrial production for March
- Vietnam GDP for 2019Q1
- Vietnam inflation rate for March
- Vietnam retail sales for March
- Philippines budget balance for February
- Thailand current account for February