



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

- Cambodia’s rubber exports up 23% over first nine months of 2019
- Vietnam touting its trade deals to boost foreign investment
- For the U.S. economy, consumers are the best protection against recession

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 rubber exports up 23% over first nine months of 2019

According to a release from the General Directorate of Rubber of the Ministry of Agriculture Forestry and fisheries on Thursday ([link](#)), Cambodia exported 173,072 tons of dry rubber over the first nine months of 2019, an increase of 23% compared to the same period in 2018.

The exports brought the Kingdom gross revenue of \$231 million. On average, the cost of dry rubber was \$1,335 a ton, which is \$29 lower than in 2018.

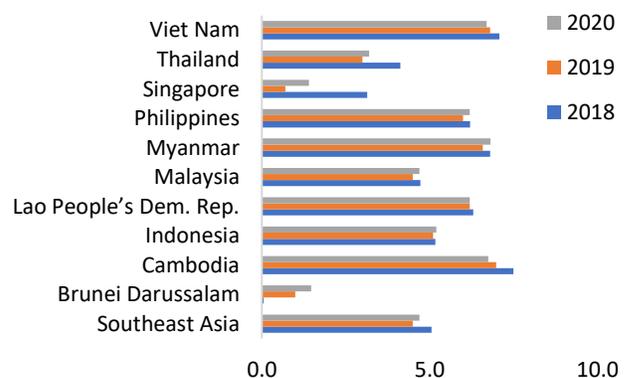
Cambodia exports rubber mainly to Malaysia, Vietnam, Singapore and China.

The Kingdom’s total area devoted to rubber tree plantations was about 434,552 hectares, of which 54 percent are old enough to be harvested.

Chart of the week: GDP growth in Cambodia ahead of its peers

This week’s figure shows that Cambodia is the fastest growing economy among its Southeast Asian peer countries and will remain so in the coming year. Average annual growth in Cambodia over 2018 to 2020 is projected to be 7.1%, followed by 6.9% in Vietnam and 6.7% in Myanmar. GDP growth in Southeast Asia as a whole is projected to decline from 5.1% in 2018 to 4.7% in 2020.

Chart of the week: Southeast Asia GDP growth projections



Source: Asian Development Bank, 2019 Outlook Update.

ASEAN and other trading partners news and data

Vietnam touting its trade deals to boost foreign investment

Vietnam is promoting its extensive trade deals to attract foreign investment, according to the [Phnom Penh Post](#). The country has inked two particularly significant deals to boost its investment appeal: the Comprehensive and Progressive Agreement for the Trans-Pacific Partnership (CPTPP) and the EU-Vietnam Free Trade Agreement (EVFTA).

The CPTPP is the third largest free trade area in the world by gross domestic product, after the North American Free Trade Agreement and the European Single Market.

The agreements offer businesses originating from the EU and 10-member CPTPP countries a range of incentives, particularly tax breaks, along with access to Vietnam's large market of 96 million people.

According to Vietnam's Ministry of Planning and Investment, EU investors have 2,244 projects in Vietnam with total registered capital of \$24.7 billion.

Global economy

For the U.S. economy, consumers are the best protection against recession

Despite the trade war with China, significant political risks, and a wide range of uncertainties for businesses, the U.S.'s economy is expected to avoid a recession over the coming year, due largely to the resilient U.S. Consumer, according to [Bloomberg Businessweek](#).

Consumer spending accounts for almost 70% of U.S. GDP, making spending habits crucial to the growth of the economy. Household consumption rose 4.6 per cent at an annual rate from April to June, the fastest pace since the last quarter of 2017.

Jobs and incomes in the U.S. continue to rise, and consumer confidence remains high. Holiday sales for 2019 are expected to grow by between 3.8% and

4.2% from 2018, up from an average of 3.7% over the last five years.

The week ahead

Data highlights for the coming week include Vietnam's headline statistics on Tuesday and interest rate decisions in the U.S., Japan, and Hong Kong.

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

Monday, 28 October

- Euro Area loan growth for September
- U.S. goods trade balance for September

Tuesday, 29 October

- South Korea business confidence for October
- Japan CPI for October
- Vietnam balance of trade for October
- Vietnam inflation for October
- Vietnam industrial production for October
- Singapore Producers Price Index for September

Wednesday, 30 October

- Japan retail sales for September
- Australia inflation for 2019Q3
- Philippines Producer Price Index for September
- Indonesia foreign direct investment for 2019Q3
- Euro Area consumer confidence for October

Thursday, 31 October

- U.S. Federal Reserve interest rate decision
- South Korea industrial production for September
- South Korea retail sales for September
- Japan foreign bond investment for October
- Hong Kong interest rate decision
- Bank of Japan interest rate decision

Friday, 01 November

- South Korea inflation for October
- South Korea balance of trade for October
- Japan unemployment rate for September
- Indonesia inflation rate for October
- U.S. unemployment rate for October