



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

- NBC’s annual macro conference will highlight agricultural issues
- Vietnam moves to further legitimize forestry industry and increase collaboration with the U.S.
- Fed to monitor Facebook’s virtual coin

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

NBC’s annual macro conference will highlight agricultural issues

The National Bank of Cambodia will hold the 6th Annual Macroeconomic Conference at the end of this year, with the theme of agricultural sector challenges, according to the [Phnom Penh Post](#). Agriculture continues to be a main driver of growth in the Kingdom, despite the rapid increase in the garment, tourism, and constructions sectors.

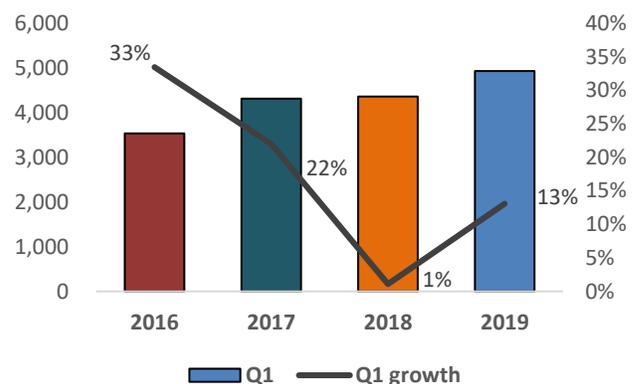
The NBC listed rural labor shortages and a lack of infrastructure as potential challenges for the agricultural sector. Labor shortages may be a growing problem, particularly the outflow of rural labor to neighboring countries, with an estimated 1.1 million Cambodians currently residing abroad, the majority in Thailand.

The cancellation of the tariff-free scheme on Cambodia’s rice exports to the EU may harm the welfare of paddy farmers, but the U.S.-China trade war may create offsetting opportunities.

Chart of the week: first quarter domestic revenue performance, 2016 to 2019

This week’s graph shows the levels and year-over-year growth rate of domestic revenues in the first quarters of 2019 and the previous three years. After slowing in 2018, early results from 2019 suggest that first-quarter revenues are picking back up toward double-digit growth.

Domestic revenue by first quarter from 2016 to 2019



Source: Ministry of Economy and Finance ([TOFE 2015-2019](#))

ASEAN and other trading partners news and data

Vietnam moves to further legitimize forestry industry and increase collaboration with the U.S.

Vietnam has been [moving towards](#) increasing the sustainability and legality of its wood processing industry in accordance with international law in order to deepen its access to major export markets like the U.S., EU, and Japan.

According to Deputy Chairman of the Vietnam Timber and Forest Product Association, the country's exports of wood and forest products reached \$9.4 billion last year, of which about 42 per cent were to the US.

The Vietnamese government set a target for the forest products sector to reach \$11 billion in exports this year. To achieve the target, the government has committed to investing in the conditions to improve the short-term forestry business environment while investing in long-term sustainability and reforestation to provide reliable income to future generations.

Global economy

Fed to monitor Facebook's virtual coin

Federal Reserve chairman Jerome Powell on Tuesday said that the Fed [would be monitoring](#) the virtual currency announced last week by Facebook to its partners. Facebook's new currency, called Libra, aims to cut down on transaction costs and bring more services to people who are not able to access traditional banking services.

The Federal Reserve is awaiting additional information on Libra, which will maintain asset reserves in Geneva to stabilize its value, with an eye on potential regulatory implications in the future.

The week ahead

Data highlights in the coming week include inflation statistics for June in Indonesia, South Korea, Philippines, and Taiwan and an interest rate decision by the Reserve Bank of Australia.

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

Monday, 01 July

- South Korea balance of trade for June
- Indonesia inflation for June
- Indonesia tourist arrivals for May
- Japan consumer confidence for June
- Euro Area loan growth for May

Tuesday, 02 July

- Australia RBA interest rate decision
- France budget balance for May
- United Kingdom nationwide house prices for June
- Philippines retail prices for May
- Thailand business confidence for June
- South Korea inflation for June

Wednesday, 03 July

- Australia balance of trade for May
- U.S. balance of trade for May
- Japan BoJ Funo speech
- Singapore market PMI for June

Thursday, 04 July

- Euro Area retail sales for May
- France retail sales for May
- South Korea current account for May
- Malaysia balance of trade for May
- Thailand consumer confidence for June

Friday, 05 July

- Philippines inflation for June
- Philippines industrial production for May
- Thailand foreign exchange reserves for June
- Taiwan inflation for June