Flash Report on the Cambodian Economy

March 2013

Roth Vathana / Pon Dorina

Phnom Penh, Cambodia

TO SUBSCRIBE, PLEASE CONTACT:
Office address: #56, Street 315, Tuol Kork, Phnom Penh, Cambodia; postal address: CDRI, PO Box 622 Phnom Penh, Cambodia;
tel: (855-23) 881-384/881-701/881-916/883-603; fax: (855-23) 880-734; email: pubs@cdri.org.kh; website: http://www.cdri.org.kh
This report highlights a number of economic indicators of Cambodia and its partners. It compares recent figures with those of earlier periods.

Investments of total fixed assets in agriculture approved by the Council for the Development of Cambodia in the fourth quarter declined 36.7 percent from a quarter earlier (74 percent on year to USD114.5 m).

Total foreign visitor arrivals in January went up 5.7 percent from a month earlier (15.4 percent year on year). Holiday arrivals rose 8.7 percent (15.4 percent on year) and business arrivals by 4.8 percent (16.7 percent year on year). “Other” arrivals dropped by 76.4 percent, but year on year increased by 2.7 percent. In January, the total value of construction approvals increased to USD216 m from USD25.2 m a month earlier. The value of villas and houses rose to USD121 m from USD6.7 m and that of flats went up to USD39.1 m from USD5.1 m.

In January, the consumer price index (all items) rose by 0.3 percent from the previous month (1.8 percent on year). Prices of food and non-alcoholic beverages increased by 0.2 percent (1.4 percent on year) and of clothing and footwear by 0.4 percent (4.5 percent on year). Prices of housing and utilities decreased by 0.1 percent from a month earlier (2.6 percent rise year on year).

In February, the price of diesel fuel rose by 2.0 percent from the preceding month (1.3 percent on year) to KHR520/litre and of gasoline by 2.8 percent (1.1 percent on year) to KHR5489.5/litre. In the same month, the riel remained unchanged against the US dollar, but appreciated 0.8 percent year on year. The riel depreciated 0.8 percent from the previous month (2.5 percent on year) against the Thai baht. The riel remained unchanged against the Vietnamese dong. In November, liquidity went up 0.7 percent from a month earlier (20.5 percent on year) to KHR27,643.2 bn, net foreign assets by 1.0 percent (6.2 percent year on year) to KHR18,910.9 bn and private sector credit by 1.2 percent (29.9 percent year on year) to KHR21,919.6 bn.

Imports of construction equipment in January went up 20.1 percent from the preceding month (13.2 percent on year) to USD6.6 m, of cement by 26.8 percent (35.9 percent on year) to USD8.1 m and of steel by 43.6 percent (183.4 percent on year) to USD12.6 m. In the same month, exports of clothing (all kinds) rose 10.4 percent from a month earlier (22.3 percent on year) to USD415.7 m, of shoes by 23.2 percent (69.8 percent on year) to USD39.6 m and of other textile products by 22.5 percent (78.6 percent on year) to USD7.3 m. In January, the value of imports of gasoline decreased by 9.1 percent from the previous month (1.9 percent on year) to USD23.2 m and of fuel oil by 66.8 percent (18.7 percent on year) to USD2.9 m. Imports of diesel declined by 0.04 percent from a month earlier to USD25.5 m, but year on year increased 17.6 percent.

In December, total government current revenue rose by 69.4 percent from the previous month (19.5 percent on year) to KHR898.2 bn. Revenue from domestic taxes went up 46.5 percent (21.9 percent on year) to KHR450.8 bn, from import and export taxes by 49.2 percent (5.7 percent on year) to KHR158.3 bn and from non-taxes by 263 percent (26.1 percent on year on year).
The price of crude oil (OPEC spot) rose by 3.2 percent from a month earlier to USD3118.1/tonne, but year on year declined by 17.8 percent. In February, the price of soybeans (US No. 1) rose by 1.0 percent from a month earlier (16.6 percent year on year) to USD457.2/tonne and of cashew nuts by 6.0 percent (21.3 percent year on year) to USD5900/tonne. The price of rubber went up 3.2 percent from a month earlier to USD2715.6/tonne, but year on year declined by 1.0 percent.

Exports of Thai rice in January increased by 20.3 percent from a month earlier (6.1 percent year on year) to USD2092.8 mn. Exports of natural rubber and similar natural gums rose by 11.2 percent from the previous month to USD813.5 mn, but year on year went down 2.7 percent. In the same month, exports of Vietnamese rice decreased by 3.3 percent from the preceding month (15.7 percent year on year) to USD130.8 bn, but year on year declined by 17.1 percent. The price of Vietnam rice decreased by 3.3 percent (21.3 percent year on year) to USD292.4/tonne. In the same month, the price of Vietnamese rice declined by 14.7 percent (74.7 percent year on year) to USD118 mn. Exports of rice declined by 1.0 percent (25.4 percent year on year) to USD54.8 bn. In the same month, Japanese exports remained unchanged from a month earlier, but year on year increased by 6.0 percent. Imports rose by 10.4 percent from the previous month (18.8 percent year on year) to USD17.7 bn.

In January, the price of USA 2/4 rice went up 1.3 percent from the preceding month (16.6 percent year on year) to USD664.0/tonne and of Thai 100% B rice by 0.2 percent (6.0 percent year on year) to USD60.0/tonne. The price of soybeans (US No. 1) rose by 1.0 percent from a month earlier (15.3 percent year on year) to USD562.0/tonne and of maize (US No. 2) by 0.6 percent (9.2 percent year on year) to USD304.0/tonne. The price of rubber went up 0.3 percent from the previous month to USD117.1/tonne, but year on year declined by 17.8 percent. In February, the price of crude oil (OPEC spot) rose by 3.2 percent from a month earlier (4.0 percent drop year on year) to USD117.2/tonnel, barrel of gasoline (US Gulf Coast) by 9.5 percent (3.1 percent decrease year on year) to USD0.77/litre and of diesel fuel (low sulphur No. 2) by 5.1 percent (0.1 percent decline year on year) to USD0.84/litre.
Main Economic Activities and Consumer Prices in Cambodia

Fixed Asset Investment Approvals by CDC*
Agriculture
2010 Q1–2012 Q4

Source: Council for the Development of Cambodia

*Including expansion projects.

Foreign Visitor Arrivals
January 2012–January 2013

Source: Ministry of Tourism

Phnom Penh: Value of Construction Approvals
January 2012–January 2013

Source: Municipality of Phnom Penh

Consumer Price Index
(December 2006=100)
July 2011–January 2013

Source: National Institute of Statistics

Phnom Penh: Gasoline & Diesel Prices
December 2011–February 2013

Source: CDRI

Interest Rates on 12-Month Bank Deposits (%)
November 2011–November 2012

Source: Economic & Monetary Statistics, NBC
Exchange Rates, Money and Credit

Riel per US Dollar
December 2011–February 2013

Riel per THB & VND
December 2011–February 2013

Monetary Survey (%)
November 2011–November 2012

Domestic Credit (%)
November 2011–November 2012

Monetary Survey
November 2011–November 2012

External Development Assistance Disbursement
Health
2001–11

Source: National Bank of Cambodia

Source: National Bank of Cambodia

Source: National Bank of Cambodia

Source: National Bank of Cambodia

Source: The Cambodia Development Effectiveness Report 2011, CDC
External Trade and National Budget Operations

**Cambodian Imports**
November 2011–January 2013

**Source:** Economic & Monetary Statistics, NBC

**Cambodian Exports**
November 2011–January 2013

**Source:** Economic & Monetary Statistics, NBC

**Imports: Energy**
November 2011–January 2013

**Source:** Economic & Monetary Statistics, NBC

**Current Budget Balance**
October 2011–December 2012

**Source:** MEF Bulletin

**Current Budget Revenue**
October 2011–December 2012

**Source:** MEF Bulletin

**Current Budget Expenditure**
October 2011–December 2012

**Source:** MEF Bulletin
Provincial Food Prices

Food Prices in Siem Reap Province
December 2011–February 2013

Source: CDRI

Food Prices in Battambang Province
December 2011–February 2013

Source: CDRI

Food Prices in Kompong Cham Province
December 2011–February 2013

Source: CDRI

Food Prices in Kampot Province
December 2011–February 2013

Source: CDRI

Food Prices in Svay Rieng Province
December 2011–February 2013

Source: CDRI

Food Prices in Kompong Speu Province
December 2011–February 2013

Source: CDRI
Provincial Goods Prices in Cambodia

Cambodia: Rice Prices in Three Provinces

Source: CDRI

Cambodia: Fish Prices in Three Provinces

Source: CDRI

Cambodia: Pork Prices in Three Provinces

Source: CDRI
Goods Prices, Exports and International Tourist Arrivals to Partners of Cambodia

**Thailand: Prices of Rubber, Rice and Tapioca**
November 2011–January 2013

Source: Bank of Thailand, *Foreign Trade and Balance of Payments*

**Vietnam: Prices of Rubber, Rice and Cashew Nuts**
November 2011–January 2013

Source: General Statistics Office of Vietnam

**Thailand: Exports**
November 2011–January 2013

Source: Customs Department of Thailand

**Vietnam: Exports**
November 2011–January 2013

Source: General Statistics Office of Vietnam

**Thailand: International Arrivals**
November 2011–January 2013

Source: Thailand Office of Tourism Development

**Vietnam: International Arrivals**
November 2011–January 2013

Source: Estimates by General Statistics Office of Vietnam
Economic Activity and Inflation Rates of Selected Economic Partners of Cambodia

Year-on-Year Growth of Main Exports: Japan
November 2011–January 2013

Goods Exports: US, Euro Zone & Japan
November 2011–January 2013

External Trade: Malaysia
November 2011–January 2013

Inflation Rates: US, Euro Zone & Japan
(percent price change from a year earlier)
November 2011–January 2013

Inflation Rates: China, Hong Kong & South Korea
(percent price change from a year earlier)
November 2011–January 2013

Inflation Rates: Selected ASEAN Countries
(percent price change from a year earlier)
November 2011–January 2013
Exchange Rates and Commodity Prices in World Markets

**KRW & HKD per USD**
October 2011–February 2013

KRW & HKD per USD graph showing exchange rates from October 2011 to February 2013.

Source: Federal Reserve Bank of New York

---

**EUR & JPY per USD**
October 2011–February 2013

EUR & JPY per USD graph showing exchange rates from October 2011 to February 2013.

Source: Federal Reserve Bank of New York

---

**THB & SGD per USD**
October 2011–February 2013

THB & SGD per USD graph showing exchange rates from October 2011 to February 2013.

Source: Federal Reserve Bank of New York

---

**International Rice Price Index & Export Prices**
October 2011–February 2013

International Rice Price Index & Export Prices graph showing rice prices and export prices from October 2011 to February 2013.

Source: Osiriz/InfoArroz

---

**Prices: Soybeans, Maize & Rubber**
October 2011–February 2013

Prices: Soybeans, Maize & Rubber graph showing prices per tonne FOB from October 2011 to February 2013.

Source: Food and Agriculture Organisation

---

**Prices: Gasoline & Diesel Fuel**
October 2011–February 2013

Prices: Gasoline & Diesel Fuel graph showing prices per tonne FOB from October 2011 to February 2013.

Source: US Energy Information Administration
Cambodia exports 437,118 tonnes of milled rice between 2010-12

In the last three years (2010-12), particularly since the launch of the rice policy in August 2010, Cambodia has exported 437,118 tonnes of milled rice to various countries, according to data from the Ministry of Economy and Finance. Export quantity in 2012 alone accounted for 47.4 percent of the total volume over the three years and 40.8 percent in 2011. The EU topped the list of importers of Cambodian rice, accounting for 76 percent of the total, followed by other destinations (12.3 percent), ASEAN countries (10.6 percent) and the US (1.1 percent). Cambodia has not yet been able to penetrate rice markets in Japan since no exports were made to Japan in these last three years. The total value of rice exports for the three years was USD287.7 m.

It should be noted that the Cambodian government aims at exporting 1 million tonnes of milled rice by 2015. Although there has been an increase in rice exports since the adoption of the policy paper on “Promotion of Paddy Rice Production and Export of Milled Rice”, analysts who follow rice sector development have also been sceptical about the feasibility of the plan given the current limited administrative and technical facilities in the rice sector. However, this initiative has also partly helped improve rice productivity and especially the livelihoods of those relying on rice.

Links to other economic news
1. “Cambodia posts 29 pct rise in large-scale factories last year” (http://www.asean-china-center.org/english/201303/28/c_132269109.htm)
3. “Japan to provide Cambodia with nearly 34 mln USD grant aid” (http://news.xinhuanet.com/english/world/2013-03/18/c_132242726.htm)