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year at \$1.194 billion. Personally, diesel accounted for the lion's share at \$651 million, which marked an 8.04% drop yearly, followed by petrol at \$390.983 million down 5.30%, aviation fuels at \$32.047 rise of 55.81%, and black fuel oil at \$3.266 million down 93.71%, data cited from customs (GDCE).

Cambodia imported \$1.736 billion worth of mineral fuels, oil, and distillation products in 2023H1, a dip of 5.28% from \$1.833 billion in 2022H1 and down 5.40% from \$1.835 billion in 2022H2, according to the compiled data on "International Merchandise Trade Statistics" bulletins by GDCE.

Source: [Phnom Penh Post](#)

### **Petrol, diesel, fuel oil imports dip 9.7% in H1**

According to the Ministry of Commerce, the expenditure on the import of petrol, diesel, aviation fuels, and black fuel oil in the first semi-year of 2023 in Cambodia was at a \$1.078 billion dip of 9.7% compared to last

### **New tobacco taxes predicted to generate \$53M for Kingdom**

A new guideline has taken the step of rolling out by the Ministry of Economy and Finance to standardize value-added tax for enterprises involved in importing and distributing cigarettes. The acknowledgment

by health experts comes into effect from August 1, purpose to warrant a consistent and transparent application of VAT. As per this new guideline issued on July 25, business owners involved in cigarettes both import and distribution would apply VAT with 10% on all cigarette supplies in Cambodia.

The ministry also stated that VAT paid for importation or domestic purchase would be permissible as an income tax credit by deductible with output tax. Likewise, enterprises importing cigarettes for export purposes will be legalized to pay a one-off-value fee at the point of importation.

Source: [Phnom Penh Post](#)

### **Cambodia's GFT woes continue, 7,696 workers lose jobs**

Kingdom's Garments, footwear, and travel goods (GFT) division continues to face economic challenges as another 7,696 laborers from 15 factories lost jobs due to decreasing demand primarily in the exports to foreign countries. An announcement from the Ministry of Labor and Vocational Training stated that workers will be eligible for financial support for the period of the pause of their contracts as per the government package announced earlier this March. The allowance will be paid depending on the number of days of the suspension contract from 82000 riels to 162000 riels accordingly.

Workers who lost their jobs are getting paid 70\$ each month by contributions from

factory owners 30\$ and the remaining is met by the government.

Source: [Khmer Times](#)

### **Cambodia's central bank says foreign reserves increased to \$18.4 billion as of June**

According to a National Bank of Cambodia (NBC) report released on Monday, Cambodia's foreign reserves increased to \$18.4 billion as of June 2023, an increase of 3.2 percent from \$17.82 billion at the end of 2022.

The NBC is in charge of the foreign currencies, gold, and SDR (Special Drawing Right) that make up the world reserves. "The international reserves can secure the imports of goods and services for the next seven months," the NBC report, which was made public following the bank's biannual meeting, stated.

The country's economy is expected to rise by 5.6 percent in 2023, up from 5.2 percent in 2022, according to NBC's director general Kimty Kormoly, who also spoke at the meeting. These factors include exports of goods made in the garment and non-garment manufacturing industries, a rapid rebound in tourism and agriculture, and a recovery in construction and real estate.

Source: [Khmer Times](#)

## **Why India's rice ban could trigger a global food crisis**

On July 20, India outlawed the export of non-basmati white rice to control soaring domestic costs. Prices increased as a result of panic buying and bare shelves at Indian grocery stores in the US and Canada. With 40% of the world's cereal trade, India is the leading exporter of rice. China, the Philippines, and Nigeria are the three biggest consumers, with Indonesia and Bangladesh serving as "swing buyers" in times of local supply shortages. In Africa, rice consumption is substantial and rising; it also serves as the primary fuel source in places like Cuba and Panama. 22 million tonnes of rice were shipped from India to 140 nations last year, six million tonnes of which were cheaper Indica white rice. The embargo has generated worries about skyrocketing rice prices worldwide, with IMF chief economist Pierre-Olivier Gourinchas proposing that the ban could drive up prices and possibly upturn global grain prices up to 15% this year.

Source: [BBC News](#)

## **The Bank of Japan just shocked markets with a policy tweak — here's why it matters**

In an unexpected decision, the Bank of Japan has increased monetary policy flexibility by removing its yield curve control (YCC). This action caused the price of Japanese stocks and government bonds to

fall, and the yen to swing wildly against the dollar. European government bond yields increased as the Stoxx 600 began lower. Economists are speculating as to whether a more significant change is imminent in light of the action. While offering to buy 10-year JGBs at 1% through fixed-rate operations, the BOJ will continue to let 10-year Japanese government bond yields to fluctuate within a range of 0.5 percentage points on each side of its 0% objective. This 50-basis point increase in tolerance is viewed as a tiny step towards normalization, targeting to enhance the sustainability of the current easing framework in a progressive means.

Source: [CNBC News](#)

## **Saudi Arabia's economic growth slows as oil cuts, price drops bite into revenues**

Due to a decrease in oil prices and a reduction in crude output, Saudi Arabia's economy slowed down in the second quarter. Under Crown Prince Mohammed bin Salman's Vision 2030 economic diversification plan, Saudi Arabia is focusing its socioeconomic reforms in the non-oil sector, which increased by 5.5% in the second quarter. However, Riyadh, which relies heavily on hydrocarbons, saw a 4.2% decline in its non-oil GDP as a result of declining world crude prices and voluntarily reduced oil production. Due to the Russian invasion of Ukraine and subsequent international sanctions, oil prices

skyrocketed last year. In the first half of this year, the Saudi economy received less assistance from commodities as oil prices remained below \$80 per barrel due to macroeconomic worries, a recessionary drop in demand, and China's extended exit from the Covid-19's minimal constraints.

Source: [CNBC News](#)

## **Bank of England's next move divides economists as data paints a mixed picture**

Market expectations are split over the Bank of England's next monetary policy move on Wednesday, as policymakers near a tipping point in their fight against inflation. Refinitiv data suggests a 62% chance that the Monetary Policy Committee will opt for a 25-basis point hike to interest rates, taking the main Bank rate to 5.25%. The other 38% foresee a second consecutive 50 basis point raise, after the central bank stunned markets with a big increase in June. U.K. inflation is abating, but still hotter than other advanced economies and well above the Bank's 2% target. Annual shop price inflation decreased from 8.4% in June to 7.6% in July, according to data from the British Retail Consortium, suggesting that the nation may be experiencing its worst of its prolonged cost-of-living crisis.

Source: [CNBC News](#)

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