

ASIA SOURCING UPDATE

SOUTHEAST ASIA | SOUTH AND WEST ASIA

DECEMBER 2017

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Global Sourcing

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IN THE NEWS

CAMBODIA

ECONOMIC OUTLOOK TO REMAIN POSITIVE BUOYED BY EXPORT DIVERSIFICATION AND FDI

In its biannual *Cambodia Economic Update* released in November, the World Bank predicts that the country's economic growth will ease slightly from 7.0% in 2016 to 6.8% in 2017, as clothing exports are moderating and the construction sector is also showing signs of softening. In 2018, economic growth is projected to remain robust with a growth rate of 6.9%.

In the medium term, Cambodia's economic outlook will remain positive due to efforts to diversify exports and healthy inflows of foreign direct investment (FDI). 'Cambodia appears to be on the verge of climbing up the manufacturing value chains – from garments to electronics and auto parts – and that is a very encouraging development,' said Inguna Dobraja, World Bank's Country Manager for Cambodia. Structural reforms to address high electricity and logistics costs, together with skills gaps, are the first important steps to remove key development bottlenecks, she added.

The report notes that the newly emerging high value-added manufacturing sectors, including electronic appliance parts, automobile parts, electrical parts, earphones, wire harnesses, optical parts, metal building materials, construction materials and connectors, have been expanding in recent years in terms of number of manufacturers and share of total manufacturers. The share of machinery, electronics and vehicle parts in Cambodia's total exports increased to 8% in 2016 from 1% in 2014, while the share of clothing exports dropped to 66% in 2016 from 78% in 2014. Nevertheless, industrial diversification in Cambodia still lags far behind Vietnam and Thailand.

In early December, the Cambodian government approved an investment proposal worth US\$24.63 million from Minebea, the largest Japanese investor in Cambodia at present. The funding will be poured into multiple sectors, including pharmaceuticals and medical equipment, metal moulding equipment, and plastics components. The new investment represents a step forward in the country's industrial diversification.

CAMBODIA

DETERIORATING POLITICAL CLIMATE PROVOKES CONCERNS OVER TRADE RELATIONS

In the wake of the Supreme Court's decision on 16 November to dissolve the major opposition party – the Cambodian National Rescue Party (CNRP), condemnation from the international community poured in, warning that the country is deviating from the path to democracy. The court also banned more than 100 CNRP members from politics for the next five years.

The CNRP was accused of plotting to overthrow the current government with the help of the US. The dissolution of the CNRP, which won around 44% of the vote in the 2013 general election, seems to effectively eliminate any real challenge to the long-ruling Cambodian People's Party (CPP) in the upcoming general election due to be held in February 2018.

In an immediate press release of the White House, the US government announced it would take concrete actions to respond to the Cambodian government's dissolution of the CNRP, by cutting its pledged funding for the 2018 election as the first step. The EU also expressed grave concerns about the political event, and warned that

Cambodia's preferential access to its markets through the Everything But Arms (EBA) scheme, a sub-scheme for least developed countries under the EU's Generalised Scheme of Preferences (GSP) programme, could be in jeopardy.

Amid rising concerns over the withdrawal of preferential trade facilities, the Garment Manufacturers Association in Cambodia (GMAC) sent a letter in early December to the United Nations, the EU, the US and other foreign embassies urging continued support for the country's garment industry. The letter said the current political situation will 'not be translated into any actions bearing negative impacts on the daily production and supply chain of the industry'.

GMAC's deputy secretary general Kaing Monika believed the EU would not withdraw the EBA if it 'correctly considered' the Cambodian government's decision, but he did not think losing the EBA status would cause irreparable damage, reported local media *The Phnom Penh Post*.

CAMBODIA

INVESTMENT IN GARMENT SECTOR ON THE RISE

In November, the Council for the Development of Cambodia (CDC), a governmental agency in charge of approving large-scale investment projects, gave the green light to three garment investment projects worth over US\$11 million together, according to a news article from *Just-Style*. The three projects are expected to create around 4,000 job opportunities.

Specifically, Certificates of Registration were issued to Timbermet (Cambodia) Co Ltd, Panefort (Cambodia) Garment Co and Fushun Cambo Fashion Co Ltd. The three new garment factories will be located in Phnom Penh, Kandal province and Takeo province, respectively.

Starting from October, the CDC has disseminated all approved investments through its Facebook page, a move that is expected to provide transparency for investors and the public to track the country's economic developments.

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In October, the CDC approved four garment and footwear projects worth around US\$10 million in total. ■

INDONESIA



NOVEMBER INFLATION RATE FALLS TO LOWEST LEVEL IN NEARLY A YEAR

Indonesia's annual inflation rate fell for a fifth consecutive month in November, reaching its lowest since December 2016, according to data released by the Central Bureau of Statistics (BPS) on 4 December.

The headline consumer price index (CPI) rose 3.30% in November from a year earlier, compared with the 3.58% yoy increase in October.

On a monthly basis, the CPI rose 0.20% in November.

The annual core inflation rate, which excludes administered prices and volatile food prices, increased 3.05% yoy in November, lower than October's 3.07% yoy.

The central bank most recently estimated Indonesia's inflation by year-end to be at around 3.0%-3.5%.

INDONESIA

GOVERNMENT TO OFFER TAX INCENTIVES TO MANUFACTURING INDUSTRY

The Industry Ministry will provide the manufacturing industry with three tax incentives in a bid to boost the country's economy, which has seen slow growth in recent years.

First, the government will offer a 200% tax allowance for the manufacturing companies which invest in vocational programmes to improve training and skills for their workers. For example, if a company invests 500 million rupiah

(approximately US\$37,023), the government will provide 1 billion rupiah in tax allowance, explained Industry Minister Airlangga Hartarto on 28 November. He added that such a scheme had been successfully implemented in Thailand.

The second incentive is for investments in innovative products, for which the government will offer tax incentives equivalent to 300% of the value of the investment.

The third incentive is for labour-intensive industries that focus on exports. The incentive will depend on the number of workers employed in the company.

Airlangga said he had discussed the incentives with President Joko 'Jokowi' Widodo and Finance Minister Sri Mulyani Indrawati, and hoped that the scheme would be ready by the end of 2017.

INDONESIA

INDONESIA-AUSTRALIA CEPA NEGOTIATIONS DRAG ON TO NEXT YEAR

Negotiators of the Indonesia-Australia Closer Economic Partnership Agreement (IA CEPA) failed to reach a deal in the 10th round of negotiations held in November, although both trade ministers had previously predicted that it would be the last round. The negotiators held the 11th round of negotiations in Jakarta in early December, before trade ministers of the two countries met on the sidelines of the WTO ministerial conference in Argentina in the following week.

With the absence of breakthrough in these meetings, it is increasingly doubtful that the two countries can finalize the deal by the end of the year, the timeline previously set by the two governments.

Neither side disclosed the negotiation roadblocks. Australia is reportedly demanding lower tariffs on dairy products and a number of other commodities, as well as the removal of legislative constraints to Australian higher education providers opening campuses in Indonesia. Indonesia is said to be pushing for more Indonesian workers to be allowed into Australia. ■

PHILIPPINES



MANUFACTURING PRODUCTION CONTRACTS BY 6.3% YOY IN OCTOBER

The Philippines' manufacturing output, as measured by the Value of Production Index (VaPI), saw a year-on-year contraction of 6.3% in October, a deterioration from last month's 4.7% yoy decline, according to data released by the Philippine Statistics Authority on 12 December.

Among the 20 sectors, six recorded year-on-year declines in manufacturing output in October, led by chemical products (-62.2%), tobacco products (-38.4%), footwear and wearing apparel (-28.8%), and textiles (-27.8%). On the contrary, notable year-on-year growth was achieved in sectors such as fabricated metal products (+73.7%), basic metals (+47.7%), furniture and fixtures (+39.6%), and printing (+36.2%).

The continued contraction of manufacturing production at the onset of the fourth quarter mirrored less optimism in the manufacturing sector, said Socioeconomic Planning Secretary Ernesto Pernia. He quoted the *Business Expectations Survey* conducted by the central bank that expectations of seasonal slack in demand and stiffer competition were reasons for the less favourable business outlook.

PHILIPPINES

DUTERTE PUSHES FOR LIBERALIZATION OF FOREIGN INVESTMENT

President Rodrigo Duterte endorsed a memorandum order on 21 November to direct the National Economic and Development Authority (NEDA) Board – the country's premier social and economic development planning and policy coordinating body – to ease restrictions and support legislative amendments on foreign investment in eight priority areas, such as retail,

teaching in higher education, and public services except utilities (electricity, water and sewerage, etc.).

The move is in line with the economic agenda released after Duterte's presidential victory in 2016. It is part of a periodic review of the country's Foreign Investment Negative List, which enumerates industries where foreign ownership is prohibited or limited. The eight areas to be liberalised also include construction and repair of locally-funded public works, private recruitment for both local and overseas employment, domestic market enterprises, rice and corn industry, and practice of professions.

Foreign business chambers in the country welcomed Duterte's order. 'The President's memorandum order is unprecedented in its scope and goal to make the economy more competitive and more open to foreign investment, which is much needed to help meet the 7%-8% GDP growth target,' said John Forbes, senior advisor of the American Chamber of Commerce of the Philippines, local media *The Philippine Star* reported.

As a side note, a week before the release of the memorandum order, Duterte personally granted Chinese companies the 'privilege' to become the third telecoms operator in the Philippines at a meeting with the Chinese Premier Li Keqiang.

PHILIPPINES

US OPEN TO FTA WITH THE PHILIPPINES

On the sidelines of the ASEAN-US Summit and the East Asia Summit held in Manila in November, the Philippine President Rodrigo Duterte and US President Donald Trump had a bilateral talk to discuss a broad range of shared interests and priorities, with a focus on trade, fighting the Islamic State and drug trafficking.

During the meeting, the Philippine side indicated their interest in exploring a free trade agreement (FTA) with the US, and President Trump welcomed the suggestion. Both sides agreed to discuss the

matter further through the US-Philippines Trade and Investment Framework Agreement (TIFA), which provides strategic frameworks and principles for dialogue on trade and investment issues.

The US is open to a free trade agreement with the Philippines, US Ambassador Sung Kim restated after the meeting, reported *CNN Philippines*. He noted that one of President Trump's goals in his visit was to express 'deep commitment to promoting fair and reciprocal trade'. The ambassador added that US officials would hold a meeting in Washington later in November to discuss the possibility of an FTA.

According to the Philippine Statistics Authority, in January-October of 2017, the US came third among the Philippines' largest export destinations and fourth in terms of import origins, accounting for 14.7% of the country's exports and 7.7% of imports.



DAILY MINIMUM WAGE TO RISE BY UP TO 15 BAHT STARTING JANUARY 2018

Thailand's tripartite national wage committee, consisting of representatives of workers, employers and the government, decided to raise the daily minimum wage by up to 5%, or 15 baht, with effect from 1 January, 2018, according to a news report from *Bangkok Post* on 6 December. The new wage rates were submitted to the newly-appointed Labour Minister for approval.

At present, the minimum wage rates in Thailand vary from 300 to 310 baht per day by province, with Bangkok and six provinces implementing the highest 310-baht wage rate. The wage hike of 0-15 baht for next year will also vary from province to province.

Kriangkrai Thiennukul, vice-chairman of the Federation of Thai Industries, said the wage rise

would not incur an untenable burden on the real sector but would increase purchasing power of workers. Labour-intensive industries such as garment and food processing will have to adapt to the changes, he added.

THAILAND

TEIJIN FRONTIER TO SET UP FIBRE RESEARCH LAB IN THAILAND

Teijin Frontier, the textile manufacturing and trading arm of the Japanese Teijin Group, announced in December its plan to establish a research and development (R&D) centre for fibres, including polyester fibres, in Thailand. The research facility, under the name of Teijin Frontier Thai Innovation Laboratory (TFTIL), will be located at the Thailand Research Park.

The establishment of the R&D centre will make Thailand the third strategic R&D hub for the Teijin Group after Japan and China. TFTIL will mainly research on polymers as raw materials for polyester and other fibres and related manufacturing and processing technologies, enabling Teijin Frontier to build up a comprehensive production chain in Thailand for polyester fibres, from polymers R&D to manufacturing and processing.

Teijin Frontier also decided to fully transfer its primary polyester fibre brands to its Thailand subsidiary, with an intention to make Thailand its global hub for polyester fibre business.

THAILAND

FTA NEGOTIATIONS WITH EU TO RESUME

Deputy Prime Minister Somkid Jatusripitak recently ordered the Ministry of Commerce and related government agencies to speed up preparing for negotiations on the free trade agreement (FTA) with the EU, after the EU announced to resume political contact 'at all levels' with Thailand. Political ties between Thailand and the EU had been frozen since the military coup in Bangkok in 2014, so did the FTA talks.

ASIA SOURCING UPDATE

In a statement released by the EU's Foreign Affairs Council on 11 December, the trade bloc will 'pursue gradual political re-engagement with Thailand', following the country's encouraging developments, including the adoption of a new constitution and a pledge made by Thailand's Prime Minister to hold the general election in November 2018. Meanwhile, the council reiterated its call for the urgent restoration of democracy in Thailand and the respect for human rights and fundamental freedoms.

The statement also notes that the full resumption of the FTA negotiations may be pursued with 'a democratically elected civilian government under the new constitution', indicating that no meaningful progress on the trade negotiations will be made until the 2018 general election.

Somkid told *Bangkok Post* that official visits were in the pipeline to strengthen relationship with EU member countries, notably the post-Brexit vote Britain and France, and to resume dialogues on economy and trade. ■

VIETNAM



MANUFACTURING PMI EDGES DOWN IN NOVEMBER

The Nikkei Vietnam Manufacturing Purchasing Managers' Index (PMI), a composite indicator of manufacturing performance, dipped to 51.4 in November from 51.6 in October. Although continuing to signal an improvement in the health of the manufacturing sector, the rate at which business conditions strengthened was the weakest since March 2016. (A reading above 50 indicates economic expansion, while one below 50 points toward contraction.)

New orders have been recording positive month-on-month growth throughout the past two years. However, the rate of new order growth has eased

for the second consecutive month in November, with slower increases in both total and export orders.

The weaker expansion in new orders resulted in manufacturers holding production volumes broadly steady, ending a 12-month sequence of output growth. At the same time, there were some reports that material shortages had restricted production.

On the positive side, manufacturers continued to take on extra staff at a solid pace. The rate of job creation was broadly in line with that seen in October. Firms also remained confident regarding the 12-month outlook for production, with predictions of positive new order growth.

'The final quarter of 2017 has been somewhat disappointing for the Vietnamese manufacturing sector so far,' said Mr. Andrew Harker, associate director at IHS Markit, which compiles the survey.

'After growth eased in October, there were further signs of weakness in November as new orders rose at a weaker pace and output stagnated. Manufacturers continued to increase staffing levels and purchasing activity at solid rates, however, suggesting that the current soft-patch is expected to be only temporary,' he added.

VIETNAM

FDI SURGES 82.8% YOY IN FIRST 11 MONTHS OF 2017

Foreign direct investment (FDI) in Vietnam reached US\$33.1 billion in the first 11 months of this year, registering a year-on-year increase of 82.8%, the Foreign Investment Agency (FIA) of the Ministry of Planning and Investment reported.

During the 11-month period, the FIA licensed 2,293 new FDI projects with total registered capital of US\$19.8 billion, up 2.4% in the number of projects and 52% in registered capital compared with the same period last year. Some 1,100 existing projects raised additional investment capital totalling US\$8.0 billion, posting a year-on-year increase of 57.6%. The total value of capital contribution and share purchase by foreign

investors amounted to US\$5.3 billion, up 57.6% yoy.

In the first 11 months of the year, the processing and manufacturing sector took the lead in attracting FDI with US\$14.9 billion in registered capital, equivalent to 45.2% of the total. It was followed by electricity production and distribution and real estate business, with total registered capital of US\$8.4 billion and US\$2.5 billion, respectively.

Among the 112 countries and territories investing in Vietnam during the 11-month period, Japan was the largest investor with total registered capital of US\$8.9 billion, accounting for 27% of the total. It was followed by South Korea and Singapore with total registered capital of US\$8.2 billion and US\$4.7 billion, respectively.

VIETNAM

11 COUNTRIES AGREE ON REVISED TPP DEAL

On the sidelines of the APEC Economic Leaders' Week in November, the trade ministers of the 11 remaining Trans-Pacific Partnership (TPP) nations – Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam – announced they had agreed on core elements of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Most of the commitments of the CPTPP remain unchanged from the TPP, with the exception of 20 provisions which will be suspended. Most of these suspended provisions were in place due to the insistence of the US, and are mostly from the intellectual property chapter of the original TPP text.

According to the joint statement issued by the 11 ministers, there are four provisions that are still to be finalized, namely: a cultural exception for Canada; exceptions regarding trade sanctions for Vietnam; exceptions for state-owned enterprises in

Malaysia; and exceptions regarding coal production in Brunei.

A formal agreement is expected to be signed in February 2018, after which countries will start domestic ratification efforts. The CPTPP will come into effect once six of the member countries have ratified the deal.

The original TPP was signed in February 2016 between 12 nations, including the above 11 countries and the US. The US withdrew from the pact in January, soon after President Donald Trump took office. ■

MAJOR ECONOMIC INDICATORS

CAMBODIA

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
Consumer price index (yoy growth %)	3.2	2.7	2.3	2.3	2.6	2.7
Exports (yoy growth %)	20.3	19.7	37.7	7.5	41.7	43.2
Exports (fob, in Cambodian riel billion)	2,876.8	3,119.0	4,697.0	4,267.3	4,529.9	4,430.3
<i>Of which:</i>						
Garments (in Cambodian riel billion)	1,667.6	1,886.2	3,028.8	2,881.7	2,811.7	2,735.0
Footwear (in Cambodian riel billion)	242.9	265.7	399.5	302.2	257.2	283.1
Textiles (in Cambodian riel billion)	6.3	33.9	4.0	3.9	3.4	3.0
Imports (yoy growth %)	2.6	1.1	8.2	1.7	10.5	38.9
Imports (fob, in Cambodian riel billion)	3,972.8	4,401.4	4,383.9	4,246.3	4,166.7	5,067.5

*Note: September 2017 figures are the most up-to-date as of the date of publishing.
Source: National Bank of Cambodia*

INDONESIA

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Quarterly GDP (real yoy growth %)	5.01 (2Q17)		5.06 (3Q17)		-	
Production index of large and medium manufacturing (yoy growth %)	-1.1	3.8	5.0	7.8	-	-
Manufacturing PMI (Nikkei)	49.5	48.6	50.7	50.4	50.1	50.4
Real retail sales index (yoy growth %)	6.3	-3.3	2.2	1.8	2.2	2.9
Consumer price index (yoy growth %)	4.4	3.9	3.8	3.7	3.6	3.3
Exports (yoy growth %)	-11.7	41.1	19.4	15.7	19.6	13.2
Exports (FOB, US\$ mn)	11,655.9	13,611.2	15,229.4	14,559.8	15,242.2	15,282.1
<i>Of which:</i>						
Textile and textile products (US\$ mn)	914.1	1,107.9	1,245.5	1,024.8	1,006.6	-
Footwear (US\$ mn)	329.7	405.6	420.3	360.4	432.8	-
Furniture (US\$ mn)	108.8	114.0	137.5	121.9	134.5	-
Sports requisites (US\$ mn)	35.5	47.1	57.0	48.3	43.5	-
Imports (yoy growth %)	-17.4	54.0	9.1	13.1	23.8	19.6
Imports (US\$ mn)	9,991.8	13,885.6	13,509.5	12,780.8	14,240.9	15,154.9

Source: Statistics Indonesia, Bank Indonesia, Nikkei PMI reports

PHILIPPINES

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Quarterly GDP (real yoy growth %)	6.7 (2Q17)		6.9 (3Q17)		-	
Value of production index, manufacturing (yoy growth %)	1.0	-4.8	1.4	-4.7	-6.3	-
Volume of production index, manufacturing (yoy growth %)	3.0	-4.0	1.8	-4.1	-6.5	-
Manufacturing PMI (Nikkei)	53.9	52.8	50.6	50.8	53.7	54.8
Producer price index (yoy growth %)	-1.9	-0.8	-0.4	-0.7	0.2	-
Consumer price index (yoy growth %)	2.7	2.8	3.1	3.4	3.5	3.3
Exports (yoy growth %)	5.8	11.0	9.6	4.9	6.6	-
Exports (FOB, US\$ mn)	5,154.3	5,314.0	5,519.4	5,626.0	5,366.5	-
<i>Of which:</i>						
Woodcrafts and furniture (US\$ mn)	152.0	214.0	67.2	66.7	77.1	-
Garments (US\$ mn)	69.9	79.2	88.0	80.1	60.3	-
Travel goods and handbags (US\$ mn)	48.5	47.2	40.1	41.4	39.8	-
Imports (yoy growth %)	-1.3	-3.2	10.4	4.4	13.1	-
Imports (FOB, US\$ mn)	7,146.2	6,931.5	7,912.0	7,703.4	8,211.2	-
Balance of trade (US\$ mn)	-1,992.0	-1,617.5	-2,392.6	-2,077.4	-2,844.8	-

Source: Philippine Statistics Authority, National Statistical Coordination Board, Nikkei PMI reports

THAILAND

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Quarterly GDP (real yoy growth %)	3.8 (2Q17)		4.3 (3Q17)		-	
Industrial production index (value added weight, not seasonally adjusted, yoy growth %)	-0.3	3.4	4.2	4.6	-0.1	-
Manufacturing PMI (Nikkei)	50.4	49.6	49.5	50.3	49.8	50.0
Producer price index (yoy growth %)	-1.2	-1.3	-0.6	0.5	0.1	0.5
Consumer price index (yoy growth %)	0.0	0.2	0.3	0.9	0.9	1.0
Exports (yoy growth %)	11.7	10.5	13.2	12.2	13.1	-
Exports (US\$ mn)	20,281.8	18,852.2	21,223.8	21,812.3	20,083.2	-
<i>Of which:</i>						
Textiles and apparel (US\$ mn)	584.7	546.0	605.7	586.0	558.0	-
Furniture (US\$ mn)	101.4	94.6	110.6	106.2	105.2	-
Footwear (US\$ mn)	58.0	54.4	58.0	45.8	48.8	-
Imports (yoy growth %)	13.7	18.5	14.9	9.7	13.5	-
Imports (US\$ mn)	18,365.0	19,039.7	19,133.6	18,454.1	19,868.8	-
Trade balance (US\$ mn)	1,916.9	-187.5	2,090.2	3,358.3	214.4	-

Source: National Economic and Social Development Board, Office of Industrial Economics, Ministry of Commerce, Nikkei PMI reports

VIETNAM

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Quarterly GDP (real yoy growth %)	6.3 (2Q17)		7.5 (3Q17)		-	
Industrial production index (yoy growth %)	8.6	8.1	8.4	13.2	17.0	17.2
Manufacturing PMI (Nikkei)	52.5	51.7	51.8	53.3	51.6	51.4
Retail sales of consumer goods and services (year-to-date, yoy growth %)	10.1	10.0	10.3	10.5	10.7	10.7
Price index of materials used for production (yoy growth %)	0.8 (2Q17)		0.7 (3Q17)		-	
Producer price index for industrial products (yoy growth %)	0.6 (2Q17)		-0.7 (3Q17)		-	
Consumer price index (yoy growth %)	2.5	2.5	3.4	3.4	3.0	2.6
Exports (year-to-date, yoy growth %)	18.7	18.8	19.3	20.0	21.3	21.5
Exports (US\$ mn)	17,754.9	17,671.7	19,767.0	19,342.4	20,292.4	19,990.1
<i>Of which:</i>						
Textiles & garments (US\$ mn)	2,358.5	2,464.9	2,676.4	2,377.9	2,227.3	2,167.2
Footwear (US\$ mn)	1,386.6	1,304.5	1,267.7	1,042.4	1,182.2	1,368.2
Wood & wooden products (US\$ mn)	632.6	598.8	656.5	640.8	675.5	695.4
Toys and sports requisites (US\$ mn)	109.8	108.7	130.0	122.5	118.8	112.3
Imports (year-to-date, yoy growth %)	23.9	23.6	22.5	22.7	21.6	21.2
Imports (US\$ mn)	18,012.9	17,406.2	18,181.0	18,241.1	18,111.3	19,393.9

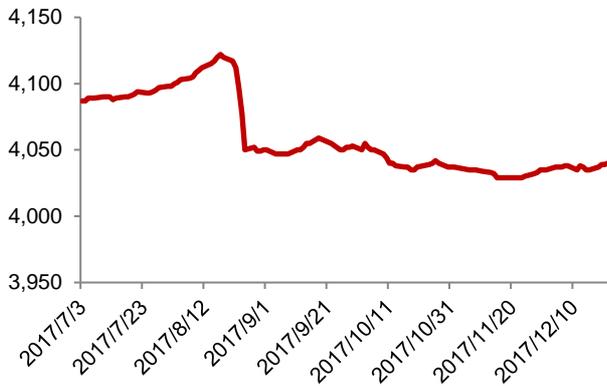
Source: General Statistics Office of Vietnam, General Department of Vietnam Customs, Nikkei PMI reports

DAILY EXCHANGE RATES

JULY - DECEMBER 2017

CAMBODIAN RIEL

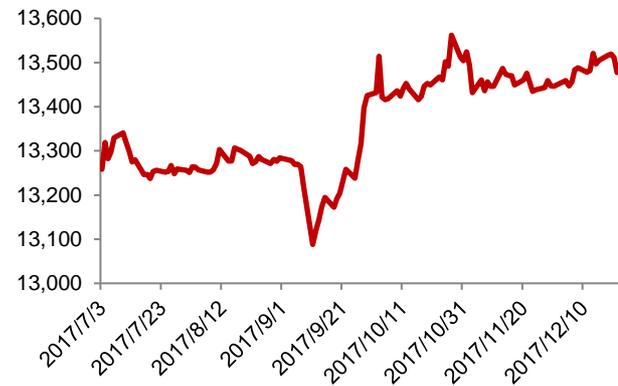
USD:KHR official exchange rate



Source: National Bank of Cambodia

INDONESIAN RUPIAH

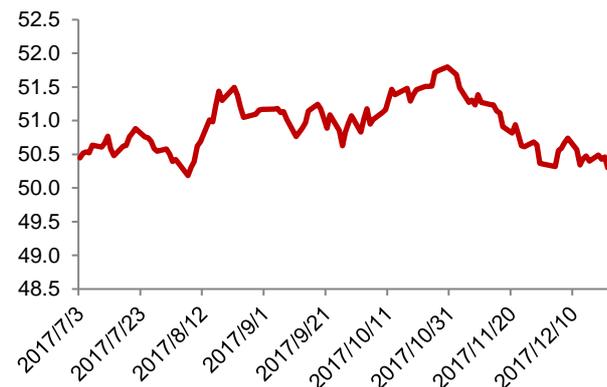
USD:IDR buy rate



Source: Bank Indonesia

PHILIPPINE PESO

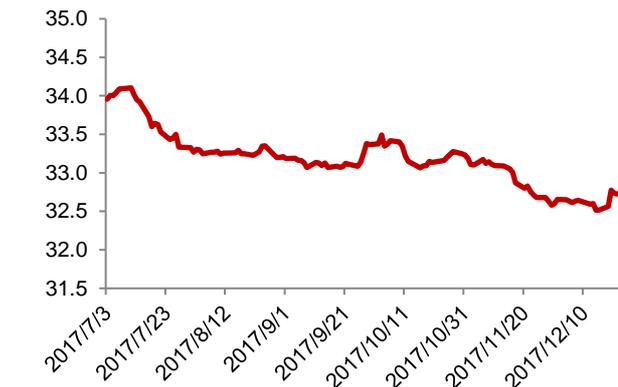
USD:PHP BSP reference rate



Source: Bangko Sentral ng Pilipinas (BSP)

THAI BAHT

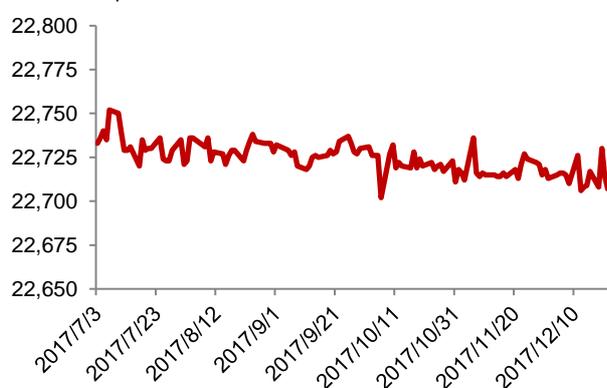
USD:THB mid-rate



Source: Bank of Thailand

VIETNAMESE DONG

USD:VND spot rate



Source: Bloomberg

FUNG BUSINESS INTELLIGENCE

Fung Business Intelligence collects, analyses and interprets market data on global sourcing, supply chains, distribution, retail and technology.

Headquartered in Hong Kong, it leverages unique relationships and information networks to track and report on these issues with a particular focus on business trends and developments in China and other Asian countries. Fung Business Intelligence makes its data, impartial analysis and specialist knowledge available to businesses, scholars and governments around the world through regular research reports and business publications.

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