ASIA SOURCING UPDATE

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IN THE NEWS

CAMBODIA

INVESTMENT IN GARMENT AND FOOTWEAR SECTOR SLOWS DOWN

The Cambodian government approved US$4 billion worth of investment projects in the first four months of 2019, more than tripled that in the same period of 2018, according to the Council for the Development of Cambodia. The number of projects approved reached 115 in the period, compared to 81 in the same period last year. The sharp increase in investment shows strong confidence among local and foreign investors in the country's political stability and healthy economic growth.

Investment in the garment and footwear sector, however, grew at a slightly slower pace in the first four months of 2019 compared to the same period last year, according to Kaing Monika, deputy secretary-general of the Garment Manufacturers Association in Cambodia (GMAC). The garment and footwear sector accounted for approximately 85% of Cambodia's exports in 2018, based on the *Cambodia Economic Update* released by the World Bank in May. The investment deceleration was attributed to concerns over the EU's possible withdrawal of Cambodia's duty preferences as well as rising minimum wage in the sector in recent years, said Kaing Monika. But he added that the China-US trade war would be in favour of Cambodia as factories in China are looking to relocate to other countries to avoid higher tariffs imposed on Chinese exports destined for the US market.

Kaing Monika also pointed out that the travel goods industry will become the most promising industry in the near future as travel goods have been granted duty-free access to the US market under the Generalised System of Preferences (GSP) since 2016. According to the World Bank's report mentioned above, FDI in the travel goods industry amounted to US$120 million in the first two months of 2019, up from US$50 million in the same period of 2018.

CAMBODIA

DISCUSSION ON AMENDMENTS TO TRADE UNION LAW STARTED

On 25 April, the Ministry of Labour and Vocational Training met with some 100 representatives of trade unions and private companies to discuss amendments to the Trade Union Law enacted in 2016. The meeting was held to address long-lasting concerns of worker unions and international labour rights groups about workers' rights and union freedom to hold demonstrations in Cambodia.

The discussion focused on amendments to ten articles of the law, which were proposed by previous technical meetings and consultation workshops. Minister of Labour and Vocational Training Ith Sam Heng said the passage of those amendments relies on a consensus from all relevant parties, including worker unions and employers, and it is necessary to make sure they do not conflict with other existing laws. The minister added that the number of labour-related disputes, including strikes and demonstrations, has remarkably declined in the past few years, thanks to the effective implementation of the Trade Union Law and the strengthening of inspections.

According to Ath Thon, president of the Cambodian Labour Confederation, the latest discussion was fruitful as concerns raised by some 70% of the participating unions were addressed. Representing the employer side, Sok Lor, secretary general of the Cambodian Federation of Employers and Business Association, said the discussion was welcomed by employers, and he agreed with the Labour Minister that the passage of the Trade Union Law has improved relations between employees and employers.

Following the EU's launch of the intensive monitoring and engagement process that could lead to a temporary suspension of Cambodia's duty preferences in February, global brands and retailers have expressed their concerns over the labour and human rights situation in the country. In April, eight international business associations, including the American Apparel and Footwear Association and Fair Labour Association, sent a letter to the Prime Minister Hun Sen calling for a government timeline on human rights improvement. And a group of brands and retailers, which included Nike, Adidas and Levi Strauss, also sent a joint letter to the prime minister in May expressing their concerns in this regard.

CAMBODIA

CHINESE FIRM TO OPEN STATIONERY AND SPORTS PRODUCTS FACTORY IN CAMBODIA

Chinese-based Guangbo Group Stock Co Ltd expressed its interest to set up a stationery and sports products factory in Cambodia, after a meeting in April between the group's chairman Wang Liping and the Cambodian Minister of Commerce Pan Sorasak, reported the *Phnom Penh Post*.

Wang said the decision to expand investment to Cambodia was motivated by the Belt and Road Initiative led by the Chinese government and the company pledged to expand investment to Cambodia to improve trade ties between the two countries. But he did not elaborate on the expected timeline for the Cambodian project.

Guangbo Group is a publicly listed company in China that produces office stationery, paper and plastic products, selling domestically and overseas. It has just inaugurated its first overseas production plant in Vietnam in March this year. ■

INDONESIA

RIOTS BREAK OUT IN JAKARTA AFTER PRESIDENTIAL ELECTION

After the Indonesian Election Commission announced incumbent Joko Widido ("Jokowi")'s victory in the presidential election on 21 May, thousands gathered in Jakarta in support for the opposition candidate Prabowo Subianto. Protests began peacefully but soon turned into violent riots at three locations in Central and West Jakarta on 21-22 May.

Eight people were killed and 900 were injured during the riots, according to Jakarta's Governor Anies Baswedan and the city's health department. A police spokesperson confirmed the arrest of nearly 260 protestors participating in the rally, suggesting that the protests were planned and "not spontaneous".

On 24 May, Prabowo's camp filed a lawsuit in the Constitutional Court to challenge the result of the election. A preliminary hearing is scheduled for 14 June, and an evidentiary hearing will take place three days later. The court must then make a ruling before 28 June.

INDONESIA

EXPORTS IN APRIL PLUNGE 13.1% YOY

The value of Indonesian exports in April 2019 amounted to US$12.60 billion, down 13.1% compared to a year ago, according to data released by the Central Statistics Agency (BPS) on 15 May. In April, non-oil & gas exports dropped 11.0% yoy to US$11.86 billion, while oil & gas exports plunged 37.1% yoy to US$742 million.

In the meantime, Indonesia's imports reached US$15.10 billion in April, down 6.6% in comparison with a year earlier. Oil and gas imports recorded a 4.0% yoy decrease, while non-oil/non-gas imports declined by 7.0% yoy.

Trade deficit in April amounted to US$2.5 billion, the country’s widest monthly trade deficit since the country started recording the statistics in the late 1950s.

The trade deficit “may exert additional pressure on the Indonesian rupiah although the central bank has pledged to support the currency,” economists at ING said, as quoted by the *Financial Times*. However, the BPS was optimistic that the trade balance would improve, according to BPS Chief Suharyanto.

INDONESIA

INDONESIA AND SOUTH KOREA TARGET TO COMPLETE FREE TRADE AGREEMENT NEGOTIATIONS THIS YEAR

Indonesia and South Korea aim to complete negotiations for the Comprehensive Economic Partnership Agreement (IK-CEPA) this year to boost bilateral trade and other economic relations, according to Iman Pambagyo, director general at the Ministry of Trade of Indonesia.

Both countries have exchanged initial trade in goods requests, which would be followed by negotiations in June.

Iman said both nations were committed to improving the offers they had made in the Regional Comprehensive Economic Partnership (RCEP) and the ASEAN-South Korea Free Trade Agreement (ASEAN-South Korea FTA).

Negotiations on the IK-CEPA began in 2012 but came to a halt in 2014. The two sides decided to resume talks in February this year. ■

PHILIPPINES

GDP GROWS AT SLOWEST PACE IN FOUR YEARS IN FIRST QUARTER

The Philippines’ economy grew by 5.6% yoy in the first quarter of 2019, a significant slowdown from the 6.5% yoy growth recorded in the same quarter last year, according to data released by the Philippine Statistics Authority. It was the lowest growth since the first quarter of 2015.

Low government spending resulting from budget delays and weak exports were major reasons for the growth slowdown. Specifically, growth of government expenditure decelerated sharply to 7.4% yoy in the first quarter of 2019 from 13.6% yoy a year ago, while exports of goods and services posted a 5.8% yoy growth in the first quarter compared to the 10.3% yoy increase a year ago.

A months-long impasse between the upper and lower chambers of the Congress over allegations of fund realignments in the already ratified 2019 budget delayed the signing of the budget bill by the president. It was not until 15 April that President Duterte finally endorsed the 3.7 trillion-peso budget for this year. Socioeconomic Planning Secretary Ernesto Pernia said that had this year’s budget been implemented on time, the Philippines’ economy should have grown by up to 6.6% during the first quarter.

In mid-March, the government cut its 2019 GDP growth target to 6-7% from 7-8%, citing a delay in the final legislative approval of the budget and ramifications of the China-US trade war. It is expected that the Philippine government will jump-start budget disbursement and speed up implementation of public projects in the months ahead to boost the economy.

PHILIPPINES

FDI HITS SIX-MONTH HIGH IN FEBRUARY

Net inflows of foreign direct investment (FDI) amounted to US$746.3 million in February, posting a year-on-year increase of 20.2% and reversing from the 38.2% yoy decline recorded in January, according to the Bangko Sentral ng Pilipinas (BSP), the country's central bank. The latest net inflows of FDI was the highest since August 2018, showing investors' confidence in the country's sound macroeconomic fundamentals.

The sharp increase in net inflows of FDI was mainly attributed to higher equity investment in the country, which surged by 141.7% yoy to US$232.7 million in February. The largest share of the equity investment in the month was channeled to transportation and storage (US$95.5 million), followed by financial and insurance (US$66.6 million) and manufacturing (US$31.4 million). By source of investment, Japan was the largest investor with US$95.8 million equity placement in February, followed by China (US$76.7 million) and Switzerland (US$13.1 million).

Overall, in the first two months of 2019, net inflows of FDI into the country dropped by 15.7% yoy to US$1,355 million, due to a plunge of equity investment in January. The BSP expected net inflows of FDI to exceed US$10.2 billion this year.

The recent credit rating upgrade from Standard & Poor's (S&P) is likely to further boost investor confidence in the country. On 30 April, S&P raised its long-term sovereign credit rating for the Philippines to BBB+, the country's highest rating to date, citing above-average economic growth, a healthy external position and solid fiscal accounts.

PHILIPPINES

THE COUNTRY SIGNS TRADE AND INVESTMENT DEALS WORTH US$12.1 BILLION WITH CHINA

On the sidelines of the second Belt and Road Forum held in Beijing on 25-27 April, the Philippine business delegation inked 19 trade and investment deals worth 633 billion pesos (US$12.1 billion) with Chinese firms.

The deals included one contract agreement, three cooperation deals, two purchase framework deals and 13 memorandums of understanding (MoUs). Majority of the deals cover energy, infrastructure, food, telecommunications, tourism, and economic zone development, according to the Philippine Department of Trade and Industry.

In particular, China Zhejiang Guannan Group signed a MoU with the Cagayan Economic Zone Authority to invest US$500 million in a green textile industrial park in the Cagayan Special Economic Zone, which is located in the far north of the Philippines. The company visited the country last November to finalise terms for the investment agreement. It was reported that the textile park will have its own power plant, water plant, sewage disposal plant, and waste processing facility, among other infrastructure. ■

THAILAND

MANUFACTURING SECTOR SHOWS SOLID EXPANSION IN APRIL

The Nikkei Thailand Manufacturing Purchasing Managers' Index (PMI), which provides a snapshot of operating conditions in the manufacturing sector, rose from 50.3 in March to 51.0 in April, the highest level in nearly a year.

According to the press release from IHS Markit, which compiles the survey, the headline index was buoyed by stronger growth in both new orders and output. In particular, new orders increased for a third straight month in April and at the fastest pace since the PMI survey started in December 2015. Domestic demand was the key driver for increased sales, while export demand remained largely stagnant. Higher demand led to a strong increase in output, which grew at the fastest pace since last

December. Moreover, employment level in the manufacturing sector remained broadly stable. On the price front, inflationary pressures remained modest.

Thai manufacturers also expressed greater confidence in the outlook over the next 12 months, with the Future Output Index rising to its highest level in just over three years. An improving economic environment and higher sales projections were cited as reasons for optimism.

THAILAND

GOVERNMENT LAUNCHES NEW ECONOMIC STIMULUS PACKAGE

The Cabinet approved on 30 April a new economic stimulus package worth 21.8 billion baht (US$685.5 million) to counter signs of an economic slowdown and boost domestic consumption to offset weaker exports.

The measures, proposed by the outgoing military government, include 13.2 billion baht of public welfare benefits for low-income earners, the disabled, farmers and children, and tax incentives worth 8.6 billion baht for spending on domestic tourism, education, sports equipment and residential properties. According to the Fiscal Policy Office (FPO), the measures are expected to help boost the country's GDP growth by 0.1 percentage point this year.

The latest poll survey conducted by the National Institute of Development Administration (NIDA), however, showed that the majority of respondents thought the economic stimulus measures may have minimal impacts on the Thai economy as consumers and investors have not regained confidence in the economy due to uncertainties in the domestic political situation and global trade scene.

Final results of the 24 March general election — the first since a military coup in 2014 — were announced on 8 May, with neither the pro-military party nor the pro-democracy party winning a clear parliamentary majority to form a government. It suggests that political divisions will largely remain if not intensify and the coalition government, if and when formed, is likely to be fragile.

Thailand's economy grew by 2.8% yoy in the first quarter, the slowest pace in more than four years, due to contractions in exports and public investment, the Office of the National Economic and Social Development Council (NESDC) released on 21 May. Customs-based exports in US dollar terms fell 2.6% yoy in April, after a 4.9% yoy decline in March, weighed down mainly by the global economic slowdown, escalating trade tensions between China and the US, and political uncertainty in the EU.

THAILAND

AMAZON OPENS ITS SECOND ASEAN OFFICE IN THAILAND

Amazon, the world's largest e-commerce company, recently opened a new office in Thailand, its second office in ASEAN after the regional flagship office in Singapore, local media *The Nation* reported. The move will focus on providing resources and training to Thai sellers, brand owners and manufacturers to explore online export opportunities.

Bernard Tay, director of Amazon Global Selling Southeast Asia, said they had just started a dedicated team in Thailand and the company chose Thailand because of the country's leading manufacturing base, constant export growth and the Thai government's digital transformation policy.

Tay added that the company will first focus on five priority product categories, which are in high demand from US customers while Thailand is also competitive in, namely toys, apparel, home products, sports and pet products.

The team is currently cooperating with some government organisations and other partners to provide training to Thai sellers. However, there is no policy level cooperation with the government like what Alibaba did with the Thai government, according to Tay. ■

VIETNAM

FDI COMMITMENTS IN FIRST FIVE MONTHS HIT FOUR-YEAR HIGH

Foreign direct investment (FDI) pledged to Vietnam in the first five months of this year reached US$16.74 billion, the largest five-month inflows since 2016, registering a year-on-year rise of 69.1%, reported the *Vietnam News Agency*, citing the Foreign Investment Agency.

1,363 new FDI projects were licensed with total registered capital of US$6.46 billion in January – May, surging 38.7% compared with the same period last year, while 505 existing FDI projects were injected an additional US$2.63 billion, up 5.5% yoy. In the five-month period, foreign investors also spent US$7.65 billion buying shares or contributing capital to Vietnamese firms.

Among the sectors that recorded inflows of FDI during the five-month period, the 'manufacturing and processing' industry led with total registered capital of nearly US$12 billion, accounting for 71.8% of the total FDI committed. The real estate industry ranked second with US$1.14 billion, followed by 'wholesale and retail' with total registered capital of US$864 million.

During the five-month period, Hong Kong was Vietnam's largest source of FDI, with US$5.08 billion, accounting for 30.3% of total FDI commitment. Much of this was attributable to the US$3.85 billion investment in Vietnam Beverage Co Ltd. by Hong Kong's Beer Co Limited. South Korea and Singapore were the runners-up with US$2.6 billion (16% of the total FDI) and US$2.1 billion (13% of the total FDI) committed, respectively.

VIETNAM

REPORT REVEALS LOW PRODUCTIVITY OF VIETNAM'S MANUFACTURING SECTOR

The productivity and competitiveness of Vietnamese enterprises remain low, according to a report, *Productivity and Competitiveness of Viet Nam's enterprises – Volume 1: Manufacturing*, which was jointly published by the Vietnam Academy of Social Sciences (VASS), the Ministry of Planning and Investment (MPI) and the United Nations Development Programme (UNDP) on 26 April.

The report noted that in some manufacturing performance indicators, especially labour productivity, Vietnam lagged behind the middle-income and developed countries in the region. In particular, Vietnam's manufacturing labour productivity remained around a quarter of China's and Malaysia's, one third of Indonesia's and the Philippines', a half of India's and Thailand's, and just around 7% of Japan's and South Korea's.

Looking at performance by manufacturing sub-sectors, labour productivity gaps with comparator countries remained large in apparel, leather and footwear and chemicals industries, while the gaps were smaller in industries such as electronics, other transportation vehicles, wood (excluding furniture) and basic metal.

The report recommended that Vietnam should give priority to enhancing the productivity and competitiveness of domestic private enterprises, reforming state-owned enterprises, and formulating policies on foreign investment attraction and use. It also provided specific recommendations to improve the productivity and competitiveness of different sub-sectors tailored to their specific characteristics and past performances.

VIETNAM

AUTOMATED CUSTOMS MANAGEMENT SYSTEM TO BE FULLY DEPLOYED WITHIN THIS YEAR

The deployment of the Vietnam Automated System for Seaport Customs Management (VASSCM) will be completed in 2019, according to the General Department of Vietnam Customs, reported the *Vietnam News Agency*.

The General Department of Vietnam Customs have already deployed the automated system in 28 of the 35 provincial-level customs departments, including those of key localities like Hanoi, Ho Chi Minh City, Hai Phong, Quang Ninh province, and Ba Ria-Vung Tau province. 315 enterprises engaging in warehouse, storage and port-related businesses have participated in the VASSCM, according to the Vietnam Customs.

Le Duc Thanh, deputy director of the Vietnam Customs' IT and statistics division, said the department will finish deploying the VASSCM at all seaports and airports this year and enhance the quality of this system's operations, thus reducing the time needed for customs clearance as well as costs to be paid by exporters and importers. ■

MAJOR ECONOMIC INDICATORS

CAMBODIA

	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18
Consumer price index (yoy growth %)	2.9	2.9	2.3	2.6	2.6	3.1
Exports (yoy growth %)	29.1	8.1	12.9	24.5	13.0	-3.8
Exports (fob, in Cambodian riel billion)	4,025.1	5,079.7	4,818.7	5,640.2	5,006.6	3,537.0
Of which:						
Garments (in Cambodian riel billion)	2,633.2	3,501.0	3,261.3	3,776.1	3,557.3	2,377.5
Footwear (in Cambodian riel billion)	357.5	453.2	378.6	403.0	319.5	264.2
Textiles (in Cambodian riel billion)	17.4	10.4	10.4	15.4	-	-
Imports (yoy growth %)	35.8	30.9	38.0	48.9	13.4	51.8
Imports (fob, in Cambodian riel billion)	5,979.3	5,739.1	5,861.6	6,203.5	5,746.1	6,056.0

Note: October 2018 figures are the most up-to-date as of the date of publishing.
Source: National Bank of Cambodia

INDONESIA

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Quarterly GDP (real yoy growth %)	5.2 (4Q18)			5.1 (1Q19)		
Production index of large and medium manufacturing (yoy growth %)	5.2	4.8	4.9	0.6	7.9	-
Manufacturing PMI (Nikkei)	50.4	51.2	49.9	50.1	51.2	50.4
Real retail sales index (yoy growth %)	3.4	7.7	7.2	9.1	10.1	5.7
Consumer price index (yoy growth %)	3.2	3.1	2.8	2.6	2.5	2.8
Exports (yoy growth %)	-3.1	-3.9	-4.4	-11.2	-9.0	-13.1
Exports (FOB, US$ mn)	14,851.7	14,290.1	13,927.9	12,555.9	14,121.9	12,596.9
Of which:						
Textile and textile products (US$ mn)	1,049.7	1,103.8	1,199.3	1,066.3	1,122.7	-
Footwear (US$ mn)	481.0	427.7	469.6	331.0	346.1	-
Furniture (US$ mn)	141.2	146.0	159.0	144.5	154.2	-
Sports requisites (US$ mn)	42.4	35.1	34.3	27.9	32.7	-
Imports (yoy growth %)	11.8	1.7	-2.1	-13.8	-7.0	-6.6
Imports (US$ mn)	16,901.8	15,365.0	14,991.4	12,226.0	13,451.1	15,098.8

Source: Statistics Indonesia, Bank Indonesia, Nikkei PMI reports

PHILIPPINES

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Quarterly GDP (real yoy growth %)	6.3 (4Q18)			5.6 (1Q19)		
Value of production index, manufacturing (yoy growth %)	2.3	-8.6	1.1	-5.4	-5.4	-
Volume of production index, manufacturing (yoy growth %)	1.9	-8.9	-2.5	-8.1	-9.2	-
Manufacturing PMI (Nikkei)	54.2	53.2	52.3	51.9	51.5	50.9
Producer price index (yoy growth %)	0.4	0.3	3.7	2.9	4.2	-
Consumer price index (yoy growth %) *	6.0	5.1	4.4	3.8	3.3	3.0
Exports (yoy growth %)	1.0	-12.2	-6.7	-0.1	-2.5	-
Exports (FOB, US$ mn)	5,636.5	4,729.9	5,279.0	5,221.7	5,876.4	-
Of which:						
Woodcrafts and furniture (US$ mn)	57.3	52.2	54.7	57.1	52.8	-
Garments (US$ mn)	74.9	61.4	73.6	79.5	81.8	-
Travel goods and handbags (US$ mn)	39.3	49.3	39.4	50.7	50.1	-
Imports (yoy growth %)	9.6	-4.9	3.6	2.6	7.8	-
Imports (FOB, US$ mn)	9,710.6	8,900.1	9,199.1	7,965.6	9,013.9	-
Balance of trade (US$ mn)	-4,074.2	-4,170.2	-3,920.1	-2,743.8	-3,137.5	-

** Starting March 2018, the consumer price index has been rebased using 2012 as the base year.*
Source: Philippine Statistics Authority, Nikkei PMI reports

THAILAND

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Quarterly GDP (real yoy growth %)	3.6 (4Q18)			2.8 (1Q19)		
Industrial production index (value added weight, not seasonally adjusted, yoy growth %) *	0.8	1.2	0.6	-1.3	-2.7	2.0
Manufacturing PMI (Nikkei)	49.8	50.3	50.2	49.9	50.3	51.0
Producer price index (yoy growth %)	0.9	-0.5	-1.1	-0.6	0.4	0.7
Consumer price index (yoy growth %)	0.9	0.4	0.3	0.7	1.2	1.2
Exports (yoy growth %)	-0.9	-1.7	-5.6	5.9	-4.9	-2.6
Exports (US$ mn)	21,237.2	19,381.4	18,993.9	21,553.7	21,440.2	18,555.6
Of which:						
Textiles and apparel (US$ mn)	601.0	581.3	592.4	576.5	629.8	545.6
Furniture (US$ mn)	101.0	98.4	90.2	94.3	105.1	92.4
Footwear (US$ mn)	52.1	56.8	50.9	50.3	49.9	51.0
Imports (yoy growth %)	14.7	-8.1	14.0	-10.0	-7.6	-0.7
Imports (US$ mn)	22,415.0	18,316.4	23,026.3	17,519.2	19,435.6	20,012.9
Trade balance (US$ mn)	-1,177.8	1,064.9	-4,032.4	4,034.4	2,004.7	-1,457.2

** Starting from January 2019, the base year for the industrial production index has adjusted to 2016.*
Source: National Economic and Social Development Board, Office of Industrial Economics, Ministry of Commerce, Nikkei PMI reports

VIETNAM

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Quarterly GDP (real yoy growth %)	7.3 (4Q18)			6.8 (1Q19)		
Industrial production index (yoy growth %)	9.6	11.4	8.1	10.3	9.1	9.3
Manufacturing PMI (Nikkei)	56.5	53.8	51.9	51.2	51.9	52.5
Retail sales of consumer goods and services (year-to-date, yoy growth %)	11.5	11.7	12.2	12.2	12.0	11.9
Price index of materials used for production (yoy growth %)	-			2.6 (1Q19)		
Producer price index for industrial products (yoy growth %)	2.8 (4Q18)			1.5 (1Q19)		
Consumer price index (yoy growth %)	3.5	3.0	2.6	2.6	2.7	2.9
Exports (year-to-date, yoy growth %)	14.6	13.3	8.9	4.2	5.3	6.5
Exports (US$ mn)	21,778.0	19,791.4	22,075.7	13,905.4	22,779.6	20,439.8
Of which:						
Textiles & garments (US$ mn)	2,539.4	2,763.8	3,294.1	1,308.2	2,533.8	2,343.2
Footwear (US$ mn)	1,529.8	1,578.5	1,769.0	853.8	1,309.5	1,455.8
Wood & wooden products (US$ mn)	840.4	838.6	981.1	401.0	882.4	857.6
Toys and sports requisites (US$ mn)	120.7	108.2	126.7	61.5	100.6	113.1
Imports (year-to-date, yoy growth %)	12.2	11.2	5.4	5.8	8.0	10.9
Imports (US$ mn)	21,526.5	20,543.6	21,260.2	14,673.6	21,153.5	20,994.5

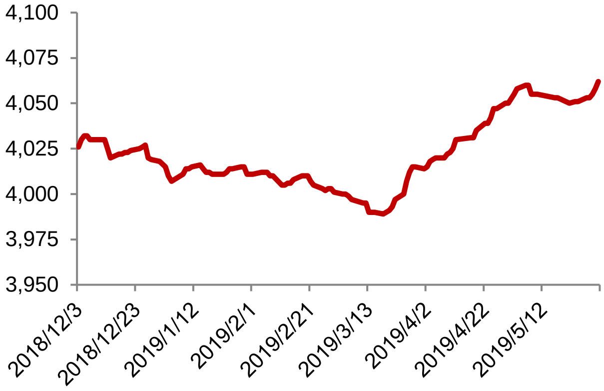
Source: General Statistics Office of Vietnam, General Department of Vietnam Customs, Nikkei PMI reports

DAILY EXCHANGE RATES

DECEMBER 2018 – MAY 2019

CAMBODIAN RIEL

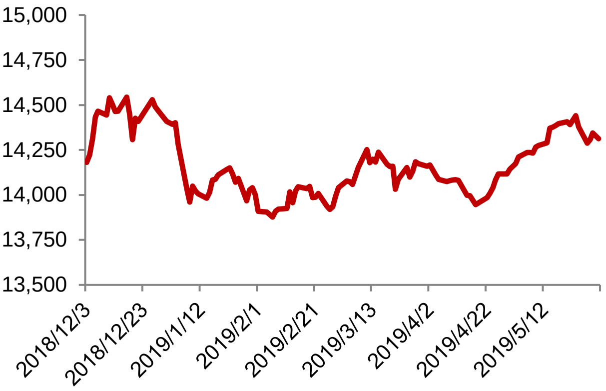
USD:KHR official exchange rate



Source: National Bank of Cambodia

INDONESIAN RUPIAH

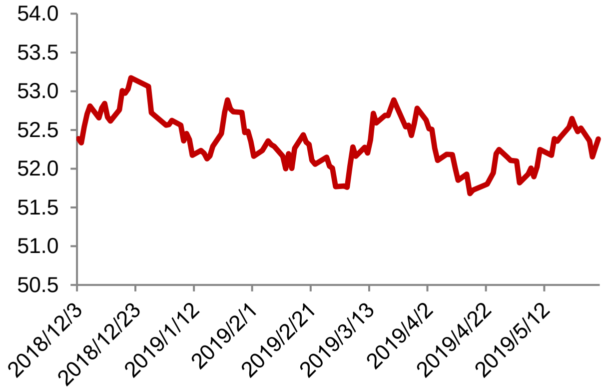
USD:IDR buy rate



Source: Bank Indonesia

PHILIPPINE PESO

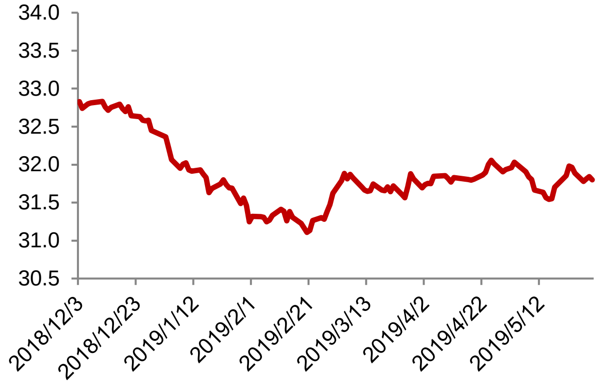
USD:PHP BSP reference rate



Source: Bangko Sentral ng Pilipinas (BSP)

THAI BAHT

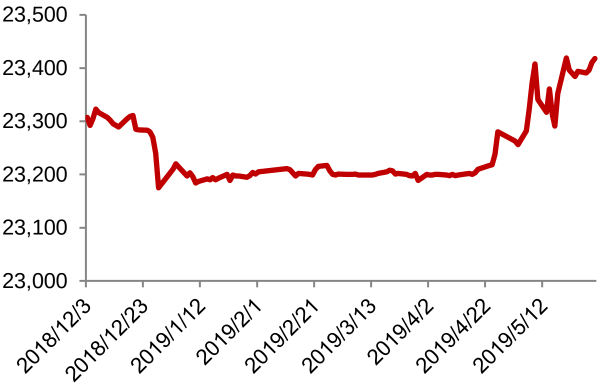
USD:THB mid-rate



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.

As the knowledge bank and think tank for the Fung Group, a Hong Kong-based multinational corporation, Fung Business Intelligence also provides expertise, advice and consultancy services to the Group and its business partners on issues related to doing business in China, ranging from market entry and company structure, to tax, licensing and other regulatory matters.

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About Fung Group

Fung Holdings (1937) Limited, a privately-held business entity headquartered in Hong Kong, is the major shareholder of the Fung Group of companies, whose core businesses operate across the entire global supply chain for consumer goods including trading, logistics, distribution and retail. The Fung Group comprises 42,000 people working in more than 40 economies worldwide. We have a rich history and heritage in export trading and global supply chain management that dates back to 1906 and traces the story of how Hong Kong and the Pearl River Delta emerged as one of the world's foremost manufacturing and trading regions. We are focused on both creating the Supply Chain of the Future to help brands and retailers navigate the digital economy as well as creating new opportunities, product categories and market expansion for brands on a global scale.

For more information, please visit www.funggroup.com

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