



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

- Trade increases between Cambodia and Thailand in 2018
- Thailand sees higher growth for 2018 after strong performance in third quarter
- U.S. consumer confidence remains strong in October

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

Trade increases between Cambodia and Thailand in 2018

Trade between Cambodia and Thailand increased by 14.1 percent in the first nine months of 2018, reaching \$3.2 billion, According to an interview with the director-general of the Foreign Trade department in Thailand in the [Phnom Penh Post](#). Cambodia imports from Thailand increased by 19.3 percent, reaching \$2.7 billion, which was more than enough to offset a 6.2 contraction in Cambodian exports to Thailand, totaling \$543.3 million in total.

The Ministry of Commerce of Cambodia expects that a 2019 trade exhibition to be held Thailand will further enhance bilateral trade between the two countries.

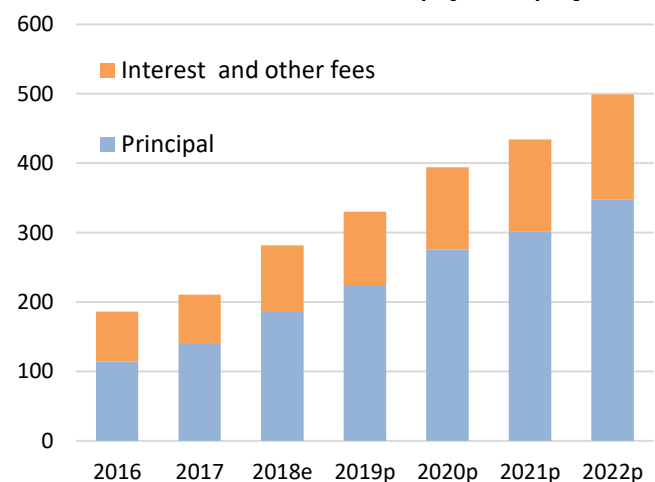
Chart of the week: Cambodia’s external debt service payment projection

Cambodia’s external debt service payments have increased steadily over the last several years and will continue to do so. Total payments, including principal, interest and other fees, is estimated to increase

to \$281.5 million in 2018, an increase of 34 percent compared to last year. Moreover, payments are predicted to rise to \$329.9 million in 2019, \$393.9 million in 2020 and \$499.1 million in 2022.

This increase is due to an expected rise in external borrowing year-to-year as well as higher interest costs to finance the borrowing.

Cambodia’s external debt service payment projection



Source: Ministry of Economy and Finance, Cambodia Public Debt Statistical Bulletin

ASEAN and other trading partners news and data

Thailand sees higher growth for 2018 after strong performance in third quarter

Thailand's economic activity is expected to rise by 4.5 percent in 2018, higher than an estimated 3.9 percent in 2017, according to the [Fiscal Policy Office \(FPO\)](#) of Thailand's Ministry of Finance. The growth was driven by an increase in private spending, consumption and investment, particularly a number of state mega-investments in the third quarter. A state-run welfare card program also contributed to proping up private spending.

However, FPO has delayed making a forecast for growth in 2019, as the U.S.'s trade war has complicated the data that the department uses to prepare its forecast. That said, U.S trade barriers have had only a modest impact on exports, with export growth dropping to 8 percent in the third quarter from a previous estimate of 9.7 percent.

U.S. economy and Federal Reserve

Consumer confidence remains strong in October

The Conference Board released its monthly [Consumer Confidence Survey](#) on 30 October, showing that consumer confidence continued to grow, hitting the survey's highest measure in 18 years.

Consumers' perceptions of current market conditions remain very positive, primarily due to strong employment growth. The proportion of consumers who perceive business conditions to be "good" increased from 39.9 percent to 40.5 percent, while those perceiving business conditions to be "bad" decreased from 9.6 percent to 9.2 percent.

Consumers' assessment of the labor market was also more favorable. Those claiming jobs are "plentiful" increased from 44.1 percent to 45.9 percent, while those claiming jobs are "hard to get" decreased from 14.1 percent to 13.2 percent.

The week ahead

Data highlights this week include Indonesia's and the Philippines' GDP growth in the third quarter of 2018, China's balance of trade for October, and the U.S. Federal Open Market Committee's interest rate decision.

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

Monday, 05 November

- Indonesia GDP for 2018Q3
- Indonesia consumer confidence for 2018Q3
- Korea foreign exchange reserves for October
- Japan BoJ monetary policy meeting minutes
- Philippines retail price index for September
- Malaysia balance of trade for September
- Thailand retail sales for August

Tuesday, 06 November

- U.S. midterm elections
- Philippines inflation rate for October
- Indonesia retail sales for September
- Japan household spending for September
- South Korea current account for September

Wednesday, 07 November

- Taiwan balance of trade for October
- Philippines exchange returns for October
- Philippines balance of trade for October

Thursday, 08 November

- Japan current account for September
- Philippines GDP for 2018Q3
- Thailand consumer confidence for October
- Malaysia interest rate decision
- China balance of trade for October

Friday, 09 November

- China inflation for October
- U.S. FOMC interest rate decision
- Indonesian current account for 2018Q3
- U.S. Producers Price Index for October
- Malaysia unemployment for September
- Malaysia industrial production for September
- Malaysia retail sales for September