



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

- Asian Development Bank sees continuation of robust growth for Cambodia
- Chinese investment in U.S. plunged by a third in 2017
- Inflation rises in U.S. in March

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

ADB sees continuation of robust growth

The Asian Development Bank released their annual [Asian Development Outlook](#) on Wednesday. The ADB's outlook for Cambodia forecasts continued GDP growth of 7 per cent, led by strong export growth, an influx of foreign direct investment, a high number of tourists arrivals, and high domestic demand.

The outlook expects industrial output to continue to grow by 9.6 per cent, with a slowdown in the garment sector offset by growth in manufacturing industries such as electrical parts, automobile components, and bicycles, among others.

Inflation is projected to rise 3.2 per cent this year and 3.5 per cent in 2019. Cambodia's trade deficit is expected to persist due to rising import costs for oil and other commodities.

National Institute of Statistics looking for funding for census

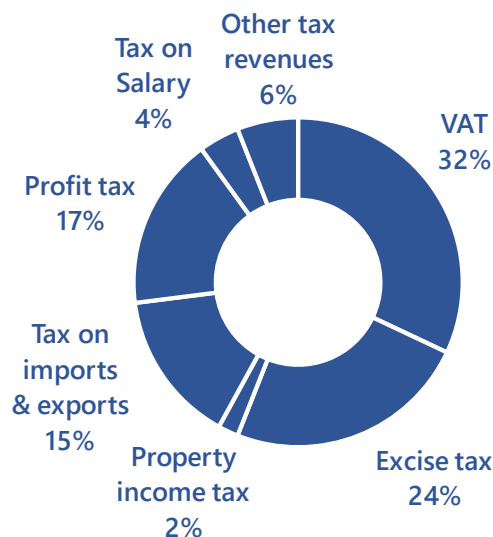
The government is looking to secure additional funding from donors for Cambodia's next national census, to be administered in 2019. The deputy director of the National Institute of Statistics [confirmed](#) a funding gap of \$3.5 million, having secured \$8.5 million of the expected \$12 million cost. If additional funding is not found, the government will nonetheless attempt to conduct the census with currently allocated resources.

Chart of the week:

Sources of tax revenue in 2017

Cambodia's largest source of revenue is VAT, which contributes approximately 32 per cent of revenues, followed by excise tax (24%), profit tax (17%), and tax on imports and exports (15%). Tax on Salary continues to contribute a relatively small share (4%).

Chart of the week: sources of tax revenue 2017



Source: Ministry of Economy and Finance and FACT calculations

ASEAN and other trading partners news and data

ADB forecasts 6% growth for Asian region

The ADB expects Asia's economy to grow at 6 per cent this year, an increase from 5.7 per cent in 2017, as reported in its latest [Asian Development Outlook](#). The higher rate of growth is expected to be roughly maintained at 5.9 per cent in 2019. Higher growth in 2018 is due to rising global demand; however, the ADB has flagged as a possible risk factor growing concerns of the mounting trade war between China and the U.S.

U.S. economy and Federal Reserve

Inflation rises in March

Consumer prices in the U.S. rose 2.4 per cent year-on-year in March, up from 2.2 per cent in February, according to the latest statistics from the [Bureau of Labor Statistics](#). The results were roughly in-line with market expectations. The index was boosted by shelter and used car prices.

Prices showed signs of slowing, however, as the seasonally adjusted month-over-month data fell 0.1 percent compared to February.

The week ahead

Data highlights in the coming week include unemployment in Malaysia and GDP in China.

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

Monday, 16 April

- Indonesia balance of trade for March
- Malaysia unemployment rate
- U.S. retail sales for March and business inventories for February

Tuesday, 17 April

- China GDP for 2018Q1 and industrial production for March
- Japan industrial production for February
- Indonesia car sales for March

Wednesday, 18 April

- Malaysia inflation rate for March
- China house price index for March
- Japan balance of trade for March

Thursday, 19 April

- Hong Kong unemployment rate for March
- Indonesia interest rate decision
- South Korea producer prices for March

Friday, 20 April

- Japan inflation for March
- Taiwan export orders for March
- Hong Kong business confidence for 2018Q2