



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

- NBC selects three banks to pilot system to ease financial transactions with Thailand
- China’s job market faces headwinds in trade war with U.S.
- G-20 meeting between China and U.S. could influence Fed’s next move

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

NBC selects three banks to pilot system to ease financial transactions with Thailand

The implementation phase is well underway for a system to ease financial transactions between the Cambodian and Thailand banking systems. This week the National Bank of Cambodia [announced](#) three banks that have been selected to pilot a QR code-based system that will allow Cambodians in Thailand and Thais in Cambodia to make payments without having to use cash. The three banks are Aceda Bank, Foreign Trade Bank of Cambodia and Cambodia Commercial Bank Ltd.

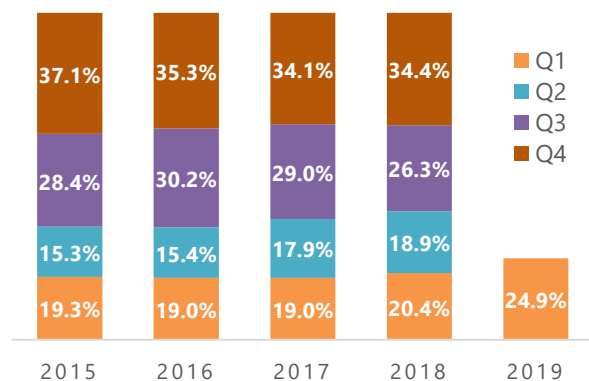
QR codes would help Cambodia boost use of the national Riel currency and avoid foreign exchange risks. Cambodians and Thais could travel to each other’s country without having to use cash.

The announcement is a step toward implementing the MoU the National Bank of Cambodia signed with the Bank of Thailand on “Cooperation in financial innovation and payment systems” targeted at expanding cooperation in financial technology and payment services to improve the efficiency and safety of cross-

border payments and promote the use of local currency.

Chart of the week: Share of provincial revenue by quarter, 2015-2019

This week’s chart shows the annual proportion of provincial revenues received in each quarter from 2015 to 2019. Revenues have become more evenly received throughout the year, owing to better administration procedures. However, the majority of revenues are still received in the final quarter of the year.



Source: [Budget Implementation from 2015-2018 and Budget Law in 2019](#)

ASEAN and regional news and data

China's job market faces headwinds in trade war with U.S.

As the trade war with the U.S. drags on, China's job market is showing signs of weakening from lack of demand and economic uncertainty. Some companies in China have postponed or slowed down their efforts to hire new university graduates, suspending campus recruitment efforts.

Employment may suffer considerably from trade restrictions, as companies move production offshore to countries with fewer trade tensions, [according to](#) Liang Ming, director of the Institute of International Trade under the Ministry of Commerce.

For the time being, the overall employment situation for 2019 remains relatively stable and the number of jobs available is sufficient, according to China's top economic planning body.

Global economy

G-20 meeting between China and U.S. could influence Fed's next move

The Federal Reserve decided to leave interest rates unchanged on Wednesday but opened the door for potential rate cuts if economic activity weakens. One potential source to sway the Fed's next decision is if the G-20 meeting between the leaders of the world's two biggest economies—China and the U.S.—ends without a resolution to trade frictions, [according to](#) chief economist and head of research for Asia Pacific at ING, Mr. Rob Carnell.

The week ahead

Data and economic highlights in the coming week include the release of industrial production in Thailand and Singapore, unemployment in Japan and Taiwan, and an interest rate decision in Thailand. Japan will host the G-20 conference, beginning on Friday.

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

Monday, 24 June

- Indonesia balance of trade for May
- Japan leading economic index final for April
- Singapore inflation rate for May
- Taiwan unemployment rate for May

Tuesday, 25 June

- South Korea consumer confidence for June
- Thailand industrial production for May
- Philippines budget balance for May
- U.S. new home sales for May

Wednesday, 26 June

- Malaysia inflation rate for May
- Singapore industrial production YoY for May
- Thailand interest rate decision
- Philippines budget balance for May

Thursday, 27 June

- Taiwan consumer confidence for June
- Japan retail sales for May
- China industrial profits for May
- Malaysia PPI for May
- U.S. GDP growth rate final Q1

Friday, 28 June

- South Korea industrial production for May
- Thailand current account for May
- Vietnam industrial production for June
- U.S. personal income for May
- Japan unemployment rate for May
- G-20 summit meeting in Japan