

## Economy Watch—External Environment

The section provides a snapshot of the economies of some of the world's advanced economies and east Asian developing economies in the first quarter of 2008.

### World Economic Growth

In the first quarter of 2008, US real GDP grew by 2.5 percent from the same quarter last year. This primarily reflected the positive contributions from personal consumption and expenditures for services, exports of goods and services and federal government spending, which were partly offset by negative contributions from residential fixed investment and personal consumption and expenditure of durable goods. Real GDP growth in the euro zone was 2.2 percent for the year, lower than the 3.0 percent growth to the first quarter of 2007. Annual growth in Japan was 1.3 percent, down from 2.0 percent in the fourth quarter and 2.2 percent in the first quarter of 2007.

Chinese real GDP grew by 10.6 percent from the same period a year earlier, slightly less than the 11.2 percent of the previous quarter. The slight deceleration was driven by deterioration of China's net export performance. Real growth in South Korea was up by 5.7 percent, the same as growth in the fourth quarter, but higher than in the first quarter of 2007. The growth was mainly attributable to persistent strong growth in manufacturing and robust growth of goods exports. Taiwan and South Korea's real growth rates were 6.1 and 6.8 percent, respectively compared to first quarter 2007. There were slight changes in growth rates from the earlier quarter.

Year-on-year growth in Malaysia was 7.1 percent, a slight change from the previous quarter. Growth was primarily bolstered by double-digit growth of final consumption expenditure (11.8 percent) and significant growth in manufacturing (6.9 percent) and services (8.0 percent). Singapore's real growth in the 12 months was 7.2 percent, higher than in the first and fourth quarters last year. The rise was boosted by strong surges in manufacturing (12.2 percent), construction (14.7 percent) and financial services (13.4 percent). Real GDP in Thailand, albeit higher than in the first quarter of the previous year, showed an insignificant

increase from the preceding quarter. Growth was mainly driven by a pick-up in investment and consumption after sharp slowdowns in 2007. Growth of fixed investment was up by 5.4 percent, private consumption by 2.6 percent and exports of goods and services by 8.7 percent.

### World Inflation and Exchange Rates

US consumer prices in the first quarter of 2008 were up by 4.1 percent year on year, higher than the 2.4 percent of the same period last year. This resulted primarily from increasing charges for food and beverages, housing, medical care, education and communications. The 12-month inflation in the euro zone was 4.1 percent, higher than in the previous quarter and the first quarter of 2007. The acceleration was due mainly to the hike in prices of energy, processed food and services. During the same quarter, inflation in Japan rose to 1.0 percent, higher than in the previous quarter and the same quarter of 2007. A dramatic spike in core energy and food costs was apparently the key push.

In foreign exchange markets in the first quarter of 2008, the US dollar appreciated against the Chinese yuan and South Korean won, but depreciated against the Japanese yen and Thai baht. The dollar traded low at 105.3 JPY/USD and 30.9 THB/USD, but rose to 8.1 CNY/USD and 955.9 KRW/USD. Against the euro, the dollar remained unchanged during the first three months of 2008.

### Commodity Prices in World Markets

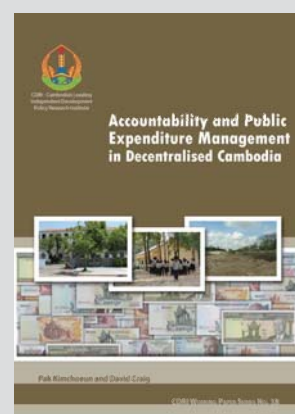
Prices of energy and several agricultural products—maize, palm oil, rice and soybeans—in the international market continued to rise during the first quarter of 2008. The price of maize rose by 26 percent, reaching USD198.4/tonne and soybeans by 22 percent, to USD449.6/tonne. Palm oil sold higher at USD1048.5 /tonne and rice (Thai 100% B) at USD444.4/tonne. Prices of crude oil, gasoline and diesel rose by 13 percent, 18 percent and 11 percent respectively. Crude oil was USD93.8/barrel, while gasoline and diesel were at 64.2 and 74.0 cents/litre respectively.

*Prepared by Saing Chan Hang*

## New Publications Released

Working Paper 38: *Accountability and Public Expenditure Management in Decentralised Cambodia* by Pak Kimchoeun and David Craig, July 2008, 86 pages.

This paper draws on research conducted over three years, as part of a wider study of sub-national accountability, which includes analysis of planning and human resources. This part of the study considers current provincial public expenditure management (PEM), using accountability as its analytical lens. The objective of all these studies is to provide a more comprehensive picture of the current system and from this to draw implications for the decentralisation & deconcentration (D&D) reforms. The paper looks at two accountability relations: central-provincial and horizontal.



## Economy Watch—External Performance

**Table 1. Real GDP Growth of Selected Trading Partners, 2003–2008 (percentage increase over previous year)**

	2003	2004	2005	2006	2007	2007				2008
						Q1	Q2	Q3	Q4	Q1
Selected ASEAN countries										
Cambodia	7	7.7	13.4	10.6	10.2	-	10.1	8.1	13.6	-
Indonesia	4.9	5.1	5.6	5.4	6.3	-	6.4	6.5	6.3	6.3
Malaysia	5.4	7	5.2	5.9	6.3	5.3	5.7	6.7	7.3	7.1
Singapore	1.4	8.5	5.7	7.7	7.7	6.0	8.2	8.9	6.0	7.2
Thailand	6.9	6	4.5	4.8	4.9	4.3	4.4	4.8	5.7	6.0
Vietnam	7	7.5	8.4	8.1	8.5	-	-	-	-	-
Selected other Asian countries										
China	9.9	9.5	9.6	10.5	11.9	11.1	11.5	11.4	11.2	10.6
Hong Kong	3.2	8.3	6.5	6.6	6.4	5.6	6.9	6.2	6.7	6.8
South Korea	3	4.7	4.7	5.0	4.9	4.0	4.5	5.2	5.7	5.7
Taiwan	3.1	5.7	4.1	4.6	5.2	4.1	5.07	6.9	6.4	6.1
Selected industrial countries										
Euro-12	0.5	1.8	1.5	2.7	2.9	3.0	2.5	2.7	2.2	2.2
Japan	2.6	3.4	2.5	2.1	2.0	2.2	2.3	1.9	2.0	1.3
United States	3.1	4.4	3.7	3.3	2.2	1.5	3.8	4.9	2.5	2.5

Sources: International Monetary Fund, Economist and countries' statistic offices

**Table 2. Inflation Rate of Selected Trading Partners, 2003–2008 (percentage price increase over previous year—period average)**

	2003	2004	2005	2006	2007	2007				2008
						Q1	Q2	Q3	Q4	Q1
Selected ASEAN countries										
Cambodia	1.2	4.0	5.8	4.7	10.5	3.0	4.6	6.0	9.6	-
Indonesia	8.3	8.3	10.5	13.4	6.4	6.4	6.0	6.5	6.7	7.6
Malaysia	1.1	1.6	3.1	3.7	2.0	2.6	1.4	1.8	2.2	2.6
Singapore	0.5	1.7	0.5	1.0	2.1	0.5	1.0	2.7	4.1	6.6
Thailand	1.8	2.7	4.5	4.7	2.2	2.4	1.9	1.7	2.9	5.0
Vietnam	3.1	7.8	8.2	7.7	8.3	6.6	7.4	8.6	10.7	16.4
Selected other Asian countries										
China	1.2	3.9	1.8	1.5	4.8	2.6	3.6	6.1	6.6	8.0
Hong Kong	-2.6	-0.4	1.1	2.2	2.0	1.7	1.3	1.6	3.5	4.6
South Korea	3.5	3.5	2.8	2.4	2.5	2.0	2.4	2.3	3.3	3.7
Taiwan	-0.3	1.6	2.3	0.6	1.8	1.0	0.3	1.4	4.5	2.3
Selected industrial countries										
Euro-12	2.1	2.2	2.2	2.1	2.1	1.9	1.9	1.9	2.9	3.4
Japan	-0.3	Nil	-0.3	0.5	0.1	-0.1	-0.1	-0.1	0.5	1.0
United States	2.3	2.7	3.4	3.2	2.9	2.4	2.7	2.4	3.9	4.1

Sources: International Monetary Fund, Economist and National Institute of Statistics

**Table 3. Exchange Rates of Selected Trading Partners against US Dollar, 2003–2008 (period averages)**

	2003	2004	2005	2006	2007	2007				2008
						Q1	Q2	Q3	Q4	Q1
Selected ASEAN countries										
Cambodia (riel)	3973	4016.3	4092.5	4103.2	4062.7	4046.7	4065.7	4078	4026	3995.3
Indonesia (rupiah)	8577	8938	9705	9134	9419	9107	8968.3	9257.8	9240.2	9217
Malaysia (ringgit)	3.80	3.80	3.79	3.67	3.31	3.50	3.43	3.46	3.35	3.18
Singapore (S\$)	1.74	1.69	1.66	1.59	1.51	1.53	1.52	1.52	1.45	1.41
Thailand (baht)	41.5	40.2	40.2	37.9	32.22	33.9	32.5	31.4	33.87	30.95
Vietnam (dong)	15,510	15,777	15,859	15,994	16,030	16,356	16,125	16,105	16,030	16,125
Selected other Asian countries										
China (yuan)	8.28	8.28	8.19	7.97	8.03	7.76	7.68	7.55	7.43	8.01
Hong Kong (HK\$)	7.78	7.79	7.78	7.77	7.8	7.81	7.82	7.81	7.77	7.79
South Korea (won)	1192	1145	1024	955	929.04	939	929	927	921.23	955.89
Taiwan (NT\$)	34.4	33.6	32.1	32.5	32.85	32.9	33.1	32.9	32.4	31.52
Selected industrial countries										
Euro-12 (euro)	0.89	0.80	0.80	0.80	0.7	0.76	0.74	0.73	0.69	0.7
Japan (yen)	115.9	108.2	110.2	116.4	117.8	119.4	120.8	117.7	113.07	105.3

Sources: International Monetary Fund, Economist and National Bank of Cambodia

**Table 4. Selected Commodity Prices on World Market, 2003–2008 (period averages)**

	2003	2004	2005	2006	2007	2007				2008
						Q1	Q2	Q3	Q4	Q1
Maize (USNo. 2)—USA (\$/tonne)	95.42	110.65	89.19	111.04	149.08	154.33	146.10	139.81	156.9	198.39
Palm oil—north-west Europe (\$/tonne)	402.03	427.47	381.32	433.85	707.68	552.06	691.44	745.86	841.39	1048.49
Rice (Thai 100% B)—Bangkok (\$/tonne)	182.22	221.67	262.88	282.00	305.36	294.17	283.89	304.75	323.92	444.43
Soybeans (US No. 1)—USA (\$/tonne)	218.86	262.03	224.25	213.88	294.59	255.33	259.95	299.99	366.59	449.64
Crude oil—Dubai (\$/barrel)	26.8	33.5	50.14	61.58	69.25	54.21	65.41	72.48	82.88	93.77
Gasoline—US Gulf Coast (cents/litre)	23	30.9	42.19	47.70	53.58	41.71	57.93	55.49	59.48	64.21
Diesel (low sulphur No. 2)—US Gulf Coast (cents/litre)	21.63	29.48	44.35	51.35	55.51	45.61	53.90	56.62	66.54	73.99

Sources: Food and Agriculture Organisation and US Energy Information Administration

## Economy Watch—Domestic Performance

Cambodia's economic performance improved slowly in the first quarter of 2008. Compared to the previous quarter, investment and construction approvals fell markedly, while overall trade increased. The number of visitor arrivals increased slightly, while prices of consumer goods experienced a continuing increase.

### Main Economic Activities

In the first quarter, total investment approvals decreased by 66 percent from the preceding quarter to USD253.4 m. All three sectors fell considerably. Agricultural investment decreased by 49 percent to USD52.3 m, services dropped by 52 percent to USD148.2 m, and industry plunged 84 percent to USD52.9 m. Usually, the first quarter is a period of increasing investment approvals. The decelerating of the US economy had a major impact on the fall in investment. Apparently, political uncertainty due to the approaching national election also contributed to the slowdown. In the first quarter, fixed asset investment by China (USD21.1 m) topped the list in industry, followed by South Korea (USD11.5 m). Of industrial approvals, those for garments were USD42.3 m, a 39 percent decrease from the preceding quarter. Investments in services were mainly in construction of resorts, shopping malls and telecommunications infrastructure. Approvals for telecommunications were 24 percent of the total in services. The proposed projects of the three sectors will employ a total of 31,971 persons if fully implemented.

The value of construction approvals in Phnom Penh dropped by 20 percent from the previous quarter, amounting to USD137.3 m. Approvals for flat construction fell by 9.4 percent to USD52.2 m, while villa and house approvals doubled to USD44.2 m. The total value of construction approvals was for 150 projects. Compared with the same quarter in 2007, total construction approvals dropped by 1.4 percent. Approvals for flat construction were down by 41 percent, while villa and house construction tripled.

In first quarter 2008, trade was slightly higher than in the previous quarter. The trade deficit improved, declining from USD189.3 m to USD180.7 m. Cambodia's exports, almost entirely garment products, increased by 1.2 percent, reaching USD803.1 m. Exports of the industrial sector increased by 6.4 percent to USD773.4 m, while agricultural exports fell. Rubber dropped by 52 percent to USD7.0 m and fish exports by 22 percent to USD0.7 m.

The value of Cambodia's imports remained stable from the preceding quarter, amounting to USD983.8 m. The value of petroleum imports increased slightly to USD60.0 m, while imports of vehicle and other spare parts increased 32 percent to USD102.5 m. Construction

material imports were USD39.7 m, an increase of 22 percent from the previous quarter. Steel imports were up by 69 percent, reaching USD15.8 m, while cement imports fell by 4.5 percent to USD11.6 m. Imports of fabric were stable at USD1.8 m, while second-hand clothing fell 14 percent to USD12.9 m. Sugar imports increased by 23 percent to USD2.4 m and beer imports by 8.6 percent to USD5.2 m.

Visitor arrivals increased by 6.0 percent from the previous quarter to 644,205 in first quarter 2008. Arrivals by air were up by 9.0 percent to 402,023, of which Phnom Penh airport received 41 percent. Arrivals by water increased sharply by 92 percent from the previous quarter to 27,232; the figure indicates popularity of water travel. Arrivals by land decreased slightly, by 4.5 percent, to 214,950. Holiday arrivals rose by 21 percent to 580,169, while business arrivals fell 11 percent to 37,444. Arrivals to Siem Reap destination were 55 percent of the total visitors to Cambodia; there was an increase of 12 percent comparing with the preceding quarter. Of total arrivals, South Korea (97,536) topped the list, followed by Japan (54,149) and Vietnam (53,386).

### Public Finance

In first quarter 2008, the government had a budget surplus of KHR135.0 bn. Compared with the same period in the previous year, revenue increased by 45 percent to KHR1194.1 bn. Tax collection went up by 40 percent, reaching KHR978.0 bn, of which domestic tax was KHR719.9 bn, an increase of 48 percent; and taxes on international trade were KHR258.1 bn, a rise of 22 percent. Non-tax collection rose considerably, 69 percent, to KHR211.4 bn. Property income, including rental of government land and public enterprises, plummeted 90 percent to KHR2.9 bn. Revenue from goods and services, comprising market and non-market licensing, administrative fees, rental fees and airport tax, rose by 34 percent to KHR118.9 bn. Capital income, which is an unstable revenue source, increased from nil in first quarter 2007 to KHR4.8 bn in first quarter 2008.

Government expenditure increased by 15 percent from the same quarter of 2007 to KHR1059.1 bn in first quarter 2008. Current expenditure, which is usually largest at the account closing date (the last quarter of the year), rose by 16 percent to KHR648.1 bn. Wages expenditure rose by 26 percent to KHR250.7 bn and non-wage expenditure by 56 percent to KHR262.8 bn. Of non-wage expenditure, purchases of office and other supplies rose by 93 percent to KHR64.5 bn, and spending on subsidies and social assistance was up 68 percent to KHR104.3 bn. Capital expenditure was KHR411.0 bn, a 12 percent increase from the same quarter last year.

## Economy Watch—Domestic Performance

Of total capital expenditure, 76 percent was funded by external sources.

### Inflation and Foreign Exchange Rates

Consumer prices moved up dramatically in January 2008. Increased international goods prices had a strong impact because Cambodia depends greatly on imports. In January 2008, overall prices were 18.7 percent higher than a year earlier; the comparable change was 16.3 percent in December 2007. Food and non-alcoholic beverages rose by 24.2 percent. Transport fees increased by 10.2 percent and education costs were up by 9.2 percent, while costs of communication fell by 12.9 percent. At the same time, the price of clothing and footwear rose by 8.3 percent. Changes in prices of goods and services were strongly influenced by world petroleum prices. In first quarter 2008, gasoline sold at an average 4580 riels/l, an increase of 4.8 percent from the previous quarter. Diesel rose by 8.2 percent, selling at 3982 riels/l.

The riel appreciated against the US dollar by 0.9 percent from the previous quarter, trading at 3995. Against the Thai baht and Vietnamese dong, the riel was stable, trading at 129.1 riels/baht and 25.2 riels per 100 dong.

### Monetary Developments

As of March 2008, liquidity (M2), which consists of riels in circulation and in deposits with the banking system, rose by 55 percent from the same quarter last year to KHR12,047.2 bn. At the same time, riels in circulation escalated by 34 percent to KHR2324.0 bn, riel deposits were up by 23 percent to KHR191.0 bn, and foreign currency deposits rose by 61 percent to KHR9532.3 bn.

Ongoing increases in net domestic assets and net foreign assets have accelerated the amount of total liquidity (M2). In March, net domestic assets in the banking sector were KHR1136.4 bn. This was due mainly to a sharp rise in domestic credit of 95 percent, amounting to KHR5646.9 bn, while other liabilities also rose by 43 percent, reaching KHR4513.6 bn. The component of domestic credits which is government credits remained stable, at a value of KHR296.6 bn, while government deposits rose by 83 percent to KHR2697.0 bn. Credit to the private sector rose by 98 percent from the same period last year, reaching KHR8439.0 bn. Net foreign assets rose by 35 percent to KHR1091.9 bn. Recycling money for the economic activity of small and medium enterprises helps growth by providing potential to employ more labour.

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## Economy Watch—Domestic Economy

**Table 1. Private Investment Projects Approved, 2002–08**

	2002	2003	2004	2005	2006	2007				2008		
						Q3	Q4	Q1	Q2	Q3	Q4	Q1
	Fixed Assets (USD m)											
Agriculture	40.3	3.7	12.3	26.8	498.0	0.0	154.6	19.1	2.1	12.0	102.4	52.3
Industry	67.7	137.2	187.9	914.6	365.3	171.7	76.6	142.7	51.2	187.2	328.0	52.9
. <i>Garments</i>	27.2	68.1	132.6	174.4	89.4	23.2	26.1	36.6	24.3	40.7	69.1	42.3
Services	145.3	168.4	91.8	155.5	2939.1	94.5	740.7	335.7	138.0	957.7	311.1	148.2
. <i>Hotels and tourism</i>	47.1	124.1	55.9	102.6	345.0	3.5	315.3	140.3	55.0	653.8	199.2	93.75
Total	253.3	309.3	292.0	1096.9	3802.4	266.2	971.9	497.5	191.3	1156.9	741.5	253.4
Total	-	-	-	-	-	-88.6	265.1	-48.8	-61.6	504.7	-35.9	-65.8
Total	13.1	22.1	-5.6	275.6	246.6	-34.1	715.4	118.9	91.8	334.6	-23.7	-49.1

Including expansion project approvals. Source: Cambodian Investment Board

**Table 2. Value of Construction Project Approvals in Phnom Penh, 2002–08**

	2002	2003	2004	2005	2006	2007				2008		
						Q3	Q4	Q1	Q2	Q3	Q4	Q1
	USD m											
Villas and houses	23.4	20.0	30.3	45.5	33.1	7.6	9.7	14.4	22.8	21.7	20.2	44.2
Flats	179.9	91.6	167.6	204.2	213.3	67.1	54.5	88.9	33.2	117.5	57.6	52.2
Other	16.6	87.3	65.6	109.1	76.8	20.8	13.9	35.9	88.8	40.6	94.3	40.9
Total	219.9	198.9	263.5	358.8	323.3	95.5	78.2	139.2	144.7	179.7	172.2	137.3
Total	-	-	-	-	-	16.1	-18.1	78.0	3.9	24.2	-4.2	-20.2
Total	12.0	-9.5	32.5	36.2	-9.9	24.8	8.9	106.5	76.0	88.2	120.2	-1.4

Source: Department of Cadastre and Geography of Phnom Penh municipality

**Table 3. Exports and Imports, 2002–08**

	2002	2003	2004	2005	2006	2007				2008		
						Q3	Q4	Q1	Q2	Q3	Q4	Q1
	USD m											
Total exports	1453.2	1708.1	2108.1	2352.8	2799.9	807.5	736.7	707.8	705.0	890.8	793.4	803.1
Of which: <i>Garments</i>	1355.8	1628.4	2027	2253.3	2698.9	782.0	716.0	677.5	688.2	846.1	727.1	773.4
. <i>To U S</i>	943.4	1099.8	1270.9	1546.1	1847.1	522.8	483.2	499.1	451.2	-	-	-
. <i>To EU</i>	356.3	414.7	590.8	503.1	601.0	188.1	160.1	106.3	163.1	-	-	-
. <i>To rest of world</i>	56.1	113.8	165.3	204.1	250.7	71.0	72.8	72.0	73.8	-	-	-
Agriculture	97.3	79.7	81.2	99.5	101.1	25.5	20.7	30.3	16.8	-	-	-
. <i>Rubber</i>	29.7	35.1	38.3	36.7	41.4	13.6	10.2	8.4	6.9	11.7	14.6	7.0
. <i>Wood</i>	16.0	10.2	11.1	10.3	8.6	2.5	1.7	2.1	2.0	0.0	0.0	0.0
. <i>Fish</i>	4.3	2.8	10.6	10.1	5.9	1.6	1.4	0.7	0.4	1.2	0.9	0.7
. <i>Other</i>	47.4	31.6	21.3	42.6	45.1	7.7	7.5	19.0	7.5	-	-	-
Total imports	1707.8	1824.9	2149.0	2513.0	3057.0	784.3	807.1	790.9	911.6	924.5	982.7	983.8
Of which: <i>Petroleum products</i>	157.5	191.6	187.0	184.8	238.5	62.4	58.7	66.5	68.5	71.0	58.9	60.0
Gasoline	25.9	33.2	30.2	40.2	49.6	13.1	13.2	15.7	20.2	-	-	-
Diesel	100.8	109.6	109.4	93.1	122.0	30.1	27.2	31.9	36.6	-	-	-
Construction materials	12.9	80.8	95.3	134.7	154.4	42.5	35.8	44.1	31.6	34.9	32.5	39.7
Other	1568.2	1601.3	1914.0	2245	2731.0	698.5	731.0	699.2	807.5	818.6	891.3	884.1
Trade balance	-254.6	-116.8	-40.9	-160.1	-257.1	23.2	-70.4	-83.1	-208.1	-30.7	-189.3	-180.7
Total garment exports	-	-	-	-	-	-118.9	-403.4	18.0	150.4	-85.2	-14.1	6.4
Total exports	-	-	-	-	-	23.7	-8.8	-3.9	0.4	26.4	-10.9	1.2
Total imports	-	-	-	-	-	1.2	2.9	-2.0	15.3	1.4	6.3	0.1
Total garment exports	9.2	-54.1	-64.9	291.4	19.8	-76.2	52.0	-5.0	70.0	-232.3	1.6	14.2
Total exports	14.6	17.5	23.4	11.6	19.0	10.6	14.3	17.3	8.0	10.3	7.7	13.5
Total imports	13.7	6.9	17.8	16.9	21.6	24.0	16.8	14.5	17.6	17.9	21.7	24.4

Import data include tax-exempt imports. Sources: Customs and Excise Department, cited by NBC

**Table 4. Foreign Visitor Arrivals in Cambodia, 2002–08**

	2002	2003	2004	2005	2006	2007				2008		
						Q3	Q4	Q1	Q2	Q3	Q4	Q1
	Thousands of passengers											
By air	523.0	456.0	626.1	856.5	1029.0	224.2	325.0	373.6	275.6	278.5	368.8	402.0
By land and water	263.5	245.0	428.9	565.1	672.9	146.4	191.0	177.2	148.9	153.3	239.2	242.2
Total	786.5	701.1	1055.0	1421.6	1701.9	370.6	516.0	550.8	424.5	431.8	608.0	644.2
Total	-	-	-	-	-	4.1	39.2	6.7	-22.9	1.7	40.8	6.0
Total	30.0	-10.9	50.5	34.7	19.7	14.7	24.1	20.4	19.2	16.5	17.8	17.0

Source: Ministry of Tourism

## Economy Watch—Domestic Economy

**Table 5. National Budget Operations on Cash Basis, 2002–08 (billion riels)**

	2002	2003	2004	2005	2006	2007		2008				
						Q3	Q4	Q1	Q2	Q3	Q4*	Q1
Total revenue	1744	1764	2126	2625	3259.2	732.2	1199.6	824.9	1016.8	1031.4	1146.1	1194.1
Current revenue	1728	1733	2107	2474	2881.8	716.8	844.9	824.9	1012.4	1031.4	1141.6	1189.4
Tax revenue	1227	1220	1577	1911	2270.9	565.8	661.8	699.9	887.7	844.6	965.2	978.0
Customs duties	424	395	513	573	644.4	157.2	200.0	-	-	-	-	-
Domestic tax	-	-	-	-	-	-	-	487.9	642.1	584.8	661.8	719.9
Taxes on international trade	-	-	-	-	-	-	-	212.1	245.6	259.8	303.5	258.1
Non-tax revenue	501	513	530	563	610.9	151.0	183.1	125.0	124.7	186.9	176.4	211.4
Forest exploitation	15	7	2	3	2	0.3	0.9	-	-	-	-	-
Posts & telecommunications	123	120	94	123	83.1	11.7	30.0	-	-	-	-	-
Property income	-	-	-	-	-	-	-	27.9	15.5	14.8	13.6	2.9
Sale of goods and services	-	-	-	-	-	-	-	88.8	93.0	100.1	124.3	118.9
Capital revenue	16	31	19	152	377.4	15.4	354.7	0.0	4.5	0.0	4.5	4.8
Total expenditure	2948	2757	2932	3295	4174.7	1030.6	1191.9	923.9	1098.7	1126.1	1689.7	1059.1
Capital expenditure	1388	1171	1163	1328	1638.1	423.8	429.1	367.1	408.1	355.1	807.4	411.0
Current expenditure	1560	1586	1769	1967	2536.8	606.9	762.8	556.8	681.6	771.0	882.3	648.1
Education and health	454	473	518	351	714.0	150.1	281.3	-	-	-	-	-
Defence and security	438	411	423	451	520.2	155.3	170.1	-	-	-	-	-
Other ministries	668	702	828	1165	1302.5	301.5	311.4	-	-	-	-	-
Wages	587	615	640	711	822.0	230.6	240.6	199.7	242.7	253.4	362.6	250.7
Subsidies and social assistance	-	-	-	-	-	-	-	61.9	184.0	115.0	194.2	104.3
Overall balance	-1204	-993	-806	-706	-915.6	-298.5	7.7	-99.0	-81.9	-78.7	-543.6	135.0
Foreign financing	1249	886	864	1127	1360.7	335.2	376.2	344.0	313.9	290.3	741.5	299.2
Domestic financing	-45	106	148	-396	-445.1	-36.7	-383.9	-245.0	-213.0	-148.0	-185.8	-294.1

Provisional for 2007. Source: MEF web site. \* revised data

**Table 6. Consumer Price Index, Exchange Rates and Gold Prices (period averages), 2002–08**

	2002	2003	2004	2005	2006	2007		2008				
						Q3	Q4	Q1	Q2	Q3	Q4	Q1*
Consumer price index (percentage change over previous year)												
Provinces	-	-	-	-	-	-	-	5.9	9.0	14.4	16.6	19.1
Phnom Penh	-	-	-	-	-	-	-	4.7	5.8	7.7	12.4	16.8
Cambodia - All Items	-	-	-	-	-	-	-	5.7	8.5	11.9	15.9	18.7
- Food & non-alcoholic bev.	-	-	-	-	-	-	-	8.3	12.0	16.9	21.7	24.2
- Transportation	-	-	-	-	-	-	-	-3.4	1.1	2.0	5.3	10.2
Exchange rates, gold and oil prices (Phnom Penh market rates)												
Riels per US dollar	3912.1	3973.3	4016.3	4119.7	4119.0	4145.3	4129.4	4063.0	4075.4	4082.3	4030.1	3995.3
Riels per Thai baht	91.1	95.8	99.9	102.6	108.7	110.3	113.0	113.7	118.0	130.0	129.3	129.1
Riels per 100 Vietnamese dong	25.6	25.6	25.5	25.8	25.1	24.9	25.0	24.6	24.7	25.3	25.2	25.2
Gold (US dollars per chi)	36.8	41.4	46.3	54.0	70.6	73.0	72.8	77.7	79.8	80.8	94.4	111.6
Diesel (riels/litre)	1521	1508	2088	2633	3140.0	3333	3250	3067	3100	3203	3679	3982
Gasoline (riels/litre)	2084	2150	2833	3442	4004.3	4200	4050	3750	3900	4002	4368	4580

Sources: NIS, NBC & CDRI. \*The data for consumer price index are available to January 2008.

**Table 7. Monetary Survey, 2002–08 (end of period)**

	2002	2003	2004	2005	2006	2007		2008				
						Q2	Q3	Q4	Q1	Q2	Q3	Q4
Billion riels												
Net foreign assets	3737	4027	4797	5475	6682	6958	7224	8056	9048	9768	10735	10911
Net domestic assets	-849	-698	-467	-450	-637	-497	-282	-263	-172	140	576	1136
Net claims on government	-119	-128	-209	-421	-831	-892	-953	-1176	-1403	-1547	-1816	-2400
Credit to private sector	1059	1337	1817	2394	2997	3288	3628	4066	4537	5376	6386	8050
Total liquidity	2888	3329	4330	5025	6045	6461	6942	7793	8876	9908	11311	12047
Money	813	937	1153	1323	1512	1563	1658	1794	1748	1750	2052	2389
Quasi-money	2075	2392	3177	3702	4533	4898	5285	5999	7128	8158	9259	9658
Percentage change from previous year												
Total liquidity	31.0	15.2	30.0	16.1	30.6	29.4	38.2	36.5	46.8	53.4	62.9	54.5
Money	33.5	15.3	23.0	14.7	24.4	22.2	25.3	23.9	15.7	12.0	23.8	33.2
Quasi-money	30.0	15.2	32.8	16.6	32.8	31.9	42.7	40.7	57.3	66.5	75.2	61.0

Source: National Bank of Cambodia

**Table 8. Real Average Daily Earnings of Vulnerable Workers (at constant Nov 2000 prices)**

	Daily earnings (riels)								Percentage change from previous year			
	2000	2003	2004	2005	2006	2007			2007			
	Nov				Nov	Feb	May	Aug	Nov	May	Aug	Nov
Cyclo drivers	7594	8572	7614	7469	7393	6534	9245	7126	9393	8	18	27
Porters	6233	6676	6895	6545	7045	6010	9798	7704	8852	33	47	26
Small vegetable sellers	5256	6532	6947	6000	6125	6125	8951	9116	8303	38	75	36
Scavengers	2718	3944	4446	4416	3903	4530	5533	6038	5560	23	42	42
Waitresses*	2111	4932	4448	4426	4498	4078	5150	4193	4508	21	-2	0
Rice-field workers	4198	4177	4139	4365	4653	4126	4531	4561	4790	0	10	3
Garment workers	6701	9577	9277	8816	8957	11146	8347	9033	8207	6	-2	-8
Motorcycle-taxi drivers	8610	10092	9204	8201	8386	9144	12,886	8979	13,060	47	33	37
Unskilled construction workers	5399	6558	6382	5918	6028	5263	6075	5901	7550	-5	-2	43
Skilled construction workers	13,127	13,111	12,679	10,316	9466	10,215	11,892	11,723	10,956	21	24	7

\* Waitresses' earnings do not include meals and accommodation provided by shop owners. Surveys on the revenue of waitresses, rice-field workers, garment workers, unskilled workers, motorcycle taxi drivers and construction workers began in February 2000. Source: CDRI