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DUTERTE ATTEMPTS TO REACH A UNIFIED ASEAN STAND ON ISSUES ON SINGAPORE, CAMBODIA TRIP

PHILIPPINES TRADE WITH CAMBODIA AND SINGAPORE



PHILIPPINES - CAMBODIA



5,000 Filipinos live in Cambodia



Low trade between the two countries

- US\$13.98 million KH->PH (2013)
- US\$16.54 million PH->KH (2014)



PHILIPPINES - SINGAPORE



180,000 Filipinos live in Singapore



Singapore is the Philippines' fourth largest trading partner



US\$4.373 billion total trade in the first half of 2016

- US\$1.81 billion PH->SG
- US\$2.56 billion SG->PH

Source: Philippine Statistics Authority, The World Bank

Philippine President Rodrigo Duterte had state visits to Cambodia and Singapore from 13-16 December, as a part of a series of introductory visits to neighbouring countries as Philippines prepares for the ASEAN chair in 2017. Duterte said he wants to get a unified ASEAN stand on issues, particularly on trade policies.

- ▶ Duterte said he would go around ASEAN countries to gain insight on what would be the policies of ASEAN vis-à-vis the world, furthermore citing the TPP as one trade agreement that he's not in favour of
- ▶ Duterte added that his biggest concern regarding the TPP is losing generic medicine because of tighter patent laws and that Philippines would anyway have been unable to qualify for the partnership because it is behind in terms of technology
- ▶ In Cambodia Duterte had meetings with King Norodom Sihamoni and Cambodian Prime Minister Hun Sen, during which the two countries agreed to cooperate against transnational crimes, work together on peace

and security issues and for the well-being of overseas workers, especially those who are under distress

- ▶ The 77 years old Duterte told a cheering crowd of several thousand expatriate Filipinos in Phnom Penh that he might not finish his term as president, claiming he found out that he did not need the presidency at his age
- ▶ In Singapore, Duterte spoke with President Tony Tan and Lee Hsien Loong about Singapore sustaining its investments in the Philippines, as well reached an agreement to cooperate in the fight against extremism, radical forces, and terrorism
- ▶ Duterte's message for both Cambodia and Singapore was that the "Philippines is open for business", but foreign investment pledges in the country has plummeted by 45% y-o-y in Duterte's first quarter in office

[GMA News \(17 December 2016\)](#)

[Asia One \(15 December 2016\)](#)

[CNN Philippines \(14 December 2016\)](#)

[Manila Times \(20 December 2016\)](#)

MYANMAR TO BRIEF ASEAN AMID ALARM OVER RAKHINE

Aung San Suu Kyi, Myanmar's de facto leader has responded to the mounting regional concern by calling for an emergency ASEAN meeting to discuss recent developments in the country, including the Rohingya issue, as international criticism and tensions deepen over the bloody military crackdown on Myanmar's Muslim minority.

- ▶ ASEAN foreign ministers are scheduled to meet in Yangon under the current Lao chairmanship of ASEAN, to discuss the oppression of and violence towards the Rohingya ethnic minority group in Myanmar this 19 December
- ▶ The decision was made when Myanmar eventually agreed to continuous recommendations by Malaysia after both sides traded statements to back their stand
- ▶ Malaysia's Deputy Foreign Minister also said his ministry had earlier written a letter to the foreign minister of Laos, to propose an ASEAN foreign ministers' emergency meeting on the issue, but was rejected
- ▶ "Malaysia has insisted that the situation in Rakhine has become an international issue which has implications to regional political and economic stability, and is not merely an internal issue of Myanmar," he said
- ▶ Suu Kyi had also held talks over Rakhine with the foreign minister of Indonesia on December 6th, after cancelling a visit to the country in November following protests and an attempted attack on the Myanmar embassy.

[Malaysian Digest \(15 December 2016\)](#)

[Channel News Asia \(12 December 2016\)](#)

INDIA AND INDONESIA ASK CHINA TO UPHOLD LAW OF THE SEA

Indonesia's President Joko Widodo has offered to facilitate talks between the nations involved in the South China Sea dispute, stressing that the sea should not become a battlefield between big countries. In a joint statement with India's Prime Minister Narendra Modi, the two countries urged all parties to show the utmost respect to United Nations Convention on the Law of the Sea (UNCLOS).

- ▶ The statement is important in the light of China's refusal to acknowledge a ruling by an international tribunal formed under UNCLOS that, in response to a lawsuit filed by the Philippines, dismissed Beijing's claim to over 90% of South China Sea's waters
- ▶ Indonesia is not directly involved in the disputes, although it has concerns about the presence of Chinese fishing boats near the Natuna islands, but has taken a more concerted approach as Jokowi has strongly advocated a strategic vision to make Indonesia a "respected maritime power"
- ▶ China claims almost all of the strategically vital part of the sea, through which a huge chunk of global shipping passes
- ▶ The Philippines, Taiwan, Brunei, Malaysia and Vietnam have competing claims to parts of the SCS, which is believed to harbour significant oil and gas deposits
- ▶ Widodo expressed willingness to facilitate talks between the states, underlining the importance of peace in the world's busiest shipping routes

[The Economic Times \(10 December 2016\)](#)

[The Times of India \(13 December 2016\)](#)

FOREIGN INVESTORS ARE BULLISH ON VIETNAM

Foreign investors remain positive about the prospects for Vietnam stock market as the country grows and adopts more open policies, despite a slowdown of international trade and the likely failure of the Trans-Pacific Partnership (TPP) agreement.

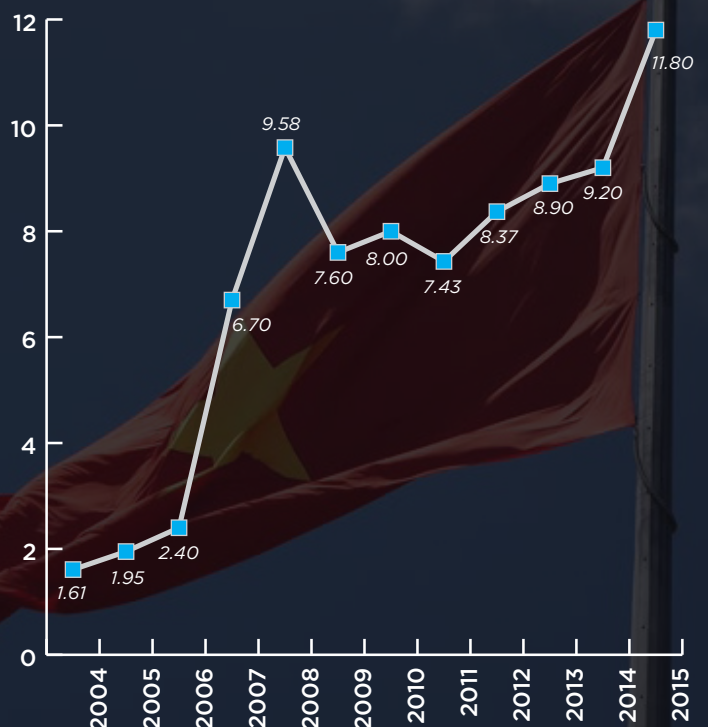
- ▶ These views were expressed during the ASEAN Business Summit on 8 December in Hanoi, where market moving CEOs and policy makers came together to discuss the real business impact of the AEC and how to promote cross-border investment
- ▶ The prospects for Vietnam's exports are still good despite governments having failed to bring the TPP into effect, because the country has advantages over other economies
- ▶ One of these advantages is its strong economic growth that will help the country attract foreign capital
- ▶ Furthermore, Vietnamese stocks are valued at a reasonable price levels and the government has shown its commitment to implement strong reform policies for the securities market
- ▶ Lifting the domestic stock market from the frontier level to emerging level has been a tough task for the Government, securities-market agencies and market members

[The Nation \(13 December 2016\)](#)

[Viet Nam News \(12 December 2016\)](#)

VIETNAM - FDI NET INFLOW

Current US\$ Billion



SINGAPORE GROWTH FORECASTS FOR 2016 AND 2017 LOWERED

According to a quarterly survey by the Monetary Authority of Singapore (MAS), economists have cut their forecasts for Singapore's growth this year from 1.8% to 1.4%, as the outlooks for exports and the financial sector were revised down.

- ▶ The slash for Singapore's economy is the third time this year analysts have cut their growth forecasts from 2.2% and 1.9%, which is attributed to the worse-than-expected third quarter performance as falling global trade hinders the country's export growth.
- ▶ While in line with the Government's forecast of 1% to 1.5% growth, it would be Singapore's weakest annual growth since 2009.

- ▶ Economists also lowered their expectations for growth in 2017 after 22 economists polled by MAS expect GDP to come in at only 1.5% in 2017, a decline from the median forecasts of 1.8% in the previous survey.
- ▶ Core inflation, which excludes accommodation and transport costs, is expected to be 0.9% in 2017, down from 1% projected in the previous survey.
- ▶ Analysts cited two external risks for Singapore next year: Measures by regional countries to restrict capital outflow and a "possible strain" in Singapore-China relations.

[Business Times \(14 December 2016\)](#) [Reuters \(14 December 2016\)](#)

MEDIAN FORECAST OF MICROECONOMIC INDICATORS FOR 2016

KEY MACROECONOMICS INDICATOR (Year-on-Year % change)	SEPTEMBER SURVEY	CURRENT SURVEY
GDP	1.8	1.4
MANUFACTURING	0.7	0.8
FINANCE & INSURANCE	2.0	0.5
CONSTRUCTION	3.0	2.3
WHOLESALE & RETAIL TRADE	2.1	0.1
ACCOMODATION & FOOD SERVICES	1.4	1.9
PRIVATE CONSUMPTION	3.0	1.4
NON-OIL DOMESTIC EXPORTS	-3.6	-4.4

TRUMP POLICIES TO IMPACT ASEAN ECONOMIES

The economies of export-driven Malaysia, Singapore, Thailand and Vietnam would be impacted under the new administration of Donald Trump as the new US President shifts towards lower levels of US imports and foreign direct investment (FDI).

- ▶ According to Moody's Investors Service's latest edition of Inside ASEAN which featured the effects of a Donald Trump presidency on trade, investment and ASEAN sovereigns, these four countries face adverse consequences, given that global exports account for 50% - 150% of these countries' GDP.
- ▶ Moody's expects that Indonesia's GDP will grow 5.2% in 2017, due to higher commodity prices that will benefit the oil and gas, palm oil and coal sectors, while state-owned entities will help the government fund and execute large infrastructure projects.
- ▶ The stable outlook for the Philippine banking system over the next 12-18 months is based on the robust fundamentals of the system, and the country's macroeconomic stability.
- ▶ In the same publication, it also stated that the revised passenger charges have raised regulatory uncertainties for Malaysia Airports Holdings Bhd and signalled a credit negative for the company.

[The Edge Markets \(14 December 2016\)](#)

VIETNAM'S START-UP SCENE LURES BACK ONE-TIME REFUGEES

New Thai King issues mass prisoner pardon and cut jail terms in an unprecedented first act of 'mercy' as monarch.

- ▶ King Maha Vajiralongkorn, who assumed power after his father Bhumibol Adulyadej died in October, will allow thousands of prisoners to be released or have their sentences shortened, with each case being assessed individually according to state officials.
- ▶ Under the decree in the Royal Gazette, the new king granted full pardons to prisoners sentenced to no more than three months in jail for minor offences, prisoners released on parole, and prisoners who carry out community or public service instead of paying fines.
- ▶ The decree countersigned by Prime Minister Prayuth Chan-ocha will also grant pardons to those with health problems, disabled, blind and those suffering from mental disorders, cancer, as well as some inmates jailed for insulting the royal family.
- ▶ Convicts who have been sentenced to death will also have their sentences commuted to life imprisonment.

[Bloomberg \(7 December 2016\)](#)

POLITICS AND SECURITY

▶ ASEAN ministers pressured Myanmar over the Rohingya crisis in talks held by Aung San Suu Kyi, at the initiative of Malaysia, in Yangon on 19 December. Singapore Foreign Minister Vivian Balakrishnan said the ASEAN ministers had an “open, frank and constructive discussion on the complex situation there, including the provision of humanitarian aid”. The Myanmar government said it needed time and space to resolve the issue.

[Bangkok Post \(20 December 2016\)](#)

▶ Amnesty International has accused Myanmar of “crimes against humanity”, after allegations of violence against the Rohingya Muslim minority. Its report, released on 19 December, accuses the Myanmar army forces of murdering civilians, rape and torture. Myanmar’s military has denied accounts of atrocities and says it is conducting anti-terrorist raids in Rakhine.

[BBC News \(19 December 2016\)](#)

▶ Up to 15,000 people may have fled across Myanmar’s border into China in the past month as fighting between Myanmar’s army and ethnic armed groups intensifies, the UN Office for the Coordination of Humanitarian Affairs (OCHA) in Myanmar has said. The OCHA said in an update on Monday that another 2,400 people had been displaced internally in the northern part of Shan state since 20 November, when a coalition of four rebel armies attacked military and police outposts

[Reuters \(20 December 2016\)](#)

ECONOMY

▶ The Myanmar Investment Commission (MIC) is confident the country will reach its US\$6 billion target for foreign direct investment in the 2016 fiscal year to 31 March, although the nine-month figure accounts for only slightly half of the target. The MIC believes that Myanmar will enjoy an FDI influx in the last three months of fiscal year, yet this year’s inward FDI would be much less than that of last year’s US\$9 billion.

[The Nation \(22 December 2016\)](#)

▶ Myanmar’s telecom sector drew in the most foreign investment, with 47.07% of the US\$3.46 billion total investment flowing into the country in the fiscal year 2016-2017, according to the Myanmar Investment Commission (MIC) on 20 December. The industrial sector followed with second place, and the rest went to power, hotel and construction sectors. Singapore stands as the largest foreign investor of Myanmar.

[Mizzima \(21 December 2016\)](#)

THOUSANDS MADE HOMELESS BY ACEH QUAKE IN INDONESIA

The number of people made homeless by the devastating 6.5 magnitude earthquake which struck Indonesia’s Aceh province has risen to nearly 84,000 leaving authorities struggling to care for the victims.

- ▶ Most of the displaced were from the hardest-hit Pidie Jaya regency, and the rest are from the Bireuen regency.
- ▶ The quake killed more than 100 people, including young children, and injured many more when it struck Aceh province, one of the areas worst affected by the Indian Ocean tsunami in 2004.
- ▶ National Disaster Management Agency stated that the government of Indonesia has made the cost of treatment for the injured, free; while adding that aid also continued to flow in from other parties to relief the burden of the affected victims.
- ▶ Large earthquakes are relatively common in Indonesia, which sits on the infamous Ring of Fire, a set of fault lines that circle the Pacific Basin.

[The Star \(12 December 2016\)](#)

RECENT EARTHQUAKES IN INDONESIA

REGION	DATE AND TIME OF EARTHQUAKE	MAGNITUDE
BANDA ACEH	DECEMBER 18, 2016 7:24 PM	5.20
ABEPURA	DECEMBER 16, 2016 10:39 PM	5.10
MANOKWARI	DECEMBER 13, 2016 9:46 AM	5.00
AMAHAI	DECEMBER 07, 2016 1:42 PM	5.30
SIGLI	DECEMBER 06, 2016 10:03 PM	6.50
PALUE	DECEMBER 05, 2016 1:13 AM	6.30

*Earthquakes in Indonesia with a magnitude between 5.0 and 7.0 between 5 December 2016 and 18 December 2016

[Source: United States Geological Survey](#)

MALAYSIAN COMEDIAN CROWNED “FUNNIEST PERSON IN THE WORLD” IN 2016

Stand-up comedian Harith Iskander beat four other finalists to emerge the winner of the Funniest Person in the World competition organized by US comedy club chain Laugh Factory.

- ▶ The 50 year old Malaysian will receive the grand prize of \$100,000 and a US comedy tour as the winner of the title
- ▶ Iskander has been part of Malaysia’s stand-up comedy scene for the past 26 years and he credits his win to using “local material with an international context”
- ▶ The final round was held in Levi, Finland where the winner was chosen through a global online fan voting system, which was opened 24 hours after the finals.
- ▶ The comedian received more than 3.8 million votes to clinch the title.

[BBC News \(12 December 2016\)](#) [The Star Online \(6 December 2016\)](#)

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