

CARI CAPTURES

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01 INDONESIA

INDONESIAN GOVERNMENT REQUESTS CREDIT CARD INFORMATION

23 BANKS REQUIRED TO DISCLOSE CREDIT CARD INFORMATION

NO.	ISSUER	NO.	ISSUER
1	BANK ANZ INDONESIA	13	BANK RAKYAT INDONESIA (PERSERO) TBK
2	BANK BUKOPIN	14	BANK PERMATA TBK
3	BANK ICB BUMIPUTERA, TBK	15	CITIBANK
4	BANK CENTRAL ASIA TBK	16	THE HONGKONG & SHANGHAI BANK CORP
5	BANK CIMB NIAGA TBK	17	BANK OCBC NISP TBK
6	BANK DANAMON INDONESIA TBK	18	STANDARD CHARTERED BANK
7	BANK ICBC INDONESIA	19	BANK UOB INDONESIA
8	BANK MAYBANK INDONESIA TBK	20	BNI SYARIAH
9	BANK MANDIRI (PERSERO) TBK	21	BANK SINARMAS
10	BANK MEGA TBK	22	AEON CREDIT SERVICES
11	BANK NEGARA INDONESIA 1946 (PERSERO)	23	BANK QNB KESAWAN
12	PAN INDONESIA BANK LTD. TBK		

Source: .bi.go.id

In a bid to address the shortfall in tax collection this year, the Indonesian government has ordered 23 banks to share customer credit card transaction information so as to better crosscheck the wealth of individuals.

► Faced with slumping exports, weak consumption, and falling corporate tax profits, the Indonesian government may experience a potential shortfall of US\$18.81 billion in tax revenues in 2016; this threat against the country's fiscal health is a prime concern of the government which may have to reduce spending

► The recently introduced tax amnesty programme, which would allow individuals to declare previously hidden overseas income at lowered tax rates, is currently deadlocked in the nation's parliament due to political wrangling

► As such, the government has attempted to better collect its taxes through the seizure of secondary information; credit card information requested by the government will be used to validate the self-declared tax assessments of individuals in the nation

Reuters.com (30 March 2016)

MALAYSIA FAVOURS CHINA ON HIGH-SPEED RAIL PROJECT

A series of recent investment by Chinese state-owned companies have helped to lay the ground for the bid for the 350 km high-speed railway connecting Malaysia to Singapore.

▶ China Railway Group Limited (CREC), one of China's largest state-owned companies, announced a 2 billion-US dollar investment to build its regional headquarter in Bandar Malaysia, the proposed terminal for the Kuala Lumpur to Singapore line

- ▶ The announcement came three months after CREC's successful bid with its Malaysian joint-venture partner in December to acquire 60% of the equity in the Bandar Malaysia project
- ▶ Currently, tensions remain high for Sino-Malaysian relations with recent incidents of gunboat diplomacy causing the Malaysian government to summon the Chinese ambassador to address such issues; whether political tensions will dissuade such a deal will remain to be seen

shanghaidaily.com (03 April 2016)

BOT SIGNS QAB AGREEMENT WITH INDONESIA

The Bank of Thailand (BoT) has signed a bilateral agreement with Indonesia under the Qualified ASEAN Banking (QAB) framework with the Indonesia Financial Services Authority.

- ▶ The agreement will allow selected banks from both nations to operate freely with the supervision and support of the central banks of each nation; this marks the second of such agreements to be completed in 2016 alone for the Bank of Thailand
- ▶ A framework agreement introduced in 2014, the ABIF provided a guiding platform for the formation

of bilateral agreements between member states concerning the banking industry; under the framework, Qualified ASEAN Banks (QABs), which are defined by the individual bilateral agreements, will be given access to the markets of member states with the support of central banks

- ▶ According to the ABIF, ASEAN 5 nations are to have agreements with at least one other member state by 2018, whilst all member states are to have agreements with at least one other member state by 2020

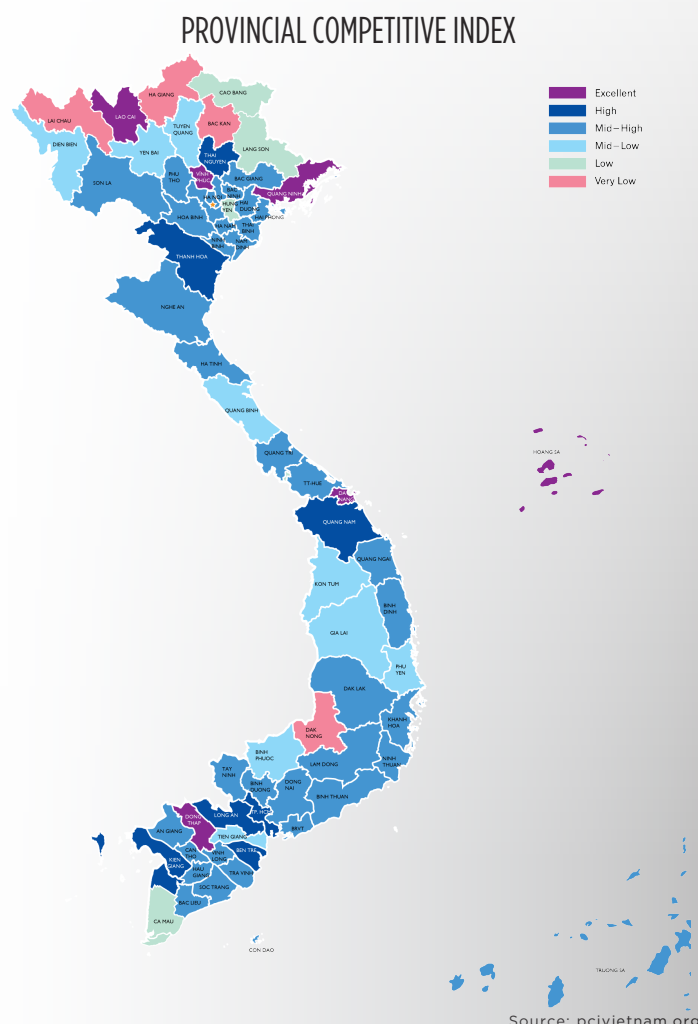
bangkokpost.com (01 April 2016)

DA NANG TOPS VIETNAM'S BUSINESS FRIENDLY RANKING

The 2015 Vietnam Provincial Competitiveness Index (PCI), which was conducted by the Vietnam Chamber of Commerce and Industry and the US Agency for International Development, has concluded that Da Nang tops the nation in terms of ease of doing business, economic governance, and administrative reform efforts.

- ▶ The index was collated by rating all 63 provinces and cities by the mentioned criteria and based off the polling of 11,700 local private and foreign companies operating in the country
- ▶ Da Nang beat out Ho Chi Minh City and Hanoi with a score of 68.34 points on a 100 point scale; in particular, the province was reputed to have the best online services enabling the modernisation of public administration and the efficient monitoring of state management agencies
- ▶ The new survey also showed about half of foreign-invested companies currently in Vietnam considered other countries, including China, Thailand, and Indonesia before selecting Vietnam as their ultimate destination

thanhniennews.com (31 March 2016)



INDONESIAN GROUP TO BID ON NEWMONT MINE

An Indonesian consortium led by veteran investment banker Agus Projosasmito is preparing to offer approximately US\$2 billion for control of Newmont Mining Corp.'s operations in the country after lining up bank financing.

- ▶ The group will attempt to purchase an 80% stake of the local operating company PT Newmont Nusa Tenggara, borrowing US\$1 billion from banks including BNP Paribas SA, Malayan Banking Bhd. and Societe Generale SA, as well as state-owned lenders PT Bank Negara Indonesia and PT Bank Mandiri

- ▶ Newmont announced the sale of its local business after the Indonesian government banned the exports of raw ore shipments out of the nation in 2014, whilst also implementing a progressive tax on concentrates
- ▶ Another key player of the potential deal would be PT Medco Energy Internasional, a Jakarta oil and gas producer; the firm would be a joint shareholder of Newmont Nusa Tenggara together with the consortium, which has resulted in a bump in share prices as a result of the news

bloomberg.com (01 April 2016)

SINGAPORE HOUSING MARKETS SLIDE

Singapore's home prices have fallen for ten consecutive quarters, posting the longest losing streak in almost two decades as tighter mortgage regulation has dampened demand.

- ▶ An index tracking private residential prices fell 0.7% in the three months ended 31 March from the previous quarter, matching the longest series of losses since 1998, according to preliminary data from the Urban Redevelopment Authority
- ▶ Market cooling measures were implemented in 2009 in order to curb excessive property price inflation

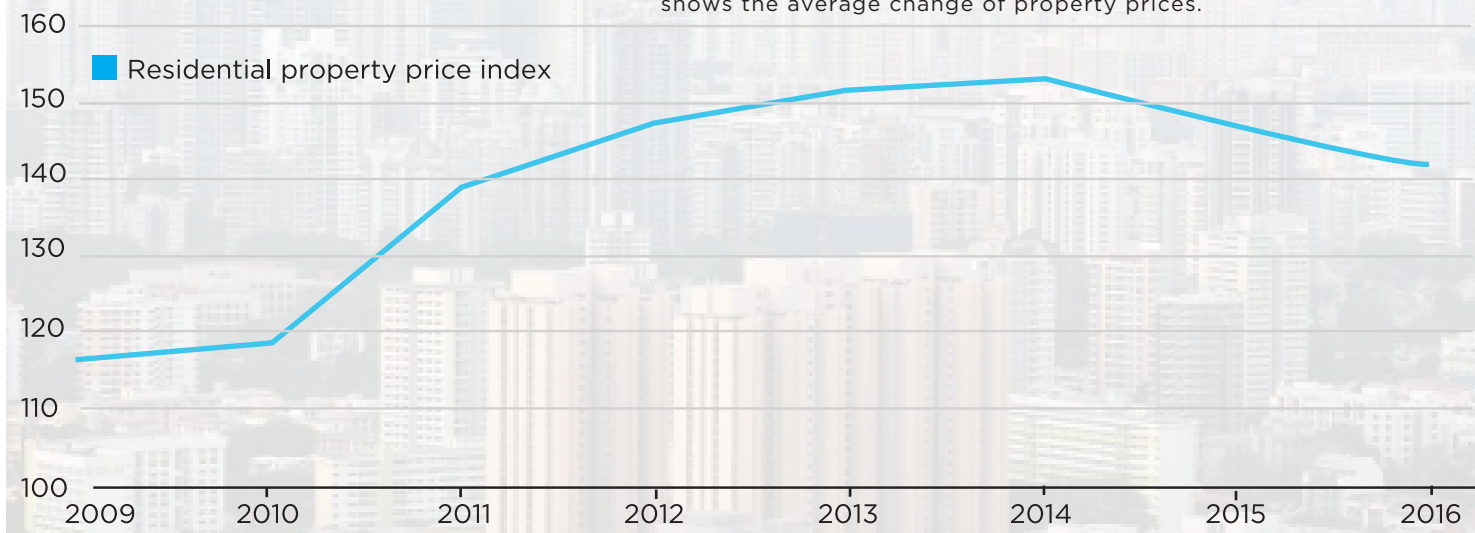
in Asia's second most expensive housing market; the government has continued to maintain its stance on current regulations, stating that to reverse policies would be premature

- ▶ The residential curbs have included a cap on debt-repayment costs at 60% of a borrower's monthly income and higher stamp duties on home purchases, after low interest rates and demand from foreign buyers raised concerns prices had risen too far too fast

bloomberg.com (01 April 2016)

PROPERTY PRICE INDEX METHODOLOGY:

Residential Property Price Index is calculated off the base period of the first quarter of 2009, which has an index value of 100. A stratified hedonic regression methodology is used to compute the PPI, which shows the average change of property prices.



Source: Bloomberg

13 FUNDS QUALIFY FOR ASEAN CROSS-BORDER SCHEME

ASEAN's Collective Investment Schemes(CIS) Framework, which acts a cross border fund distribution scheme, has recognised 13 as of yet undisclosed funds as qualified to operate across ASEAN.

- ▶ The ASEAN CIS Framework complements the UCITS (Undertakings for Collective Investment in Transferable Securities) scheme, allowing asset managers to access traditionally closed fund markets such as Malaysia and Thailand

- ▶ To be qualified under the ASEAN CIS Framework, a CIS operator must have at least five years of experience in managing CIS, US\$500 million of AUM globally and a shareholders' equity of US\$1 million, and maintain specified capital adequacy, among others
- ▶ Despite not revealing the home and host countries of the 13 funds, a report by BNP Paribas Securities Services in February 2016 notes that the participating regulatory bodies include the Monetary Authority of Singapore, the SC and the SEC

asiaasset.com (29 March 2016)

POLITICS

▶ Myanmar’s parliament has passed a bill to create the post of “state counsellor”, which gives Aung San Suu Kyi a role similar to that of prime minister. The bill now requires only presidential approval from President Htin Kyaw to become law. Unelected military representatives holding a quarter of parliamentary seats boycotted the vote, calling the bill unconstitutional. Their protest were in vain as the military is outnumbered by elected MPs from the NLD. The first bill proposed by the new civilian government therefore passed unchanged. In addition to state counsellor, Ms Suu Kyi will also be foreign minister and minister in the president’s office.

[BBC News \(5 April 2016\)](#)

▶ Myanmar’s former president Thein Sein has shed his formal attire – and his hair – to become a Buddhist monk. Thein Sein’s ordination took place on 4 April, officials said, four days after he presided over the historic transition of power. Thein Sein has not spoken publicly about temporarily becoming a monk but the official statement indicated he has been considering it since January.

[The Guardian \(5 April 2016\)](#)

ECONOMY

▶ The Central Bank of Myanmar (CBM) revealed on 4 April the official rules and regulations for mobile financial service providers (MFSPs), seen by observers as a way to reach more rural customers throughout Myanmar. Mobile banking is seen as a way to dramatically expand financial services in Myanmar to reach those in rural areas with limited access to physical bank branches and who might have irregular income, not uncommon in a country relying on agriculture.

[The Irrawaddy \(5 April 2016\)](#)

FOREIGN AFFAIRS

▶ Aung San Suu Kyi met her Chinese counterpart on 5 April in the first diplomatic foray of her new pro-democracy government, underscoring the importance of relations with Beijing. China is seen as Myanmar’s biggest foreign policy preoccupation, with border wars and controversial China-backed mega-projects topping the agenda. At a press conference afterwards Suu Kyi described relations as “very important politically as well as socially and economically”.

[Channel NewsAsia \(5 April 2016\)](#)

▶ Canada’s Foreign Minister Stéphane Dion will visit Myanmar on 6-8 April to meet the new government. The minister will meet President Htin Kyaw and Aung San Suu Kyi in Naypyidaw.

[Mizzima \(5 April 2016\)](#)

CHIEF JUSTICES CALL FOR COOPERATION

The 4th ASEAN Chief Justices’ Meeting issued a joint statement at the end of the one-day event in HCM City affirming the consensus of the bloc’s chief justices in pursuing the goal of strengthening judicial co-operation among the courts of ASEAN nations.

- ▶ At the event, the delegates agreed to rename the ASEAN Chief Justices’ Meeting as the Council of ASEAN Chief Judges (CACJ); the CACJ also appointed representatives from each country’s tribunal system to establish a research group for the council’s tasks in the times ahead
- ▶ The 120 attendees from 10 countries also discussed how member states could exchange practices on legal and judicial reforms and standardise certain norms for the judiciary across the region
- ▶ The meeting has ratified and implemented the establishment of a portal for ASEAN countries’ courts, a mechanism to transmit legal documents in civil procedures between ASEAN members, and cooperation in judicial training

[vietnamnews.vn \(02 April 2016\)](#)

SINGAPORE’S BIG BUDGET TO BOOST LOCAL SHARES

Following a fall of almost 20% in 2015, the growth outlook for Singaporean stocks has been muzzled by a slowing global economy and slumping commodity prices.

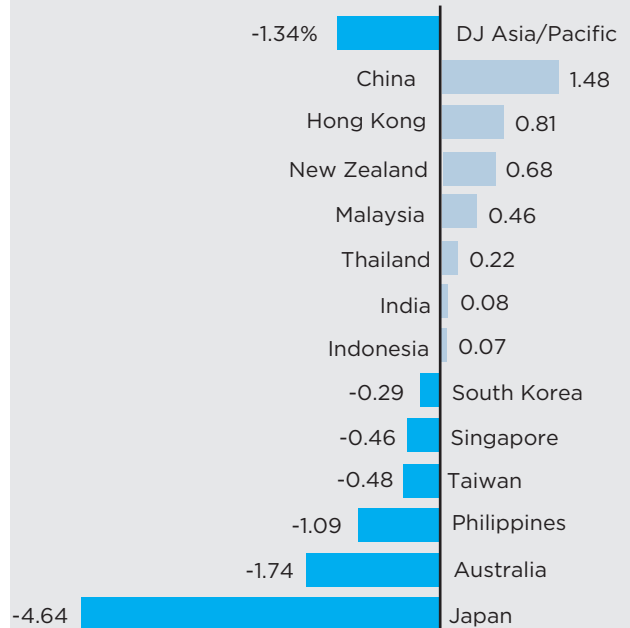
- ▶ Singapore’s newest budget is expected to boost spending by more than 7%, which could in turn translate to bolstering stocks in banking, consumer staples, health care, and transport; the latest budget focuses on tax breaks for small businesses and increased funding for public healthcare
- ▶ The budget has also allocated benefits for low income and elderly Singaporeans, which is expected to increase consumer spending; furthermore, consumer prices which have slid for 16 months are expected to help with consumer spending as well

▶ One dark spot for investors in terms of investing in Singapore not addressed by the government however would be the housing market; with prices having slid for 10 consecutive quarters and the government refusing to roll back price dampening policies, investors may choose to continue to stay away

[barrons.com \(02 April 2016\)](#)

ASIA

Tokyo Story: Japanese shares fell nearly 5% last week as business sentiment plummeted



Indexes based on DJ Total Stk Mkt

Source: S&P Di Indices

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