

**18<sup>th</sup> – 23<sup>rd</sup> July 2022****Business**

- **Myanmar companies with 35% ownership of foreigners must convert foreign currency to Myanmar kyat**

The Central Bank of Myanmar (CBM) announced on 15 July, stating that Myanmar companies with 35 percent ownership by foreigners must convert foreign currencies from their foreign exchange accounts to Myanmar Kyat, according to the decision of the Foreign Exchange Supervisory Committee (FESC)'s meeting No 32/2022. According to the statement, the list of Myanmar companies with foreigners' ownership of up to 35 percent has been sent together with the announcement to the foreign exchange authorized dealers (AD). The dealers are required to fill the blanks for the

foreign currency account balance of the companies, which opened foreign exchange accounts in the respective banks through email by 6 pm on 15 July. They will also be required to process the conversion of the foreign currency to Myanmar Kyat quickly and submit the amount to Bank-Customer (Bid) and Non-Trade Inward (Real Time-R) lists by 6 pm on 18 July. If the instructions are not followed, action will be taken against the offenders under Section 35 of the Foreign Exchange Management Law.

- **Yangon-Mawlamyine-Yangon, Yangon-Pyay up/down trains to resume in July**

The Myanma Railways will start resuming the Yangon-Mawlamyine-Yangon daily route on 25 July. At the Yangon-Mawlamyine route, the departure time of the No 81 up train is 8 pm from Yangon and will arrive in Mawlamyine at 6 am the next day. The No 82 down train from Mawlamyine will leave at 8 pm and arrive in Yangon at 6:15 am. As an expanding plan of two trains at the Yangon-Pyay daily route will

operate on 20 August. The departure time of the No 61 up train is 8:30 am from Yangon and will arrive in Pyay at 5:15 am the next day. The No 62 down train from Pyay will leave at 7:45 am and arrive in Yangon at 4:30 pm. As the Myanma Railways plans for the convenience of passengers and smooth delivery of goods, more routes will be operated depending on the number of passengers and goods.

- **Gold price reaches K2,060,000**

The closing price of gold in Yangon last week was K15,000 higher than the opening price this week, and the price is K2,060,000, according to Yangon Region Gold Entrepreneurs Association. On 18 July, the closing price of academy gold was K2,060,000 while the global gold price was \$1,718 per ounce and K1,850 per dollar. "The opening price is K2,060,000 today. The price was K2,045,000 last Friday and it rose by K15,000. Some are waiting for the time to get a good price for selling their gold. The wholesale price is different," said goldsmith Ko Khine Htut Win. On 16 July, the closing price of academy gold was K2,045,000 while the global gold price was \$1,707 per ounce and K1,850 per dollar. "The gold price is stable on the religious significant days. The

global gold price dropped. The exchange rate was high and the gold price is rising," said YGEA Chair U Myo Myint. As the production costs are high in gold mining industries and the gold price is still up. In Tanai and Chipwe gold mines, the gold price was about K1.3 million per tical in the past and now it is K1.9 million. In the production sector, the price of diesel was K300,000 per barrel and now jumped up to K700,000 per barrel. Although the gold production in the gold mining industry is low, there may not be a shortage of raw gold for sellers. Moreover, the gold import will not affect the local gold market.

- **Gas used in homes shortages in Yangon market**

The Yangon market is facing a gas shortage and the remaining gas cylinder transaction is made at K7,800, according to restaurant owners and housewives. "The small gas bottle is priced at K1,200 which was about K600 before. The price rose and we cannot buy easily. The shop where I always make orders shut down their shop and powered off their phones now," said Daw Wah Wah Oo from South Okkalapa. The country faces a gas shortage this week and the housewives and restaurant owners face a shortage. "There is a gas shortage even in the market. All the shops told us they don't have products. Some shops sell at high prices. We faced an oxygen shortage last year and now we face the gas shortage and have to buy at the highest prices this year," said Ko Aung Thu Myint, a restaurant owner in Mingala Taung Nyunt. The gas price was about K1,800 per viss in the market and it became over K3,000 per viss starting last year and K4,600 per viss until end-June this year. The price was between

K5,600-8,000 in early July. "We cannot use the locally produced gas for many hours. The gas we use now is imported from Thailand and the UAE. The current problem seems to link with the foreign currency. If the fuel prices are high continuously and also the gas, it will affect the people. The officials should manage that situation," U Lu Tun, a retired employee told the GNLM. The housewives have been using gas for nearly 20 years as the electricity bill is high. In the past, people bought gas with a license book at the government's shop. The use of gas became widespread later. "We don't have exact shops to buy the gas. We bought at K5,600 per viss yesterday. Today, the shop said the price is nearly K8,000 per viss. We use gas to fry. We face difficulties as we can't buy gas and can't use firewood and charcoal. The shop where we always buy gas does not answer our phone calls and it shuts down. We think turning to use charcoal during these days," said Ko Win Thein, restaurant owner.

- **Palm oil prices decline by K985 per viss**

The palm oil price dropped by K985 per viss during one week, according to reference prices. The prices in foreign countries also drastically declined and the local prices dropped. The authorities announced the basic reference at K3,665 per viss in Yangon between 18 and 24 July. The price was K4,650 per viss 11-17 July, K5,815 per viss 20-30 June, and K5,645 per viss 13-19 June. The prices were not announced from 1 to 10 July. The prices dropped K985 per viss and to K2,150 in mid-month. Indonesia has cut the export levy to zero from \$200 for all palm oil products until 31 August. They will continue collecting a \$288 tax for CPOs. The remaining amount of palm in that country is

7.23 million tonnes in May. The foreign palm oil price was \$1438.39 per metric ton on 9 June, \$980.31 on 5 July, and \$901.95 on 13 July. On 16 July, the price was about K7,000 per viss outside Yangon. The outside wholesale prices are higher and the retailers have to buy at high prices, said the buyers. The oil import companies cooperated with the relevant organizations and sold oil at K4,750 per viss in 11 townships of Yangon Region using 16 trucks on 17 July. They will sell the oil as per the reference prices. The country imported 563,293 tonnes of palm oil in the 2015-2016FY, over 600,000 tonnes in 2016-2017FY, and only 800,000 tonnes in the 2020-2021FY.

- **More than 1,600 foreign tourists visit Myanmar**

A total of 1,622 foreign tourists from 54 countries visited Myanmar between 20 May and 14 June, according to the statement of the Ministry of Hotels and Tourism. Most of the tourists came from China, followed by India, Japan, Malaysia, Thailand, Viet Nam, and the US. With the influx of foreign tourists, the new variants of COVID-19, namely BA.4 and BA.5, are also spreading at a rapid rate across the

world. The rate of infection is increasing exponentially in the neighboring countries of Myanmar, with dozens of casualties. Myanmar has alerted those coming to the country through border checkpoints, including from Thailand, to comply with the disease prevention and control measures. Myanmar has opened for tourism since 20 May this year, with the resumption of international flights at its international airports

on 17 April and the e-visa application on 20 May. Furthermore, the country also allowed online e-visa (business) applications for foreign investors on 1 April. From 17 April to 14 July

2022, over 85,000 foreign visitors visited Myanmar, according to the Ministry of Hotel and Tourism.

- **It is necessary to upgrade the development of the multi-faceted tourism industry in rural development and poverty alleviation: MoHT Union Minister**

Union Minister for Hotels and Tourism Dr. Htay Aung said it is very important to promote the cooperation of the public-private sector to promote the development of multi-faceted tourism in the development of rural areas and the eradication of poverty. He made the remarks at the ASEAN Regional Forum on Village Resource Management for Rural Development and Poverty Alleviation, held with a hybrid system by Indonesia, yesterday morning. 46 villages in Myanmar are implementing Community-Based Tourism (CBT). The development of tourism is important for the socio-economic development of local people in states and regions that are rich in unique cultural and natural resources, so local

communities can benefit from tourism. The Union Minister also stressed the need to promote cooperation of the government-private-public for the development of tourist villages and multi-faceted tourism, to create tours in village tourism, and to establish the necessary standards, urging the participants in the forum to cooperate for the development of rural tourism in the ASEAN region. The forum was attended by representatives from ASEAN member countries, the Directors-General and officials from the Ministry of Hotels and Tourism, region and state branch office managers, representatives from local tour management groups, and officials from the Myanmar Tourism Federation.

## Import and Export

- **Myanmar exports 2,711.80 tonnes of marine products to Bangladesh as of June**

Myanmar exported 2,711.80 tonnes of marine products to Bangladesh in June, according to the figures of the Ministry of Commerce. The country earned US\$3.378 million from exporting 2,711.80 tonnes of fishery products to Bangladesh as of 11 June in the 2021-2022FY. Rakhine State also achieves a proper freshwater export market in Bangladesh and the state government and Fisheries Department provide techniques and capital for the freshwater fish farming sector. There are about 500 freshwater fish farms in Rakhine State. The officials arrange to adapt a mangrove-friendly farming

system and implement a two-year project for 1,000 acres. Moreover, a new fish hatchery is constructed in Minbya township spending the state budget. The hatching operation will be started in the coming season. Arrangements are also being made to develop a farming zone near the hatchery. The department will focus on a mangrove-friendly farming system for crab/prawn farming. The Maungtau and Sittway border camps of Rakhine State export rohu, snapper, black pomfret, ilish, lobster, various dried fish, saltwater fish/prawn, mud crab, soft-shell crab, and clams.

- **Myawady Trade Zone handled US\$ 42.262 million worth of trade volume**

According to the Ministry of Commerce, a trading volume worth US\$ 42.262 million was handled at the Myawady Trade Zone in June. From 18 to 24 June, the export volume worth \$ 13.165 million and import volume worth \$ 29.097 million, a total of \$ 42.262 million worth of trade volume was handled at the trade zone, which is \$10.786 million less in export volume and \$ 0.561 million more in import volume compared to the performance of the previous week. The decrease in exports was in

agricultural products and garments, and the increase in imports was in telephone and communication equipment, electric power distribution and installation materials, construction materials, petroleum products, fertilizers, plastic raw materials, pharmaceutical products, and lace textiles. Relevant authorities are making efforts to facilitate trade through the Myawady Trade Zone.

- **Exports reach \$2.90 mln; imports stand at \$6,960 on the Myanmar-Bangladesh border**

Two Myanmar-Bangladesh border trade posts – Sittway trade camp (Shwe Min Gan) and Maungtau border trade camp (Kanyinchaung) — exported US\$2.90 million worth of products and imported products worth \$6,960 in June. Sittway trade camp (Shwe Min Gan) exported \$589,161 worth of products and the Maungtau border trade camp (Kanyinchaung) exported \$2,327,948 worth of products. The export volume of Myanmar was higher and the import volume was only 0.04 percent of the trade,

according to data. The government also conducted COVID-19 tests on the crews who returned from Bangladesh after shipping the goods. The health officials tested Myanmar crews between 4 and 14 July and 11 tested positive for COVID-19. The patients are in good condition and have recovered. The government permits only those who are fully vaccinated against COVID-19 for embarking and the respective township health departments also provide Booster doses.



## Agriculture

- **Myanmar-produced coffee beans fetch US\$5,000 per tonne**

As the local and foreign demand is high, the coffee bean fetches about \$5,000 per tonne, according to Myanmar Coffee Association. Myanmar-produced coffee boasts of better quality than others and fetch good prices in the international market. They are exported to Switzerland, China Taipei, China, Thailand, America, UAE, UK, Iceland, South Korea, Japan, and Germany. There are over 200,000 acres of coffee plantations in the country and only over 50,000 acres make profits. The country produces over 9,000 tonnes of coffee

per year and the price is between \$4,500 and \$5,000 per tonne, according to the association. The country grows 80 percent of Arabica and 20 percent of Robusta. Although the coffee export volume declined in the outbreak of COVID-19 in 2021, it returns to normal this year with nearly 500 tonnes of coffee. The coffee is exported mainly grown in PyinOoLwin of Mandalay Region, Yangon, Mogok and Thandaunggyi, and Nawngkhio, Hopong, and Pinlaung of Shan State.