Welcome to the latest issue of D&B’s ASEAN Newsletter, where we aim to round up exciting developments in D&B, news around the region, data stories and product updates. Referenced below are a number of hot topic areas, take a look, click on the links, ask your local sales team for further clarification or drop us an email directly.

Made in ASEAN: Vietnam Cuts Import Taxes for ASEAN-made Vehicles

Jan. 6 – As of January 1, 2014, vehicles imported from other ASEAN countries to Vietnam are eligible to receive a 10-50 percent tax cut following the 2008 ASEAN Trade in Goods Agreement (ATIGA). The new tax rate for vehicles imported into Vietnam from ASEAN nations is displayed in the following chart:

<table>
<thead>
<tr>
<th>Type of Vehicle</th>
<th>Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency cars and prisoner transport vehicles</td>
<td>0% to 5%</td>
</tr>
<tr>
<td>4-seater to 9-seater cars</td>
<td>50% (down 10% from 2013)</td>
</tr>
<tr>
<td>Trucks and other vehicles (depending on type)</td>
<td>0% to 50%</td>
</tr>
<tr>
<td>Bicycle, motocycle, and electric vehicles taxes</td>
<td>Set to decrease</td>
</tr>
<tr>
<td>Completely knocked down (CKD) cars</td>
<td>0% to 50%</td>
</tr>
<tr>
<td>Aircraft (airplanes and helicopters)</td>
<td>0%</td>
</tr>
</tbody>
</table>

ASEAN Economic Integration

The realization of the ASEAN Economic Community (AEC) by 2015 will enable the free mobility of goods, services, skilled labor and investment. Vietnam continues to enact several measures in order to prepare itself for regional competition in a market that encompasses over 600 million people and US$2 trillion in production. Read more / Source: The ASEAN Briefing

Japan Cements Future Ties with ASEAN

Dec. 27 – During a meeting in Tokyo marking the 40th anniversary of Japan-ASEAN relations, Prime Minister Shinzo Abe pledged ¥2 trillion (about US$20 billion) in aid and loans to Southeast Asian countries over the next five years in a move signaling both tighter cooperation between Tokyo and the Southeast Asian block, and an attempt to counterbalance China’s growing influence in the region.

Cementing Ties

At the Japan-ASEAN Summit, PM Abe emphasized the importance of strengthening economic ties between Japan and the regional organization, saying that his administration’s recent policies aimed at promoting Japanese growth will benefit ASEAN whose growth, in turn, will benefit Japan.

In 2009 Japan ranked as ASEAN’s largest trading partner, but has since been replaced by China, the world’s second largest economy. Nevertheless, Japan is still a major economic player, accounting for 11 percent of ASEAN trade – just two percentage points behind China. Read more / Source: The ASEAN Briefing

ASEAN Industry Highlights

For more News, click Here

ASEAN
26-Dec-13 The ASEAN Briefing World Economic Forum Assesses ASEAN’s Rising Energy Demand
18-Dec-13 Asia News Network Non-tariff barriers slow down AEC
11-Dec-13 Asia News Network Asean businesses see economic integration as an opportunity

Comobdia
16-Dec-13 Cambodia Daily Government Predicts Increase in Trade Volume

Indonesia
20-Dec-13 Bisnis Indonesia Commercial Vehicles Sales May Stable Until End-2013
20-Dec-13 Bisnis Indonesia Indonesia Leads To Be World’s Rubber Industry Basis
12-Dec-13 Bisnis Indonesia Heavy Equipment Outlook 2014: Imports Overpower Domestic Products

Laos
28-Nov-13 Asean Affairs Laos seeks foreign direct investment from South Korea

Malaysia
31-Dec-13 The Star Malaysian economy to see 5.5% growth in 2014 economist
26-Dec-13 The Star Fuelling manufacturing growth

Myanmar
30-Dec-13 Myanmar Times Trade volumes likely to fall short of $25b goal
22-Dec-13 Myanmar Times Prolonging IP law will hurt business, experts say
22-Dec-13 Myanmar Times Dealers put the brakes on car imports

Philippines
20-Dec-13 Business World Electronics exports seen to hit 15-year low
19-Dec-13 Manila Standard PH to rise as major car exporter

Singapore
31-Dec-13 Channel News Asia Singapore’s economy did well in 2013, say economists
31-Dec-13 Channel News Asia China surpasses S’pore as global market leader in building rigs
26-Dec-13 Channel News Asia Singapore’s industrial output grows at slower pace in November

Thailand
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28-Dec-13 The Nation Slow development in skills holding back ICT industry
27-Dec-13 The Nation Honda may pass Toyota as top seller
27-Dec-13 The Nation Growth forecasts forced down again

Vietnam
27-Dec-13 Thanh Nien News Cell phones topple garments as Vietnam’s top export
26-Dec-13 Vietnam Investment Review Retailers told link up or die
26-Dec-13 Vietnam News Industrial production surges

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Policy-makers still face challenges as the economy slows and inflation rises.

Policymakers will face ongoing challenges over 2014 with the economy slowing, price pressures rising and the currency set to remain under significant pressure. In November, the central bank lifted its benchmark interest rate by 25 basis points to 7.5%. The Bank has raised rates five times since May in order to curb lending growth, dampen inflationary pressures and halt capital outflows. Inflationary pressures (driven up by government-administered fuel-price hikes earlier in the year and the weaker currency) continue to be strong: CPI inflation rose by 8.4% year on year (y/y) in November, up from 8.3% in October.

Thanks to the central bank’s tighter monetary policy, alongside assurances by US policymakers that US monetary policy will remain accommodative, capital outflows have been less severe in recent months. Nevertheless, the currency has been under pressure: by December, the rupiah had fallen by nearly 20.0% against the US dollar since the beginning of the year, bringing it to a five-year low. The central bank will almost certainly continue to intervene in the FX market to limit currency volatility and to ensure liquidity in the months ahead. The weaker currency will exacerbate inflationary pressures. D&B believes that the central bank will need to raise rates again in early 2014.

"This complimentary write-up from D&B’s Country Insight Services group has been put together by their team of experts using the most up-to-date information to provide a snapshot of the latest country risk situation, and provides an excellent overview for those exposed to cross-border credit or investment risks"
News Around The Region

Indonesia
18-Dec-13 Bisnis Indonesia Prices Of Car And Its Accessory Increase In 2014
16-Dec-13 Bisnis Indonesia Car Market 2014: Economic Declines, Sales Stagnant
16-Dec-13 Bisnis Indonesia National Car Sales To Make Domination In Regions
13-Dec-13 Bisnis Indonesia Manufacturing Industry Suffered By Exchange Rate Hike
11-Dec-13 The Jakarta Globe Govt Eyes $20 Billion Investment in Manufacturing in 2014
10-Dec-13 The Jakarta Globe Indonesia’s Retail Sales Surge on Strong Household Spending
09-Dec-13 Bisnis Indonesia Southeast Asia’s Largest Motorcycle Production Capacity Lies In Indonesia
06-Dec-13 Asean Briefing Indonesia Focuses on Improving Investment Climate

Malaysia
28-Dec-13 The Star Auto sector to slow down?
23-Dec-13 The Star M’sia auto policy to focus more on initiatives for electric vehicles
23-Dec-13 The Star M’sia small and medium enterprises sector seen growing further next year
23-Dec-13 The Star Malaysian packaging industry sees strong orders from Japan
17-Dec-13 News Straits Times Government target RM53 bil in timber export by 2020
17-Dec-13 The Star M’sia retail sector hit by slow sales, consumers cautious with money

Myanmar
18-Dec-13 Asia News Network EU seeks to invest in Myanmar’s mining industry
15-Dec-13 Myanmar Times Doors opening for foreign banks
08-Dec-13 Myanmar Times Mekong trade corridors key to growth

Philippines
17-Dec-13 Daily Inquirer Imported vehicle sales up by 6% in 11 months
16-Dec-13 Business Mirror Nov foreign portfolio investments reach $4.58B
11-Dec-13 Daily Inquirer Manufacturing output posts fastest growth in 3 years
11-Dec-13 Daily Inquirer Electronics remain top PH export
29-Nov-13 Daily Inquirer Japan firms shy away from PH

Singapore
26-Dec-13 Channel News Asia Singapore’s manufacturing output grows 4% on-year in Nov
17-Dec-13 Channel News Asia Dosmetic labour constraints expected to limit Singapore’s growth
28-Nov-13 Channel News Asia New scheme to help local exporters become more competitive
28-Nov-13 Channel News Asia More Singapore companies seeking opportunities in Germany
27-Nov-13 Channel News Asia New programme to help Singapore SMEs expand overseas

Thailand
26-Dec-13 The Nation Industrial investment remains high in 2013
26-Dec-13 The Nation 2013 exports may contract for first time in four years
25-Dec-13 The Nation Automotive
25-Dec-13 The Nation CEOs fault govt’s failure to halt economy’s decline
24-Dec-13 The Nation SMEs’ GDP to increase by 4.3-4.7%
23-Dec-13 The Nation Slowdown sees rise in personal, business bankruptcies
04-Dec-13 The Nation Growth this year might be only 0.5%
04-Dec-13 The Nation Consumer confidence hits 22-month low in November: poll
03-Dec-13 The Nation Companies disrupted, business events delayed by protests
20-Nov-13 Bangkok Post New Zealand keen on Thai trade hub

Vietnam
26-Dec-13 Vietnam Plus Vietnam expects 12-14 pct credit growth in 2014
26-Dec-13 Vietnam Plus 2013: booming year for Vietnamese export to US
25-Dec-13 Vietnam News VN sees trade surplus for second consecutive year
20-Dec-13 Vietnamnet Japanese investors have poured more money into the service, retail finance and banking sectors, but they will continue focusing on industrial projects in Vietnam, experts say.
16-Dec-13 Vietnam News Gold jewellery exports to be tax-free
13-Dec-13 Vietnam News Strictness rules timber exports
13-Dec-13 Vietnam News Heavy discounts boost auto sales
10-Dec-13 VOV news National economy to face challenges in 2014
05-Dec-13 Vietnam News Electronics retailers expect good sales

Feedback
The ASEAN Newsletter will continue to evolve and we have exciting plans moving forward that will further improve communication. We welcome your feedback so please send us your comments via this Quick Survey, or to the Newsletter Team directly at yoongs@dnb.com. We welcome your feedback so please send us your comments for us to serve you better.