

US dollar slides after CBM sells \$3 mln in local forex

By Nyein Nyein

THE US dollar against Kyat weakened to K1,350 within a week in the local forex market, following the Central Bank of Myanmar selling 3 million dollars, local forex market data indicated. When the dollar value was substantial in the local forex market, the Central Bank of Myanmar (CBM) started to sell 3 million dollars from the state's foreign exchange reserves at an auction rate on 14 December. A dollar exchange rate stood above K1,400 on 15 December 2020. The rate fell to K1,350 on 21 December, with a decrease of over K50 within a week.

"The dollar gain will benefit the exporters. Yet, it will hike up the local food prices. The currency intervention is required to steer the own currency value, U Than Lwin, senior consultant to Kanbawza Bank shared his opinion. "A too-strong or too-weak dollar

is not good for the economy. It is one of the responsibilities of the CBM to control the price. That is why the CBM practised the foreign exchange intervention," he elaborated.

This year, the exchange rate moved in the range of K1,465-1,493 in January, K1,436-1,465 in February, K1,320-1,445 in March, K1,395-1,440 in April, K1,406-1,426 in May, K1,385-1,412 in June, K1,367-1,410 in July, K1,335-1,390 in August, K1,310-1,355 in September, K1,282-1,315 in October and K1,303-1,330 in November. Last year, the rates are pegged at K1,508-1,517 in July, K1,510-1,526 in August, K1,527-1,565 in September, K1,528-1,537 in October, K1,510-1,524 in November and K1,485-1,513 in December. On 20 September 2018, the dollar exchange rate hit an all-time high of K1,650 in the local currency market. (Translated by Ei Myat Mon)

Watermelon export prices plunge by 25pc per tonne

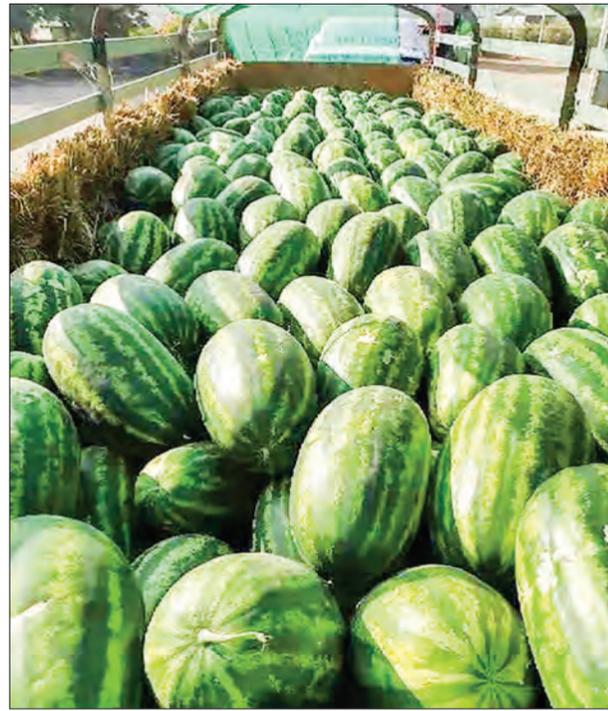
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THE price of watermelon exported to China fell by 25 per cent per tonne, vice-chairman Sai Khin Maung of fruit depot at Muse 105th mile trade zone said.

A watermelon fetched over 7,000 Yuan per tonne in November-end, and the price now plummeted to 4,500 Yuan per tonne, he continued.

"Watermelon prices rose to 7,000 Yuan per tonne in the previous weeks. The prevailing maximum price stands at only 4,500 Yuan per tonne. Watermelon with good packaging is, however, priced at 6,000 Yuan. Nevertheless, the price sharply dropped by 25 per cent. I guess there will be no possible price rise as high as before," he shared his opinion.

At present, more than 200 trucks loaded watermelon daily enter the Muse zone, and they are continued to go to China, accord-



A truck is seen carrying watermelons.

PHOTO: KHWAR NYO

ing to Muse fruit depot.

However, about 500-600 trucks of watermelon were stuck in the zone due to the transport delay. They are prioritized to deliver the watermelons first.

"Among Myanmar-China border cross-

ings adjacent to Muse district, Mang Weing, Kyinsankyawt and Pansai (Kyukok) are open for trading. Nandaw and Manhero areas which were mostly crowded with people have been closed. Moreover, Hsinphyu checkpoint was

also shut down for goods trucks. As a result of this, the authorities concerned from both sides are negotiating the reopening of the Hsinphyu border," Sai Khin Maung explained.

"We have negotiated the entry/exit permit for the trucks at the Hsinphyu border. It will help smooth the trade," he affirmed.

During the last financial year, the COVID-19 impacts battered watermelon, and muskmelon exports and the growers and businesspersons suffered losses. Myanmar's watermelon will be harvested up to May 2021 in the watermelon producing regions and states except for Kayah and Chin states.

Myanmar yearly exports over 800,000 tonnes of watermelon and about 150,000 tonnes of muskmelons to China, Myanmar Watermelon and Muskmelon Producers and Exporters Association stated. (Translated by Ei Myat Mon)

KMIC, travelling into the future in the same boat with Myanmar

Lee, Jung-wook, Managing Director of KMIC
Ji, Dong-seon, Infrastructure Attache of Korea Embassy

ON 24 December, the groundbreaking ceremony of the Korea-Myanmar Industrial Complex (KMIC) will be held at Nyaung Hnit-Pin, Yangon in the presence of Chairman (Park, Bokyeong) of Korea Presidential Committee on New Southern Policy, Minister of MIFER, Chief Minister of Yangon Region and distinguished guests from various Myanmar agencies. KMIC is connected to the Yangon-Mandalay Expressway. It is just 25km from Yangon Airport and 40km from Yangon Port, providing excellent access to both domestic and international markets. KMIC will be created as an eco-friendly smart industrial complex differentiated from existing industrial complexes through the application of Korea's advanced technology and renewable energy. The 'Easy Service Centre' will handle all the investment procedures of tenant companies.

When KMIC begins oper-

ations, production inducement effect is projected at US\$6.4 billion and it will create over 520,000 jobs, greatly contributing to the regional and national economy. In addition, the construction of this industrial complex can be used as an opportunity to form a complementary cooperative relationship between the two countries' industrial fields and to expand the cooperative relationship to other areas. In particular, This project is expected to serve as a cooperative channel for Myanmar by housing 135 Korean companies to share Korea's economic growth experience and know-how.

The ASEAN region is changing from a low-cost production base to a huge consumer market as its middle class rapidly grows around 5% annually. In response to this, the Regional Comprehensive Economic Partnership Agreement (RCEP) was finalized on 15 November 2020. 10 ASEAN countries including Myanmar,

Korea, China and Japan participated. The world's largest FTA - accounting for 30% of the world's population, trade and production - was born. As the importance of ASEAN countries increases, nations around the world are focusing their interest on this region. Korea also established a 'New Southern Policy' in 2018 and is advancing its involvement in ASEAN. Over the past three years, Korea's trade with the region increased by 28% and tourism between the two increased by 50%. Thus, the amount of trade between Korea and ASEAN countries exceeded \$159.7 billion in 2018. In particular, Korea's cumulative investment in Viet Nam was \$67.7 billion (over \$59.3 billion more than Japan) and it ranked first among foreign investors at the end of 2019. Myanmar is one of the countries that has recently attracted attention as the world's attention has been drawn to ASEAN.

Myanmar's renowned historian THANT MYINT-U

describes Myanmar as 'Asia's Crossroads where China and India meet', which best demonstrates Myanmar's geopolitical position as Asia's a hub linking India, China and Southeast Asia. Through Myanmar a huge market of 4 billion people is easily accessible and yet anywhere can be reached by a four-hour flight from Myanmar. In order to reinforce such strategic cooperation with Myanmar, the Korean government also established a 'New Southern Policy Plus' strategy which includes infrastructure, health and education development in addition to the existing New Southern Policy.

Myanmar is the biggest country in the Indochina Peninsula. In the 1960s, it was the largest rice exporter in Asia. It became an oil-producing country in 1853, long before oil was discovered in the Middle East. It is also blessed with abundant natural resources. It was a political, economic and transportation hub and produced the

Asia's first UN Secretary General U Thant (1961-1971). It was also a soccer powerhouse in the early 70s, defeating Korea twice and winning three times at an international soccer tournament hosted by Korea. Now Myanmar is returning to the international arena after declaring its economic opening in 2011. It has freed itself from decades of self-isolation. Myanmar is a country that has many things in common with Korea, such as suffering from colonialism and struggling for democracy. Also, Myanmar's national development vision, MSDP (Myanmar Sustainable Development Plan), and South Korea's 'New Southern Policy' pursue the common values of people, peace and prosperity. As there is a saying in Myanmar, "If you ride in the same boat, you will have the same trip". With the groundbreaking ceremony of KMIC, Korea looks forward to travelling with Myanmar to a bright and prosperous future.