

What's Happening in Myanmar Market & Valuation

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Chaveron still owns Myanmar gas assets despite earlier vow to exit

米石油大手シェブロンは、本年 2 月に売却決定を公表したミャンマーにおける天然ガス事業権益を、現在も保有していることがわかった。具体的な理由は明らかにされていないが、手続きが難航している可能性がある。

Learnt from: Nikkei Asia News (November 10, 2023)

Five-star Myanmar hotel to reopen under new owner

ミャンマー最大都市ヤンゴンにある高級ホテル、セドナホテル・ヤンゴンは、新型コロナウイルスと 2021 年に起きたクーデターの影響で休業していたが、12 月 1 日に営業を再開した。大きな需要は依然として見込めないものの、出張や国内富裕層の客足にある程度期待しているようだ。

Learnt from: Nikkei Asia News (November 29, 2023)

Half of resort hotels closed in Ayeyarwady Region

エーヤワディー管区ではリゾートホテルの半数以上が現在閉鎖されている。政情不安や軍政府の査察強化などで宿泊客が激減しており、現在の稼働率は 40%程度で、外国人宿泊客は皆無とのことだ。

Learnt from: Myanmar Japon News (December 4, 2023)

Myanmar economic recovery falters as conflicts and inflation weigh

ミャンマーでは、紛争の激化、貿易と物流の混乱、チャット安、高いインフレ率等、複合的な要因から、企業や家計への影響は甚大であり、経済成長は短期的にはほとんど期待できず、ない。ミャンマー経済の 2024 年 3 月まで年間成長率は、わずか 1%程度と予測されている。

Learnt from: The World Bank Myanmar (December 12, 2023)

Chaveron still owns Myanmar gas assets despite earlier vow to exit



Chevron in February 2023 said it had agreed to sell its 41.1% stake in Myanmar's Yadana gas field to Canada's MTI Energy.

U.S. oil company Chevron has maintained a stake in a Myanmar offshore gas field run with a state-owned, sanctions-hit energy company despite announcing a deal to sell the interest in February. A reason for the delay has not been disclosed, but the continued ownership in the Yadana natural gas project in the Andaman Sea indicates Chevron may have run into difficulties completing the transaction. It also clouds the timeline for the company's withdrawal from Myanmar, which it announced in January 2022 after the military seized power the preceding year. Chevron is "working to ensure our exit is conducted in a planned and orderly manner," a company spokesperson said, adding that it "cooperates with authorities to ensure we are compliant and abiding by laws and regulations applicable to our operations, including trade sanctions." Chevron acknowledged in February this year that it had reached a deal to sell its entire 41% interest in Yadana to a unit of Canadian company MTI Energy. The project is run with partners including state-owned Myanma Oil and Gas Enterprise (MOGE). Natural gas is a major source of foreign currency for the military-controlled government. It is said that Chevron's decision to leave Myanmar is totally up to them that the delay in the sale is due to circumstances with the seller. Another investor in Yadana, France's Total Energies, abandoned its stake and said in July 2022 that it had fully pulled out of Myanmar. Thailand's PTTEP, a unit of state-run energy company PTT, took over as project

operator. Washington last week added MOGE to its sanctions list, banning direct or indirect financial services to the energy company by U.S. companies or citizens, starting Dec. 15.

Learnt from: Nikkei Asia News (November 10, 2023)

Myanmar's Sedona Hotel reopens



The Sedona Hotel Yangon has almost 800 guest rooms.

The Sedona Hotel Yangon in Myanmar is set to reopen on 1st December after an extended shutdown due to COVID-19 and the military's 2021 takeover of the government, with limited demand expected from business travelers and well-off domestic customers. The property was sold earlier this year by Singaporean state-backed conglomerate Keppel Corp. to hospitality investment firm Spring Blossom Ventures, which is also based in Singapore and will resume the hotel's operation on its own.

Learnt from: Nikkei Asia News (November 29, 2023)

Half of resort hotels closed in Ayeyarwady Region



Beach in the Ayeyarwady Region

More than half of resort hotels in the Ayeyarwady Region are currently closed, with the number of guests plummeting due to political instability and stricter inspections by the military government. It is said that the current occupancy rate is around 40%, and more than half of the hotels in the area have closed. There are almost no foreign tourists, so the situation is difficult." The deterioration of the electricity supply situation and the increase in fuel costs for generators are also major factors. During the Dadinju Festival holiday from October 8th to 10th, the hotel was fully booked with domestic vacationers, but the hotel has now been forced to reduce pay and lay off employees.

Learnt from: Myanmar Japon News (December 4, 2023)

Myanmar economic recovery falters as conflict and inflation weigh

Little economic growth is expected in Myanmar in the near term, as rising conflict, trade and logistics disruptions, kyat volatility and high inflation combine to negatively impact businesses and households. Myanmar's economy is projected to grow by just 1% over the year to March 2024. Conflicts has escalated across much of Myanmar since October, leading to the displacement of an estimated half a million people, disrupting key overland trade routes and increasing logistics costs. Even if conflict does not escalate further, growth is expected to remain subdued over the rest of 2024 and into 2025 given a broad-based slowdown across productive sectors including agriculture, manufacturing, and trade. The size of

Myanmar's economy remains around 10% lower than it was in 2019, leaving it the only economy in East Asia that has not returned to pre-pandemic levels of economic activity. Consumer prices rose by almost 29% in the 12 months ending in June this year, and the more recent drop in the value of the kyat and escalation in conflict have led to further price rises in the months since. Household incomes continue to be severely strained. In surveys conducted by IFPRI in mid-2023, 40% of households reported earning less than in the previous year, with median real incomes declining by around 10 percent. Measures of food insecurity have also worsened. The economic situation has deteriorated, and uncertainty about the future is increasing. High food price inflation has had a particularly severe impact on the poor, who spend a larger portion of their income on food, who tend to live in areas where prices have risen at a faster pace. Indicators of business activity have worsened since mid-2023. Firms reported operating at just 56% of their capacity in September, down 16 percentage points from March. Weakness in sales has been a major challenge, particularly for retailers. A special section of the report explores the scope for Myanmar's garment industry to continue to drive growth in employment and incomes, as it has done for much of the past decade. However, conflict, high logistics costs, trade and foreign exchange restrictions, and electricity disruptions have raised the cost of doing business and reduced the sector's international competitiveness. With the operating environment deteriorating and uncertainty about the future increasing, Myanmar's garment firms have been forced to focus on survival rather than investment and growth. The scarring effect of recent developments is likely to curtail Myanmar's longer-term development potential, in the garment industry and across the broader economy.

Learnt from: The World Bank Myanmar (December 12, 2023)

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