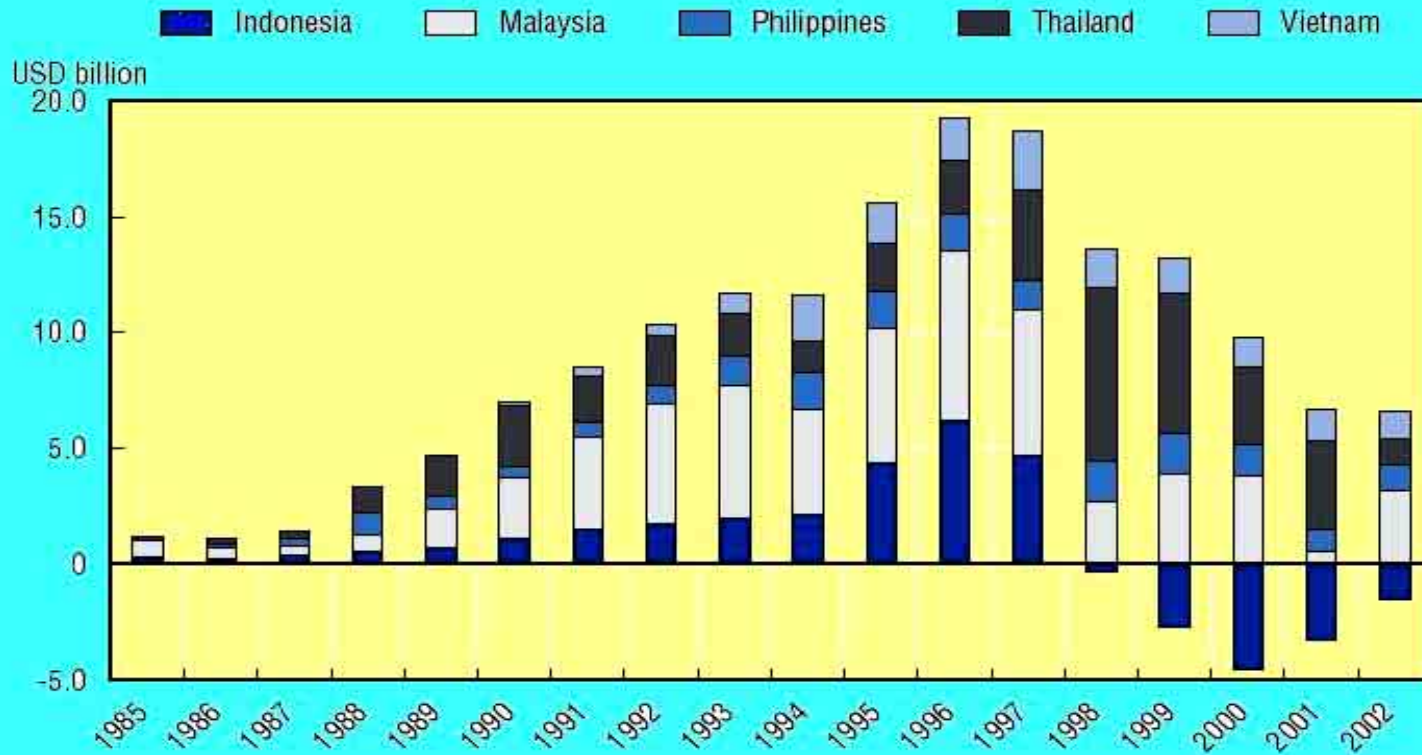


Manufacturing Relocations and its Impact on Intra-ASEAN trade and Shipping

ATTRACTING INVESTMENTS



FDI inflows into the ASEAN 5, 1985-2002

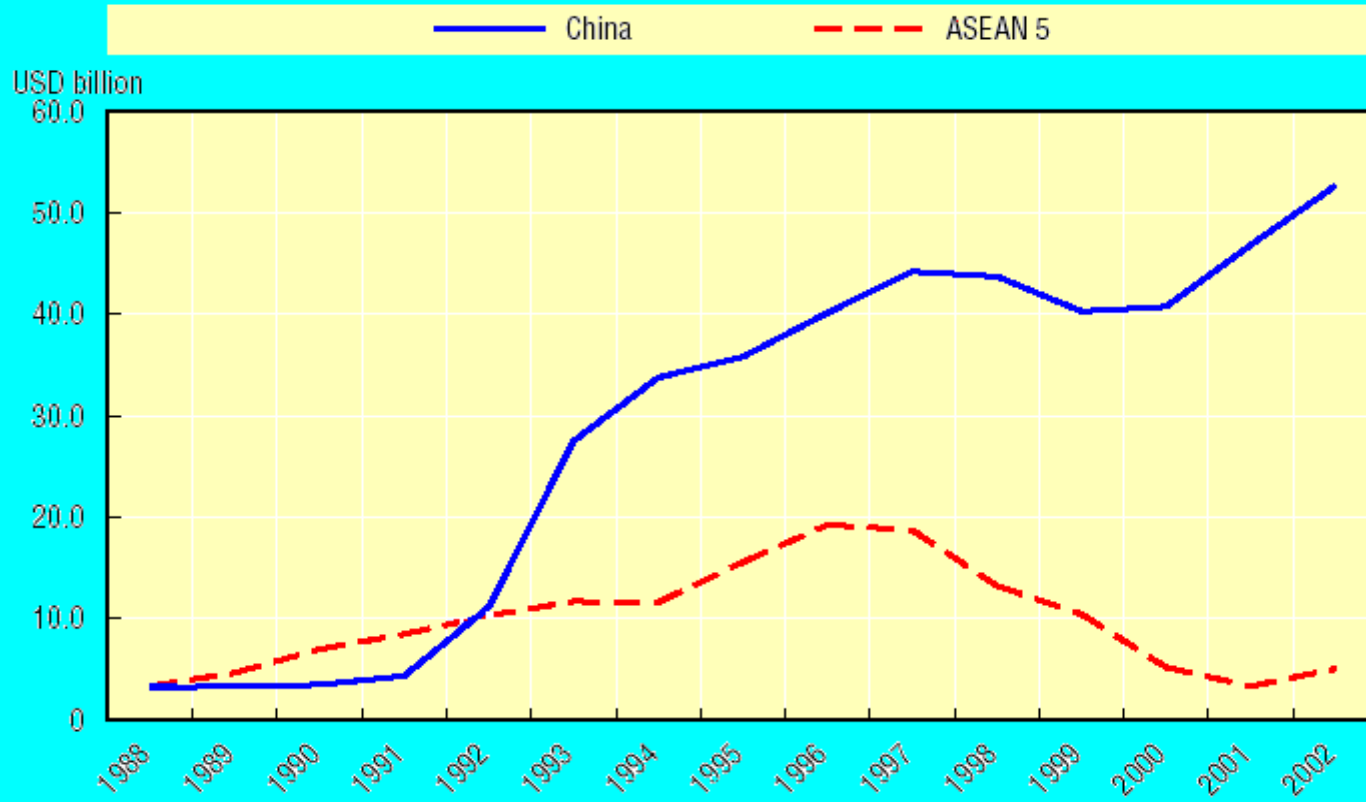


Source: UNCTAD (2003).



**ASEAN COMPETITIVENESS
versus
CHINA'S EMERGENCE**

FDI flows to China and ASEAN 5, 1988-2002



Source: UNICTAD (2003)

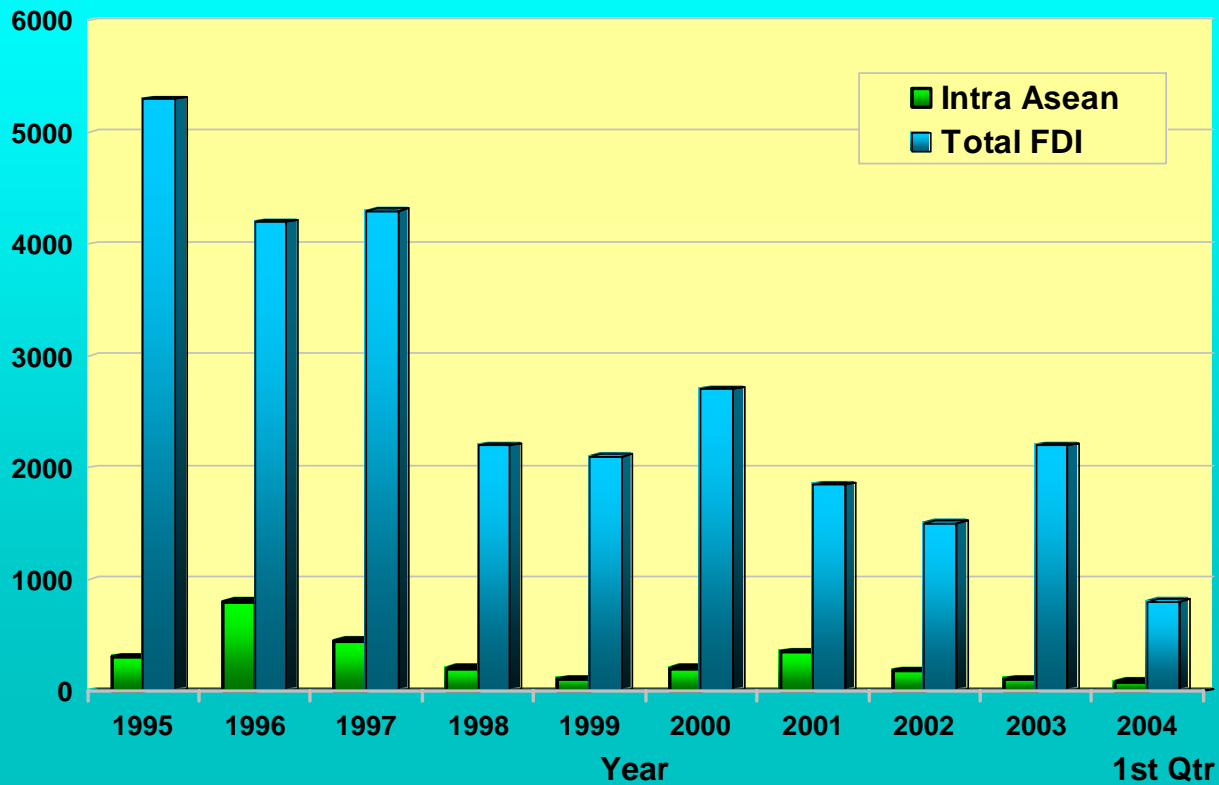


THE MANUFACTURING SECTOR



Investment flow to ASEAN and Intra-ASEAN Investment Flows to Manufacturing Industry, 1995- 1st Quarter 2004

US \$millions



Source : ASEAN Secretariat ASEAN FDI Database



FDI Inflows to ASEAN by Economic Sector, 1999-2003 *)

(US \$ million)

Economic Sectors	1999	2000	2001	2002	2003	1999-2003
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Agriculture, Fishery and Forestry	-16.7	130.6	8.5	491.1	178.0	791.5
Mining and Quarrying	2,085.9	1,164.2	2,115.5	1,759.6	4,081.3	11,206.5
Manufacturing	6,578.2	7,820.3	6,539.9	5,430.1	4,630.8	30,999.3
Construction	-70.9	-152.2	1,509.2	-912.8	109.8	483.0
Trade/Commerce	4,331.6	2,016.4	1,366.1	2,371.8	2,237.7	12,323.7
Financial Intermediation and Services (Incl. Insurance)	6,530.0	6,513.9	-8,337.9	6,676.2	5,395.4	16,777.6
Real Estates	624.3	702.9	1,360.6	329.8	697.2	3,714.8
Services	2,125.8	1,404.1	329.7	1,459.8	-275.2	5,044.2
Others (Not Elsewhere Classified)	5,062.6	3,804.9	14,459.0	-4,137.5	2,291.3	21,480.3
Total	27,250.7	23,405.0	19,350.6	13,468.2	19,346.4	102,820.9
FDI in Cambodia	232.30	148.50	149.30	145.10	87.00	762.20
Reinvested Earnings in Philippines	370.00	(174.00)	(127.00)	120.00	-	189.00
Inter-company Loans in Singapore (2003)	-	-	-	-	871.00	871.00
Total	27,853.04	23,379.55	19,372.88	13,733.26	20,304.38	104,643.12

Sources: ASEAN Secretariat: ASEAN FDI Database.

EFFECTS on INTRA ASEAN and SHIPPING ACTIVITIES

(in US\$ millions)

INTRA-ASEAN TRADE by EXPORT COUNTRIES

Section	1996	1997	1998	1999	2000	2001	2002	2003
Machinery and Electrical Appliances	42,966	43,832	38,007	42,826	53,201	45,693	47,328	51,951
Mineral Products	7,815	8,134	5,249	5,997	10,356	9,712	9,193	10,486
Chemicals	3,731	4,510	3,930	4,169	5,309	4,834	5,128	7,111
Base metal and Metal articles	4,041	4,207	3,405	3,398	3,852	3,425	3,618	6,198
Plastics	2,865	2,955	2,146	2,858	4,454	3,611	3,684	4,581
Vehicles	2,186	2,101	1,541	1,541	1,541	1,541	1,541	3,334
Prepared Foodstuffs	2,682	3,035	1,541	1,541	1,541	1,541	1,541	3,247
Textiles and apparel	2,534	2,349	1,541	1,541	1,541	1,541	1,541	2,106
Optical, musical instruments	1,719	1,916	1,541	1,541	1,541	1,541	1,541	1,971
Pulp and paper	971	1,035	1,541	1,541	1,541	1,541	1,541	1,391
Vegetable Products	1,451	1,432	1,541	1,541	1,541	1,541	1,541	1,245
Fats and Oils	703	908	908	908	908	908	908	1,093
Antiques and works of art	852	1,869	1,888	961	842	890	957	927
Live Animal	1,081	981	860	919	1,029	1,027	981	904
Wood and Wood articles	1,520	1,838	916	1,254	1,467	1,059	639	830
Gems	1,707	1,717	2,037	809	837	752	626	764
Stone/Cement/Ceramics	788	748	470	563	704	650	637	695
Miscellaneous Manufactured articles	669	704	444	666	777	572	577	609
Other	242	717	342	218	449	623	688	518
Hides and Leather	210	206	188	166	161	158	198	223
Footwear	242	150	95	128	137	133	111	132
Total	80,974	85,352	69,313	74,936	95,268	84,488	86,391	100,319

Top 5 manufactured goods accounts for 70% of total Intra-ASEAN trade

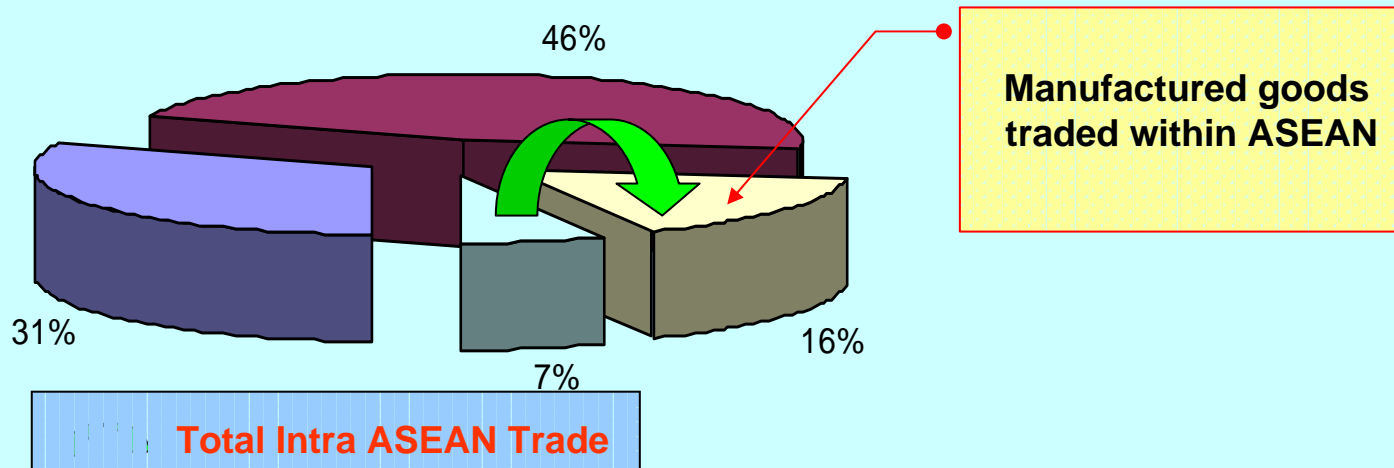


Figures cover only Brunei Darussalam, Cambodia, Indonesia, Malaysia, Myanmar, Philippines, Singapore & Thailand (2000-2003)

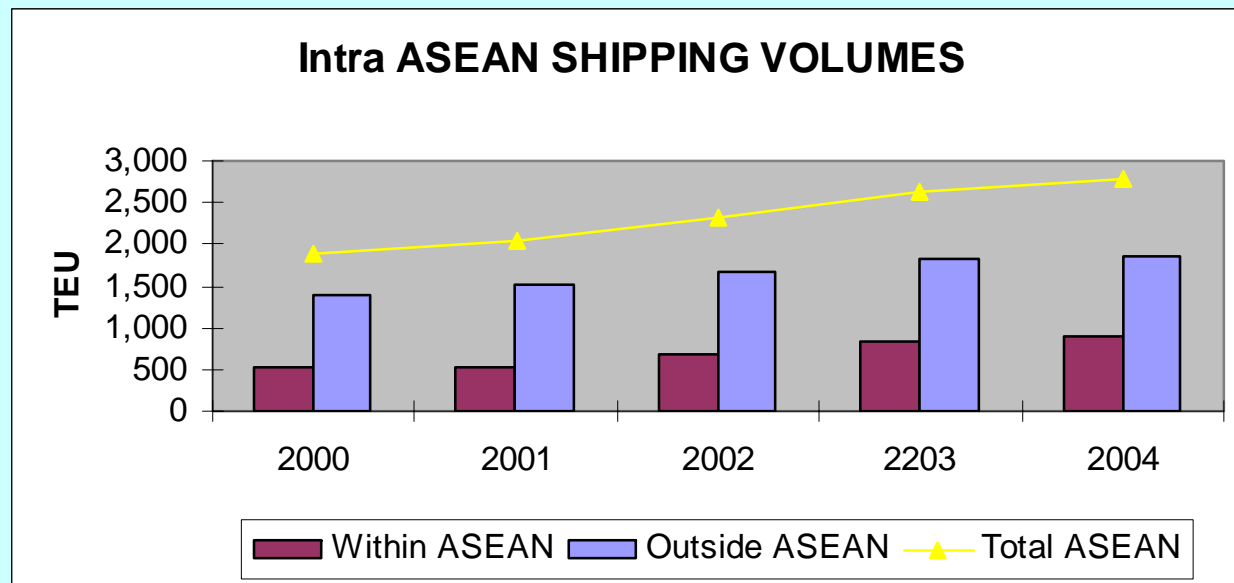
TRADE STATISTICS

(in '1,000 twenty footer equivalent units)

Within ASEAN	2000	2001	2002	2003	2004
Philippines	29.0	29.0	32.8	44.8	49.3
Cambodia	1.2	5.3	3.4	2.1	1.9
Vietnam	19.9	28.1	34.1	59.4	54.1
Thailand	130.4	138.7	188.5	241.1	270.9
Malaysia	79.4	69.8	96.4	119.1	133.7
Singapore	146.4	149.7	170.5	189.8	204.2
Indonesia	109.0	115.2	142.3	167.1	193.6
Total	515	536	668	823	908
Year on year growth	13.2%	4.0%	24.7%	23.3%	10.2%
Outside ASEAN	2000	2001	2002	2003	2004
Philippines	102.9	103.1	122.4	151.0	155.8
Cambodia	0.9	3.1	1.9	3.0	1.8
Vietnam	64.9	80.7	100.5	117.0	125.0
Thailand	395.4	440.1	446.3	527.7	550.3
Malaysia	270.1	298.8	310.8	324.8	331.4
Singapore	229.5	243.7	304.0	310.0	294.6
Indonesia	321.6	331.0	371.0	387.3	407.1
Total	1,385	1,501	1,657	1,821	1,866
Year on year growth	5.5%	8.3%	10.4%	9.9%	2.5%
Total ASEAN	1,901	2,036	2,325	2,644	2,774
Year on year growth	7.5%	7.1%	14.2%	13.7%	4.9%
% of Intra ASEAN	27.2%	26.3%	28.7%	31.1%	32.7%



- Non mfg outside ASEAN
- Mfg goods outside ASEAN
- Mfg goods within ASEAN
- Non mfg within ASEAN



SUMMARY

- ASEAN gained FDI inflow though in declining post Asian crisis
- Competition for FDI by PRC will continue with intensity.
- ASEAN member countries strongly promote formation of economic bloc and intra regional trade.
- Intra ASEAN trade and shipping activities though relative small in comparison showed ascending trends.

CONCLUSION



Intra-ASEAN major Shipping network

30 Ports
 20 Operators
 220 Services

