

Tapping the Potential of ASEAN

October 2022

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INTRODUCTION

Scope

Key findings (1/2)

Key findings (2/2)

KEY TRENDS

ASEAN today

ASEAN economies display strong growth prospects but with large variations

ASEAN region boasts low economic wealth despite high growth prospects

OPPORTUNITIES

Key areas of opportunity in ASEAN

Digital economy: ASEAN's digital economy shifts to open opportunities in e-commerce

Digital economy: Start-up ecosystem stimulated by rising digitalisation

Case study: Fintech unicorn Xendit secures investments for further growth

Diversification: ASEAN offers diversification opportunities in manufacturing

Case study: Apple suppliers eye on further expansion in Vietnam

Diversification: RCEP - to boost more robust and diverse trade structures

Diversification: Green economy shift to help diversify the energy sector

Case study: Danish Ørsted has chosen Vietnam for its next wind power investment

Diversification: Global shortage of raw materials to benefit ASEAN commodities exports

Middle class: Income growth is expected to drive retailing in the ASEAN region

Middle class: Cities are growing consumer markets of the future

7-Eleven opens its first store in Cambodia's capital and largest city, Phnom Penh

CHALLENGES

Southeast Asian economies will not evade the pressures of population ageing

Prevalent corruption limits business environment improvement

Generous post-pandemic investments to mitigate infrastructure disparities within ASEAN

Low educational attainment translates into weak productivity levels in ASEAN countries

Rising government debt raises vulnerability to macroeconomic shocks

Severe effects of climate change threaten future development of ASEAN countries

COUNTRIES IN FOCUS

Singapore: Most business-friendly economy in ASEAN challenged by demographic ageing

Malaysia : Highly exporting economy threatened by dependence on China and corruption

Indonesia: A young consumer base benefiting from structural reforms

Thailand : A service economy driven by middle class penetration

Philippines: A market with a competitive and highly skilled workforce focused on electronics

Vietnam: A regional trade hub aiming at digital transformation

Brunei: A wealthy economy heavily reliant on natural resources

Laos: An expanding consumer base challenged by weak purchasing power

Myanmar: A manufacturing economy struggling with political freedom

Cambodia: Fastest-growing economy with a focus on maintaining sustainable debt levels

KEY TAKEAWAYS

ASEAN of the Future

Key points from the report

Strategies to win

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