

**Opening Speech at Asia Pacific Precious Metals Market Update Panel
at the 2022 APPMC on June 6 between 11:15 am to 12:30 pm.**

by Albert Cheng

Good morning, ladies, and gentlemen,

It is my honour to host this panel.

Since the inauguration of the APPMC in 2017, I believe this panel is most liked by the delegates of the past events as it provides fresh updates from the most qualified players in each of the markets from Asia Pacific which is not found anywhere.

In-person delegates can also have face to face follow-up meetings with them after this session to have more specific business discussion, hence I urge those participating virtually this time to participate in our conference in person next year.

This year, we have invited the most representative person from **Indonesia, Vietnam, Thailand, and Malaysia** to give us an update of their market. I will introduce them one by one.

First, I am deeply indebted to have Mr. Iskandar Simorangkir, Deputy for Macroeconomic & Financial Coordination, Government of Indonesia, who has just briefed us through a video message on the Indonesian vision and road map to establish an open gold market through the setting up of bullion bank(s) as the core to the market reform of the gold market, streamlining all stakeholders of the ecosystem and eventually connected with the regional and global market.

He mentioned tax reform, removal of 10% VAT, piloting bullion banking business at non-bank institutions, then bullion banking at commercial banks which may require changes to the current regulatory framework, etc...

Ladies and Gentlemen, the whistle has been blown, those who are interested in the Indonesian market, are you ready?

Since we have started with Indonesia, let me ask my good friend, CEO from SKK Jewels - the fastest growing gold jewelry company in Indonesia with full-fledged operations from product development, manufacturing, distribution, to brand building - **Ms. Jennifer Heryanto** to tell us how the Indonesian economy was doing in the past 2 years and the most important reform on gold jewellery market on caratage which will echo on the determination to reform at the government level, without further ado, I would like to ask Jennifer to address us first. Ms. Jennifer.

Jennifer 6 minutes of market update

Next is Vietnam which is an important gold consumption country in ASEAN and has the tradition and deep culture in using gold as the medium of exchange and store of wealth. I would like to ask my former colleague, long-time partner from Vietnam, Mr. Huynh Trung Khanh, Vice Chairman of the Vietnam Gold Traders Association to give us an update on what is happening in the past two years in term of bullion flow, policies status and what is his take on the future.

H.T. Khanh 6 minutes of market update

Vietnam has experienced strong economic growth since 1990 making Vietnam the fastest growing country in the world. From 2000 to present, Vietnam GDP has grown an average of 6.4% per year. Jewellery consumption emerged when wealth accumulated over the past 20 years, Phu Nhuan Jewellery JV Stock Company (PNJ) is a very successful enterprise in Vietnam that captured this opportunity very well; it was a small workshop / retailer with no more than 50 employees and 7 taels of gold as capital when it was started in 1989, now it is both a major manufacturer of jewellery as well as the biggest jewellery franchise in Vietnam, employing more than 6000 employees, producing 4 million units of jewellery annually and have over 400 retail outlets. It is a listed company at the HoChiMinh City Stock Exchange with market capitalization stood at **US\$ 798 Mn.** I have the honour to invite the CEO Mr. Le Tri Thong to tell us more about his company and the Vietnam jewellery market.

Le Tri Thong 6 minutes of market update

Thailand's gold market has a long tradition, Hua Seng Heng is one of the oldest franchises started in 1951 at the Yawarat area (China Town). It is now into his third generation. The new generation has brought about a modern management approach to the traditional gold business and has updated with new products and expanded overseas with the help of technology and external talents. Mr. Tanarat Pasawongse is a low-profile person, I am very fortunate to have convinced him to give us an update of the Thai market and his company. Over to you, Khun Tanarat.

Tanarat Pasawongse 6 minutes of market update

Last but not the least, I like to introduce my good old friend from Kuala Lumpur, Mr. Ermin Siow from Poh Kong Jewellery and he is also the Advisor of the Federation of Goldsmith and Jewellers Association, Malaysia.

North of Singapore, Malaysia is a most open economy for gold trading and gold jewellery business including a manufacturing hub in both Penang and Butterworth. Both Singapore and Malaysia suffered from the pandemic for 2 years, retail shops have to close during the few months of lock down in both 2020 and 2021, however, a few jewellery franchises in Singapore told me that all business lost in 2020 and 2021 during shut down was recovered when it was re-opened and was even 30 – 40 % better, thanks to Singapore government “Pandemic Cash Subsidy” to corporation and employees and the resiliency of the people. Ermin, what is the situation in Malaysia?

I know I have two distinguished guests from Cambodia in the audience, if I may and without putting you on the spot, can I ask you to give us a few words related to the Cambodian gold market?

Q&A Session – 15 – 20 minutes

Conclusion:

I wish I have longer time for this panel next year, I really want to invite more speakers from the Asia Pacific region, such as Australia, Japan, S Korea, and China next year. Meanwhile, I would like to thank my panellists, together we have given you a most updated picture of the current precious metals market in ASEAN. Reach out to them should you have more specific questions related to their country.