

**EXPORT PERFORMANCE IN CAMBODIA, LAOS, MYANMAR AND VIETNAM (CLMV) COUNTRIES:
PANEL DATA ANALYSIS**

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ABSTRACT

Cambodia, Laos, Myanmar and Vietnam (CLMV) countries endeavour to increase the country's foreign exchange earnings by export performance. This study aims to identify the macroeconomic determinants of export performance of CLMV countries from the period of 2000 to 2015. This study adopted panel unit roots test, panel co-integration test and Pooled-mean group (PMG) method for testing and estimating purpose. Empirical findings show that the determinants of export performance are inflation, gross domestic and foreign direct investment, where there are positively associated with export performance of CLMV countries while the interest rate and exchange rate cannot influence the export performance in long run.

Keywords: *Export Performance, Panel Data Analysis, Pooled Mean Group*

1. INTRODUCTION

Exports are believed to be necessary role of economic process that facilitates the method of economic development. It exists associate action within merchandise remain created otherwise developed locally however conveyed then sold-out abroad (Griffin & Ebert, 1995). Every society major objective is economic development and foremost, every nation would be looking towards economic development. Association of Southeast Asian Nations (ASEAN) was established in 1967 with original 5 member countries (namely Indonesia, Malaysia, Thailand, Philippines, Singapore and Thailand) and Cambodia, Laos, Myanmar and Vietnam (CLMV) countries.

Table 1 shows selected macroeconomic indicators for CLMV countries, such as export growth rate, import growth rate, term of trade growth rate, inflation rate growth rate, exchange rate growth rate, interest rate, GDP growth rate and FDI growth rate. CLMV countries' export growth rate recorded 7.74% in 2001 and increase to 25.98% in 2008 prior declined to 4.15% in 2015. CLMV countries' term of trade was negative in several years and recorded highest level in 2012. The GDP growth remain in positive trend and FDI inflow growth rate of CLMV countries in general shown favourable trend. As in the case of CLMV's export has been limited to few primary products, which are mainly agricultural commodities and FDI inflow can make progressive impact to economic growth by enlightening long standing capital with new know-hows, management and promoting services which in opportunity support the export performance of the CLMV economy.

CLMV nations' administration ought toward management a trade strategy (export, GDP, Foreign Direct Investment) and financial view (rate of interest, rate of inflation and exchange) as well as leading to higher productivity and worth reductions through economies of scale and network externalities. Most studies suggested some macroeconomics factors (inflation, interest rate, exchange rate, GDP and FDI) have significant influence on export performance.

Therefore, the objective of this study is to analyze the selected macroeconomic indicators of export performance in CLMV countries, such as inflation, rate, exchange rate, gross domestic product and FDI. This is important to provide guideline for policy makers to enhance the export performance of CLMV countries for long-run economic development.