

Monthly Business Brief, August 2025

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Economy

Shanghai Cooperation Organization (SCO) Summit 2025

China supports the political system of Myanmar and firmly stands with Myanmar for the development of its people and the construction of a peaceful and prosperous community sharing the same fortune between the two countries. Acting President and Chairman of the State Security and Peace Commission Senior General Min Aung Hlaing, held a meeting with the President of the People's Republic of China at the Tianjin Guest House in Tianjin 30 August. At the meeting, President of the People's Republic of China, Mr Xi Jinping, expressed thanks for the attendance of the high-level Myanmar delegation to the Shanghai Cooperation Organization (SCO) Summit 2025 and the parade to mark the 80th anniversary of the victory in the War against Japanese Aggression and the World Anti-Fascist War.

Myanmar is a dialogue partner of the SCO and participated in the Anti-Fascist War. The Shanghai Cooperation Organization Summit is reliable for the enhancement of international cooperation. Myanmar became a dialogue partner of the SCO in May 2023 and has been attending the summits from then on. Two leaders widely discussed cooperation in peace processes of Myanmar, promotion of trade, enhancement of implementing the OBOR project and the China-Myanmar Economic Corridor (CMEC), efficient utilization of natural resources, giving aid to Myanmar related to the devastating Mandalay earthquake, placing special emphasis on support and standing of China with Myanmar in the international landscape, further enhancement of relationship between the two countries, efforts to hold a multiparty democratic general election on 28 December in Myanmar, and invitation to international electoral observation groups to Myanmar.

Agriculture

300,000-acre rice export zone planned in 100 townships

The Rice Export Zone will be developed by over 50 companies on 300,000 acres in about 100 townships starting from the summer paddy season of the 2025-2026 financial year, according to the Myanmar Rice Federation (MRF). When rice price falls sharply in international markets, exporters will purchase paddy at a fair price from the farmers through contract farming schemes, contributing to the rice export sector. Furthermore, farmers will get access to agricultural inputs at a fair price, agricultural loans, financial assistance, and improved farmland so that they can supply quality rice for export markets, while the

federation will also arrange export financing for exporters and management of export zones. A work coordination meeting on the implementation of rice export zones and rice export matters was held on 28 August at the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI). The coordination meeting emphasized on double in export, increasing agricultural productivity, developing rice export zones to carry out supply chain collaboration between farmers and exporters, designating 300 acres per rice export zone, limiting less than three rice varieties in the zone, practicing natural and bio fertilizer, efforts to meet rice yield target, contract farming system between exporters and growers for at least three rice growing seasons and an-acre production to reach four tones in the zone.

MAPCO Expands Agribusiness and Oil Production

MAPCO advanced contract farming across 20,000 acres and continued developing Myanmar's first rice bran oil refinery in Nay Pyi Taw, targeting 9,000 tonnes of crude bran oil and 6,300 tonnes of cooking oil annually.

High-Yield Cotton Varieties Sought from India and Uzbekistan

The Myanmar Cotton Association explored collaboration with India and Uzbekistan to obtain pest-resistant, high-yield seeds. Improving ginning quality and fair pricing were emphasized to enhance competitiveness in the global cotton market.

Finance

Kyat Shows Volatility Amid CBM Interventions; Gold and Fuel Prices Fluctuate

The kyat hovered around K4,300 per US dollar at the end of August, reflecting continued depreciation pressure. The Central Bank of Myanmar (CBM) intervened throughout the month, selling millions of US dollars, yuan, and baht to stabilize the exchange rate and support imports of essential goods. CBM injected substantial amounts of US dollars alongside yuan and baht, into the edible oil, fuel, and CMP sectors.

Gold prices remained unstable throughout the month, closing at 7.6 million kyats per tickle for buying and 7.7 million kyats for selling.

Domestic fuel prices showed small declines in mid- and late August. Octane 92 and 95 fell slightly, while diesel prices also eased. The Supervisory Committee on Fuel Oil noted that pricing remains tied to the Mean of Platts Singapore (MOPS) benchmark, with 90% of fuel imported.

CBM Issues Stricter Export Compliance Rules

On 26 August, the CBM issued new guidelines for exporters to ensure repatriation of foreign earnings. Export proceeds must be deposited into domestic banks within 30 days for Asian markets and 60 days for

other destinations. Exporters are now required to use Trade Net 2.0 licenses, secure Export Declarations from Customs, and present bills of lading.

The CBM warned that non-compliance could lead to company blacklisting, temporary suspension of licenses, fines, travel bans, and even legal action. The move is aimed at tightening oversight of foreign exchange flows and preventing capital flight.

Trade

Border Disruptions Affect Trade

On 18 August, Myanmar unexpectedly closed the Myawaddy–Mae Sot border, stranding Thai goods and prompting intervention by Thailand’s Ministry of Commerce. At the same time, exporters raced to meet the 31 August deadline for duty-free maize exports to Thailand under the zero-tariff scheme.

Myanmar Strengthens Trade Ties with Russia Through Agricultural Exports

In August 2025, MyanTrade met Russia’s Trade Representative to explore a trading house to boost bilateral trade. Discussions focused on Myanmar’s agricultural exports, including mango pulp, dried mango, and high-grade coffee. With Russia currently sourcing most mango pulp from India, Myanmar aims to capture part of the 10,000-tonne demand and expand coffee exports through improved cultivation and varieties suited to the Russian market.

Myanmar’s Q1 FY2025–26 Exports See Rice and Seafood Gains

From April to July 2025, Myanmar exported over 840,000 tonnes of rice and broken rice worth US\$290 million, with China accounting for 402,000 tonnes followed by Indonesia and the Philippines imported nearly 90,000 tonnes each. The Myanmar Rice Federation aims to reach its three-million-tonne export target this fiscal year. In the same period, seafood exports including fish and shrimp totaled over 81,000 tonnes, earning US\$96 million across 40 countries, including China, Thailand, Bangladesh, and Japan. The fisheries sector continues to expand its global reach, leveraging more than 140 cold storage facilities nationwide.

Investment

FDI Inflows Reach US\$118.7 Million in Early FY2025–2026

Foreign direct investment inflows totaled US\$118.7 million between April and July, led by 26 new projects in manufacturing, oil and gas, and services. China, Singapore, and Thailand were the top contributors.

Withdrawal of Twinkle Myanmar

Twinkle (Myanmar), a major manufacturer in Yangon's Shwepyithar Industrial Zone that produced travel bags and apparel for American brands like Samsonite and Callaway Golf, has permanently shut down after a U.S. tariff hike took effect on August 1.

Energy

Myanmar Signs New Oil and Gas Production-Sharing Contracts

The Myanma Oil and Gas Enterprise signed production-sharing contracts with HNA Myanmar Oil & Gas Ltd for IOR-4 (Pyay) and IOR-6 (Myanaung), and with Future Engineering & Gold Mining Co Ltd for IOR-7 (Shwepyitha). The Pyay basin blocks hold significant potential, and modern exploration could yield major benefits. A block permitted in 2024 is already producing gas for electricity.