



NATIONAL BANK OF CAMBODIA

Riel. Stability. Development.

FINANCIAL STABILITY REVIEW

2025



CONTENTS

Foreword	i
Abbreviations	ii
Table of Figures	iv
Executive Summary	vi
I. Macroeconomic Condition and Stability	1
1.1. External Conditions	1
A. Global Economy	1
Box 1.1: Chronology of: US Reciprocal Tariff on Cambodia’s Economy	3
B. Cambodia’s Balance of Payments	5
B.1. Current and Capital Accounts	5
B.2. Financial Account	5
C. Exchange Rate and International Reserves	6
1.2. Domestic Sector	6
A. Economic Growth	6
Box 1.2: Border Conflict: Macro-financial Impacts and Policy Responses	8
B. Inflation and Monetary Conditions	9
C. Fiscal Sector	9
1.3. Conclusion	10
II. Banking System: Performance and Stability	11
2.1. Banking System Landscape	11
Box 2.1: Financial Inclusion and Consumer Protection	13
2.2. Deposit-Taking Banks and Financial Institutions	15
A. Balance Sheet Structure	15
B. Credit	16
C. Funding and Liquidity	18
D. Profitability	19
E. Capital	20
2.3. Non-Deposit-Taking Banks and Financial Institutions	21
A. Assets	21
B. Credit	21
C. Funding	22
D. Profitability	23
E. Capital	23
2.4. Policy Support	24
2.5. Conclusion	24
Box 2.2: Capital Buffers: Strengthening Resilience	25
III. Non-Bank Financial Sector	26
3.1. Capital Market	26
A. Equity Market	26
B. Bond Markets	27
B.1 Government Bonds	27
B.2 Corporate Bonds	27
3.2. Insurance Sector	27
3.3. Real Estate Sector	28
A. Residential Property Development	28

B. Commercial and Industrial Property Developments	29
C. Policy Support.....	29
3.4. Conclusion	29
IV. Payment System Development	31
4.1. Overview of Payment Landscape	31
4.2. Development of Bakong Payment System	32
A. Bakong Payment.....	32
B. Bakong Large Value Payment	32
4.3. Development of Payment Services.....	33
A. Mobile and Internet Banking.....	33
B. Card Payment.....	33
C. Mobile E-Wallet.....	33
4.4. Financial Stability Implications	34
4.5. Conclusion	34
Appendices	35

Foreword

In 2025, the global economy remained resilient amid a challenging and uncertain environment. Heightened geopolitical tensions, escalating regional conflicts, uncertainties over tariffs and trade restrictions, and tight monetary policies in some advanced economies – though partially eased as inflation moderated – contributed to a complex global environment. Meanwhile, rapid advancements in artificial intelligence (AI) and digital technology continued to unlock new opportunities while also introducing emerging risks to the global economy, including cybersecurity and data-privacy threats, misinformation and fraud, and operational vulnerabilities linked to critical digital infrastructure. Climate-related shocks remained a perennial source of risk, while aging populations also created structural challenges for labor markets, productivity growth, and fiscal sustainability in many economies. Together, these factors could weigh on Cambodia’s economic growth outlook and undermine financial stability.

Amid heightened global uncertainties, Cambodia navigated a range of external and domestic challenges in 2025, including reciprocal tariff, the border conflict with Thailand, and technology-facilitated crimes. Despite these headwinds, the economy maintained steady growth – albeit at a slightly slower pace than the previous year – supported by sound macroeconomic management. In line with the Pentagonal Strategy–Phase I, export diversification gained momentum with growing share of non-garment products, while sustained foreign direct investment inflows helped strengthen the manufacturing base and create new growth opportunities. To preserve economic momentum and navigate prevailing challenges, the government has implemented proactive measures, focusing on i) policy coordination to reduce trade friction and sustain investor confidence; ii) strengthening enforcement against technology-facilitated crimes; and iii) maintaining prudent fiscal management to reinforce macroeconomic stability and support sustainable growth. At the same time, monetary policy remained appropriately calibrated to safeguard price and exchange rate stability, supported by robust international reserve buffers to mitigate external shocks.

Cambodia’s banking system continued to demonstrate resilience, supported by strong capital and liquidity buffers and sustained deposit growth, reflecting continued public confidence. The credit growth gradually recovered, although asset quality warrants close monitoring amid evolving economic conditions. In response, the National Bank of Cambodia (NBC) introduced supportive policy measures and targeted regulatory forbearance to ensure sufficient liquidity and ease pressures on vulnerable borrowers, thereby supporting stability and economic recovery. In addition, the NBC has strengthened measures to safeguard the integrity of the banking system against misuse for technology-facilitated crimes and illicit financial activities. As the financial landscape evolves and non-bank financial sector expands, new opportunities for financial deepening and resource mobilization are emerging alongside new forms of risk. In this context, the NBC will continue to coordinate closely with relevant regulators and market participants to strengthen oversight, enhance risk management, and safeguard overall financial stability.

Looking ahead to 2026, Cambodia’s financial sector is expected to expand steadily in line with the ongoing economic recovery, while remaining exposed to potential risks stemming from external uncertainties, prolonged border issues, and possible spillover impacts from technology-facilitated crimes. The NBC will continue to prioritize adaptive macroprudential policies and enhanced cross-border cooperation to address these risks while fostering innovation and strengthening system-wide resilience.

This Financial Stability Review (FSR) provides a comprehensive assessment of Cambodia’s macro-financial linkages, evolving financial landscape, and the associated risks and vulnerabilities. This report examines key developments, including the impacts of border conflict with Thailand, while outlining the policy priorities required to navigate this evolving environment. The NBC encourages policymakers, banks and financial institutions, market participants, and the public to consult this report and be informed of the challenges and opportunities in building a resilient and robust financial system.

Phnom Penh, February 18, 2026



Chea Serey
Governor

National Bank of Cambodia

Abbreviations

ABC	Association of Banks in Cambodia
ABC	ACLEDA Bank Plc. (in stock market)
AI	Artificial Intelligence
AMRO	ASEAN+3 Macroeconomic Research Office
AREO	ASEAN+3 Regional Economic Outlook
ASEAN	Association of Southeast Asian Nations
BFI	Banks and Financial Institutions
BIS	Bank for International Settlements
BoP	Balance of Payments
CAMGSM	CAMGSM Plc. (Cellcard)
CCB	Capital Conservation Buffer
CCyB	Countercyclical Capital Buffer
CET1	Common Equity Tier 1
CMA	Cambodia Microfinance Association
CSX	Cambodia Securities Exchange
DBDE	DBD Engineering Plc.
DNS	Deferred Net Settlement
DTIs	Deposit-Taking Banks and Financial Institutions
ECB	European Central Bank
EU	European Union
FCD	Foreign Currency Deposits
FDI	Foreign Direct Investment
Fed	Federal Reserve
FSDS	Financial Sector Development Strategy
FSR	Financial Stability Review
FTA	Free Trade Agreements
GDP	Gross Domestic Product
GFT	Garments, Footwear, and Textiles
GTI	Grand Twins International
HQLA	High-Quality Liquid Assets
IEEPA	International Emergency Economic Powers Act
IMF	International Monetary Fund
IPS	Integrated Payment System
JSL	JS Land Plc.
KHR	Khmer Riel
LCR	Liquidity Coverage Ratio
LDC	Least Developed Country
LVP	Large Value Payment
M2	Broad Money
MDIs	Microfinance Deposit-taking Institutions

MFIs	Non-Deposit-taking Microfinance Institutions
MJQE	Mengly J. Quach Education
MLMUPC	Ministry of Land Management, Urban Planning and Construction
MoU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
NBC	National Bank of Cambodia
NDTIs	Non-Deposit-Taking Banks and Financial Institutions
NPL	Non-Performing Loan
NPLR	Non-Performing Loan Ratio
PAS	Sihanoukville Autonomous Port
PBoC	People's Bank of China
PCG	Picasso City Garden Development Plc.
PESTECH	PESTECH (Cambodia) Plc.
PPAP	Phnom Penh Autonomous Port
PPSP	Royal Group Phnom Penh Special Economic Zone Plc.
PPWSA	Phnom Penh Water Supply Authority
PSIs	Payment Service Institutions
QR	Quick Response
RGC	Royal Government of Cambodia
ROA	Return on Assets
ROE	Return on Equity
RPPI	Residential Property Price Index
RRR	Reserve Requirement Rate
RWAs	Risk-Weighted Assets
SMEs	Small and Medium Enterprises
TCRMG	Technology and Cyber Risk Management Guidelines
US	United States
USD	United States Dollar
USTR	Office of the United States Trade Representative
WEO	World Economic Outlook

Table of Figures

I. Macroeconomic Condition and Stability

Figure 1.1 – World Economic Growth	1
Figure 1.2 – World Inflation	2
Figure 1.3 – World Policy Rates	2
Figure 1.4 – Balance of Payments	5
Figure 1.5 – Cambodia's Trade	5
Figure 1.6 – Remittances by Country	5
Figure 1.7 – FDI Inflows by Sector	5
Figure 1.8 – FDI Inflows by Country	6
Figure 1.9 – Composition of Gross External Debts	6
Figure 1.10 – KHR Exchange Rate and USD Index	6
Figure 1.11 – International Reserves	6
Figure 1.12 – Contribution to GDP Growth	7
Figure 1.13 – Economic Recovery in Selected Sectors	7
Figure 1.14 – Number of International Arrivals by Purpose of Visit	7
Figure 1.15 – Recovery in Tourism	7
Figure 1.16 – Contribution to Headline Inflation	9
Figure 1.17 – Broad Money (M2)	9
Figure 1.18 – Financial Dollarization	9
Figure 1.19 – Fiscal Balance	10
Figure 1.20 – Government External Debt	10
Figure 1.21 – Source of Government External Debt	10

II. Banking System: Performance and Stability

Table 2.1 – Structure of Cambodia's Banking System	11
Figure 2.1 – Banking System in Cambodia	11
Figure 2.2 – Credit-to-GDP Ratio and Credit Growth	12
Figure 2.3 – Banking System in Cambodia	12
Figure 2.4 – Composition of DTIs' Assets	15
Figure 2.5 – Composition of DTIs' Liabilities	15
Figure 2.6 – DTIs' Credit by Sector – Value and Share	16
Figure 2.7 – DTIs' Credit Growth in Sectoral Loans	16
Figure 2.8 – NPLs of DTIs	17
Figure 2.9 – Sectoral NPLs by Value and Share	17
Figure 2.10 – DTIs' Provisions, NPLR, and Net NPLR	17
Figure 2.11 – NPLR by Sector	18
Figure 2.12 – DTIs' Source of Fund	18
Figure 2.13 – DTIs' LCR	18
Figure 2.14 – DTIs' Liquidity Ratios	19
Figure 2.15 – Customers' Deposits	19
Figure 2.16 – DTIs' Income Structure	19
Figure 2.17 – DTIs' ROA and ROE	20
Figure 2.18 – DTIs' Efficiency Ratio	20
Figure 2.19 – DTIs' Capital	20
Figure 2.20 – DTIs' Capital Adequacy	20
Figure 2.21 – NDTIs' Total assets	21
Figure 2.22 – NDTIs' Credit by Sector - Value and Share	21
Figure 2.23 – NDTIs' Credit Growth in Sectoral Loans	22
Figure 2.24 – NDTIs' Credit Quality	22
Figure 2.25 – NDTIs' Provision and Net NPLR	22
Figure 2.26 – MFIs' Funding Structure	22
Figure 2.27 – MFIs' Borrowing Funds	23
Figure 2.28 – NDTIs' Profit Structure	23
Figure 2.29 – NDTIs' ROA and ROE	23
Figure 2.30 – NDTIs' Solvency Ratio	23

III. Non-Bank Financial Sector

Figure 3.1 - CSX Index	26
Figure 3.2 – Market Capitalization	26
Figure 3.3 – Listed Companies by Industry	26
Figure 3.4 – Average Trading Volume and Value	27

Figure 3.5 – Government Bond Issuance	27
Figure 3.6 – Share of Listed Companies	27
Figure 3.7 – Insurance Sector’s Assets by Type	27
Figure 3.8 – Insurance Premiums	28
Figure 3.9 – Share of Life Insurance Premiums	28
Figure 3.10 – Share of General Insurance Premiums	28
Figure 3.11 – Change in RPPi	28
Figure 3.12 – Newly Approved Construction Projects in 2025	29

IV. Payment System Development

Figure 4.1 – Stylized View of Cambodia’s Payment Landscape	31
Figure 4.2 – Bakong Payment - Value and Volume	32
Figure 4.3 – Share of Bakong’s Transaction Volume by Currency	32
Figure 4.4 – Bakong Cross-Border Payment – Value and Volume	32
Figure 4.5 – Bakong Large Value Payment – Value and Volume	33
Figure 4.6 – Transaction Values of Mobile and Internet Banking	33
Figure 4.7 – BFIs’ Card Payment – Value and Volume	33
Figure 4.8 – Registered E-Wallet Accounts	33
Figure 4.9 – BFIs’ Mobile E-Wallet – Value and Volume	34
Figure 4.10 – PSIs’ Mobile E-Wallet – Value and Volume	34

Executive Summary

Global economic conditions remained broadly stable, demonstrating resilience despite elevated geopolitical tensions, trade adjustments, and policy uncertainty. Global growth was sustained at around 3.3 percent, supported by continued investment in high-technology sectors and accelerating adoption of artificial intelligence. At the same time, global inflation moderated gradually, enabling major central banks to begin easing policy rates, which contributed to more supportive global financial conditions and improved financing conditions. While geoeconomic fragmentation and geopolitical developments continued to pose challenges to supply chains, commodity markets, and trade flows, the global economy showed an increasing capacity to adapt to evolving external dynamics.

Against this external backdrop, Cambodia's economy continued to expand, recording growth of 5.0 percent in 2025. Economic activity in the first half of the year remained strong, supported by robust export performance, including the front-loading effect, while growth moderated in the second half amid border conflict with Thailand and other external factors. Nevertheless, macroeconomic fundamentals remained solid. Though a slight increase, inflation stayed low at 2.5 percent due to higher food prices and base effects. Meanwhile, foreign direct investment inflows remained strong, expanding by 16.9 percent, reflecting continued investor confidence. External buffers remained resilient, with international reserves maintained at a highly adequate level, equivalent to eight months of prospective imports of goods and services. The continued accumulation of reserves, alongside prudent monetary policy conduct, contributed to maintaining exchange rate stability, with the riel averaging approximately 4,011 KHR per U.S. dollar.

Fiscal deficit narrowed to near zero as a share of GDP, reflecting continued progress in fiscal consolidation supported by improved revenue mobilization and expenditure rationalization, while preserving debt sustainability. This improvement was underpinned by enhanced tax administration, which contributed to a 7.0 percent increase in total government revenue to KHR 28.2 trillion. At the same time, prudent expenditure management and prioritization of essential spending helped reduce total government expenditure by 6.5 percent to KHR 28.3 trillion. Although government external debt increased by 7.5 percent in nominal terms to USD 12.8 billion, the debt-to-GDP ratio declined to 25.7 percent, reflecting sustained economic growth and prudent debt management. Overall, the fiscal position remained sound, supporting macroeconomic resilience and preserving adequate policy space while safeguarding medium-term fiscal sustainability.

The banking system continued to expand in 2025 amid cautious but gradually improving lending conditions. Total assets grew by 8.2 percent, while credit increased by 5.4 percent and deposits by 12.4 percent, reflecting sustained financial deepening alongside prudent lending practices and continued public confidence in the banking system. Although credit growth remained moderate, bank lending continued to serve as a key source of financing for the economy, with credit allocated to major economic sectors, particularly retail trade, real estate activities (excluding mortgages), and agriculture, which accounted for 16.8 percent, 12.4 percent, and 9.5 percent of total credit, respectively. The credit-to-GDP ratio stood at 127.8 percent, reflecting the banking sector's significant role and sizable footprint in supporting economic activity.

The banking system remained resilient, underpinned by strong capital and liquidity positions despite ongoing asset quality pressures. Capital adequacy stayed robust, with deposit-taking banks and financial institutions' (DTIs) total capital ratio standing at 22.0 percent and non-deposit taking banks and financial institutions' (NDTIs) solvency ratio at 31.2 percent, both well above regulatory minimum requirements. Liquidity conditions also remained ample, as reflected by DTIs' liquidity coverage ratio of 179.3 percent, supporting resilience against potential funding and market pressures. Meanwhile, gross non-performing loan ratios (NPLRs) increased although the pace of NPL growth showed sign of moderation, reflecting continued asset quality pressures. However, net NPLRs declined to 2.7 percent for DTIs and 6.4 percent for NDTIs, suggesting BFIs strengthened their loss-

absorption capacity through higher provisioning. Despite these pressures, the banking system remained profitable, with profitability improved moderately. Return on assets (ROA) increased to 1.1 percent for DTIs and 1.8 percent for NDTIs, while return on equity (ROE) rose to 6.0 percent and 5.5 percent, respectively.

Cambodia's payment system continued to advance in 2025, reflecting ongoing modernization efforts and strengthening its role as a key enabler of financial sector development. The Bakong payment system has increasingly served as the backbone of both retail and wholesale payment infrastructure, supporting greater efficiency, financial inclusion, and wider usage of the local currency. Transaction activity of Bakong payment remained robust, with 1.3 billion transactions processed, amounting to KHR 899.1 trillion, up by 52.2 percent from the previous year. Cross-border payment connectivity through Bakong expanded significantly, with transaction value increasing by 235.3 percent to KHR 111.4 trillion.

Beyond the banking sector, the non-bank financial sector continued to expand, contributing to the gradual deepening and diversification of Cambodia's financial system. The equity market gained further momentum in 2025, with market capitalization increasing by 4.5 percent to KHR 11.7 trillion, supported by a new company listing. The bond market also recorded notable expansion, driven by increased sovereign bond issuance, which rose by 2.3 times compared with the previous year to KHR 691.2 billion, bringing total government bonds outstanding to KHR 990.5 billion. At the same time, the corporate bond market expanded significantly, with bonds outstanding rising 172.5 percent to KHR 1.5 trillion, supported by the entry of new issuers.

Meanwhile, the insurance sector continued to record moderate growth, supporting the gradual development and contributing to greater diversification of the non-bank financial sector. Although insurance sector remains small relative to the banking system, the sector indicates steady expansion in insurance activities and improved provision of risk protection services, while posing limited risks to overall financial stability. In 2025, total assets increased by 7.5 percent to KHR 5.3 trillion, while gross premiums grew by 3.6 percent, reflecting continued but moderate growth in market activity.

Within the non-banking financial sector, developments in the real estate sector remained closely linked to financing activity, although the sector continued to face challenges. Property market conditions remained subdued in 2025, with limited signs of broad-based recovery. The residential property price index (RPPI) declined by 3.8 percent nationwide, mainly driven by a 4.3 percent decrease in Phnom Penh. Market supply increased in the residential property segment, with approved projects rising to 55 and capital investment growing by 22.1 percent, primarily driven by the housing segment. In the commercial segment, office occupancy rates fell slightly to 65.0 percent, alongside a 41.1 percent decline in approved commercial construction area. Although the industrial property segment expanded strongly, with approved construction area increasing by 124.9 percent, broader property market activity remained soft. Overall, recovery across property segments remained uneven.

I

Macroeconomic Condition and Stability

Global growth in 2025 remained stable despite ongoing geopolitical tensions, trade disruptions and elevated policy uncertainty. In this challenging external environment, Cambodia maintained a balance of payments surplus with strong growth of exports, alongside a robust increase in FDI inflows—particularly into the manufacturing sector. The international reserves continued to rise steadily, providing a solid external buffer to cover an equivalent of eight months of prospective imports of goods and services. Meanwhile, GDP growth decelerated to 5.0 percent, mainly supported by the manufacturing sector. Inflation rose to 2.5 percent, driven by higher food prices and base effects, while broad money (M2) expanded on the back of strong deposits growth, reflecting solid public confidence in the banking system. Financial dollarization remained elevated as the ratio of foreign currency deposits to M2 stood at 84.4 percent, underscoring the need for further promoting use of the riel. The fiscal performance improved with the budget deficit narrowing due to stronger revenue collection and spending rationalisation, while the government external debt stood at 25.7 percent of GDP.

1.1 External Condition

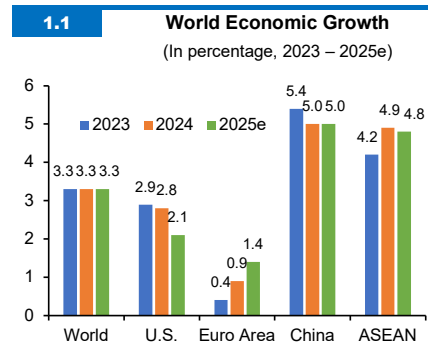
A. Global Economy

In 2025, the global economy remained stable despite trade disruptions and elevated policy uncertainty.

According to the International Monetary Fund (IMF), the global economy sustained its momentum for three consecutive years, growing at the estimated rate of 3.3 percent, driven by surging investment in high-tech sectors and artificial intelligence, particularly in North America and Asia. The US's economy remained resilient despite slower growth than the previous year, with growth estimated at 2.1 percent, supported by accommodative fiscal policy, lower interest rates, and limited effects of high trade barriers. Euro Area's growth was estimated to be 1.4 percent; however, it continued to face the effects of high natural gas prices due to the Russia-Ukraine War and the appreciation of the euro¹. China's economy is estimated to grow at 5.0 percent, unchanged from the previous year, driven by stimulus measures and resilient exports despite weak domestic demand. Economic growth in ASEAN is estimated at 4.8 percent, supported by robust exports, FDI inflows, resilient domestic consumption, and a continued recovery in tourism.

(Figure 1.1)

However, risks to global growth remained skewed toward downside, including the possibility of a sharp correction in technology-related investment and financial markets, a renewed escalation of trade tensions and geopolitical shocks that could disrupt supply chains, appreciation of gold and precious metals prices, and high public debt that could amplify macrofinancial vulnerabilities across major economies.



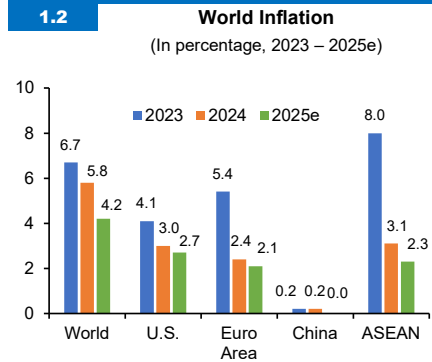
Source: IMF's WEO and AMRO's AREO in January 2026
Note: e = estimate

¹ In 2025, evidences suggest that the current valuation is driven more by independent Euro appreciation than by US Dollar depreciation. The Euro's strengthening against a broad basket of currencies (including the JPY, GBP, and RMB) shows Euro's own higher appreciation rather than "weak dollar" narrative.

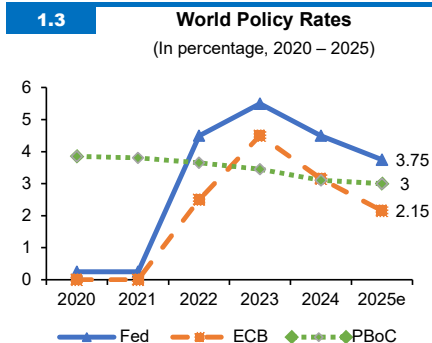
Global inflation continued its downward trajectory, primarily due to moderating energy² and food prices.

The world inflation rate eased to 4.2 percent in 2025, from 5.8 percent in the previous year. In the US and Euro Area, inflation fell closer to central bank targets (2.0 percent), with price pressures in the Euro Area (2.1 percent) disinflated more than in the US (2.7 percent), where inflation proved more persistent amid strong demand and gradual pass-through from trade measures. In China, inflation remained subdued (0.0 percent), reflecting weak domestic demand, particularly in the housing sector. ASEAN's average inflation was estimated at 2.3 percent, supported by easing energy and food prices, and stable exchange rates. (Figure 1.2)

Moderation in inflation has allowed major central banks to gradually and cautiously ease monetary policy to bolster economic growth while maintaining price stability. For instance, the Federal Reserve (Fed) reduced its policy rates three times in 2025 from 4.50 percent to 3.75 percent. The European Central Bank (ECB) also cut its policy rate four times by a cumulative 100 basis points, to 2.15 percent. Meanwhile, the People's Bank of China (PBoC) adopted a more targeted easing monetary policy, making only modest rate cuts to 3.00 percent while relying more on reserve requirement ratio (RRR) reduction to inject liquidity and support growth. (Figure 1.3)



Source: IMF's WEO and AMRO's AREO in January 2026
Note: e = estimate



Source: Trading Economics

² Moderation in energy prices is mainly due to the decline in oil prices caused by oversupply and lower demand. On the other hand, natural gas prices are rising, mainly due to the Russia-Ukraine War, as the EU shifts demand from Russian pipelines to the US, resulting in high demand and limited supply

Chronology of: The US Reciprocal Tariff on Cambodia *(Last Updated on February 25, 2026)*

Upon US President Donald Trump inauguration for his second term as the 47th president on 20th January 2025, he issued a Presidential Actions directive to the Secretary of State to “champion core American interests and always put America and American citizens first” (The White House, 2025). Following it up with a Memorandum on America First Trade Policy putting “the American economy, the American worker, and our national security first” that resulted in the reciprocal tariffs to address trade imbalances (The White House, 2025). Cambodia is among those that the US had high trade deficits with, below is a summary of the timeline, actions, and tariff rates that the US applied to Cambodia from Liberation Day to latest bilateral trade deals signing.

Date	Action	Tariff Rates applied to Cambodia
April 2, 2025	President Trump signed Executive Order 14257. Cambodia is specifically listed in Annex I with a reciprocal tariff rate of 49 percent that will take effect from April 9, 2025, onward. However, subjected to revision. (The White House, 2025).	49 percent (Preliminary)
April 4, 2025	Phnom Penh formally requested trade negotiations with the US with immediate reduction of 19 product categories with maximum 35 percent tariff bound rate to 5 percent applied tariff rate.	49 percent (Preliminary)
April 9, 2025	President Trump signed Executive Order 14266 that paused the 49 percent tariff and allowing a 90-day negotiation period while Cambodian goods were subject to the general 10 percent baseline tariff (The White House, 2025).	10 percent (Effective within deadline)
July 7, 2025	President Trump formally raised reciprocal tariff rate to 36 percent citing “Trade Deficits endangered by Cambodia’s Tariff”.	10 percent (Effective within deadline)
July 31, 2025	With the deadline of 90-day negotiation period approaching, Washington announced tariff schedule update by reducing Cambodia’s Reciprocal Tariff from 36 percent to 19 percent, citing meaningful trade and security commitments with the United States (The White House, 2025).	19 percent (Effective)
August 8, 2025	Cambodia issued Sub-Decree No. 139 establishing a 0-percent customs duty rate on all new goods originating and imported directly from the U.S.	19 percent (Effective)
October 26, 2025	Both governments signed a binding trade agreement formalizing the negotiations (USTR, 2025).	19 percent (Effective)

This rate would have a near-zero net impact on Cambodia’s GDP in the short term, as the country’s improved competitiveness relative to other nations (who face higher tariffs) offsets the loss of zero tariff access (IMF, 2025).

While the implementation of the 19 percent reciprocal tariff has not disrupted the immediate economic trajectory, the current environment presents opportunities to further harden Cambodia’s structural resilience and financial stability:

- First, the US market remains Cambodia’s largest export destination, accounting for 40.7 percent of total exports in 2025. This is a catalyst to accelerate market diversification to aligned with Cambodia’s various Free Trade Agreements (FTAs), aims to mitigate geographic concentration and secure more balanced global trade integration.
- Second, while the garments, footwear, and textiles (GFT) manufacturing sector continues to be a primary driver of export volume, Cambodia’s long-term vision emphasizes a transition toward higher-value-added manufacturing. By continuing to moderate the historical reliance on traditional GFT exports, the economy can better prepare itself for shifts in global consumer demand and international trade fluctuations.

- Third, current dependence on imported raw materials for manufacturing highlights the importance of developing backward linkage industries. Proactively managing supply chain logistics and input costs serves as a safeguard for household incomes and employment, thereby ensuring debt servicing obligations to BFIs, hence preserving the high asset quality of BFIs and reinforcing the overall resilient of financial stability.

On 20th of February 2026, the Supreme Court of the United States ruled six to three removing President Trump's use of International Economic Emergency Powers Act ("IEEPA") (SUPREME COURT OF THE UNITED STATES, 2026). The Office of the US Trade Representative (USTR) issued a press release imposing a 10 percentage tariff rates on import products to the US effectively from February 24, 2026 for a period of 150 days, pursuant to Section 122 of the Trade Act of 1974 (The White House, 2026).

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B. Cambodia's Balance of Payments

The balance of payments (BoP) recorded an estimated surplus of 2.4 percent of GDP. The surplus was primarily driven by financial account surplus of 3.5 percent of GDP, whereas the current and capital account posed a deficit of -3.8 percent of GDP. (Figure 1.4)

B.1. Current and Capital Accounts

The deficit in the current and capital accounts declined at -3.8 percent of GDP due to the widening of the trade deficit driven by stronger imports. Exports increased by 17.2 percent to USD 31.3 billion in 2025, accelerating from 13.6 percent growth recorded in 2024. Meanwhile, imports rose 18.2 percent to almost USD 34.0 billion, higher than 17.6 percent in the previous year (Figure 1.5). GFT remained the country's top export products, increasing by 16.3 percent and accounted for half of total exports, followed by a strong growth in exports of car tires (58.2 percent) and bicycles (42.7 percent), while electrical parts decreased by -47.0 percent. Cambodia's primary export markets were the US (40.7 percent of total exports), ASEAN (18.1 percent), and the EU (16 percent).

Remittances fell markedly by -23.6 percent. Remittance inflows decreased to USD 2.1 billion amid the border conflict with Thailand. Thailand remained the largest source of remittances (77.3 percent), followed by South Korea (12.2 percent) and Japan (5.1 percent). In addition, remittances from Thailand declined sharply by -28.4 percent while inflows from South Korea decreased by -15.2 percent; in contrast, remittances from Japan increased by 22.5 percent. (Figure 1.6)

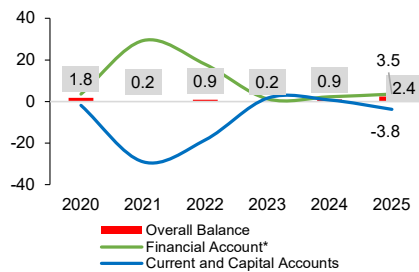
B.2. Financial Account

Total FDI inflow grew by 16 percent, reaching USD 5.1 billion. This was contributed mainly by a surge in FDI inflow to the manufacturing sector of 53.0 percent, equivalent to USD 3.5 billion, and accounting for 68.1 percent of total inflows (Figure 1.7). Furthermore, FDI inflows to the mining & quarrying sector experienced a substantial increase of 177.5 percent. However, apart from manufacturing and mining & quarrying, FDI inflows to the remaining sectors were weaker than 2024, such as accommodation (a decline of -39.6 percent compared to last year), construction and real estate (-32.4 percent), financial activities (-11.3 percent), agriculture (-10.7 percent), and others (-28.7 percent).

China remained Cambodia's largest source of FDI, accounting for two-thirds of total inflows in 2025. Other key investors included Singapore (6.8 percent of total inflows), South Korea (3.2 percent), Canada (4.5 percent), Malaysia (3.4 percent). (Figure 1.8)

1.4 Balance of Payments

(In percent of GDP, 2020 - 2025)

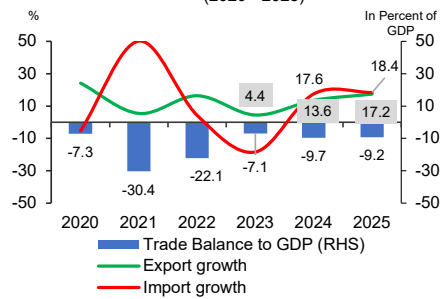


Source: National Bank of Cambodia

*Financial Account includes net error and omission

1.5 Cambodia's Trade

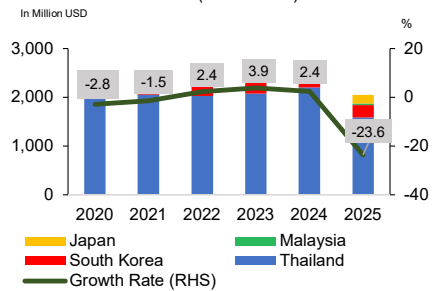
(2020 - 2025)



Source: National Bank of Cambodia

1.6 Remittances by Country

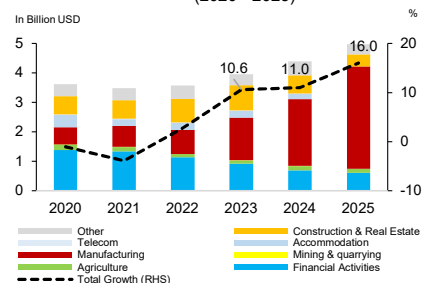
(2020 - 2025)



Source: National Bank of Cambodia

1.7 FDI Inflows by Sector

(2020 - 2025)



Source: National Bank of Cambodia

Gross external debt declined, driven by reduced borrowing from deposit-taking corporations. Total external debt fell by 7.1 percent to USD 19.5 billion, narrowing its share of GDP from 45.3 to 40.0 percent. The decrease was due to a 13.0 percent drop in deposit-taking corporations' external debt, which fell to USD 6.3 billion. Meanwhile, public debt, which consisted entirely of long-term obligations, increased by 4.5 percent to USD 13.2 billion (Figure 1.9).

C. Exchange Rate and International Reserves

The KHR exhibited an appreciation trend against the USD, reflecting the increasing demand for KHR and effective monetary and exchange rate policy. In 2025, the KHR appreciated by 1.5 percent to an average rate of 4,011 (Figure 1.10). This appreciation was mainly supported by stronger demand for KHR in daily transactions, higher agricultural production, and the continued expansion of electronic payments denominated in riel. Meanwhile, the USD Index, which measures the dollar's value against a basket of major currencies, dropped by -5.7 percent in 2025, reaching 121 in December.³ This depreciation was driven by lower interest rates, rising unemployment, and geopolitical tension.

Cambodia's international reserves were sufficient to cover up to eight months of prospective imports of goods and services (Figure 1.11). This level was well above the recommended minimum of three months for developing economies, providing a strong buffer against external shocks. The accumulation of reserves was supported by higher gold price, income from overseas investments, exchange rate valuation gains, and additional deposits from BFIs.

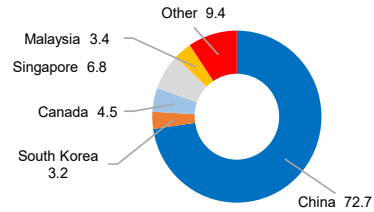
1.2 Domestic Sector

A. Economic Growth

Cambodia's economy is estimated to grow by 5.0 percent in 2025, down from 6.0 percent in 2024. The economic growth performed well during the first half of 2025, supported by front-loaded exports before the new reciprocal tariff from the US came into effect, and rebounding in tourism related sectors; however, the momentum decelerated during the second half of the year, mainly due to global uncertainties and the border conflicts with Thailand, disrupting cross-border trade, tourism and remittance flows. The manufacturing sector remained the key driver of economic growth, rising by 8.5 percent (11.6 percent in 2024). Within the sector, GFT manufacturing increased by 7.1 percent (15.8 percent in 2024), while non-GFT manufacturing exhibited stronger growth by 10.1 percent

1.8 FDI Inflows by Country

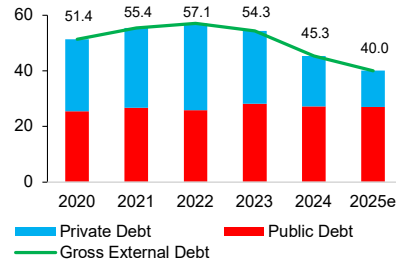
(In percentage, 2025)



Source: National Bank of Cambodia

1.9 Composition of Gross External Debts

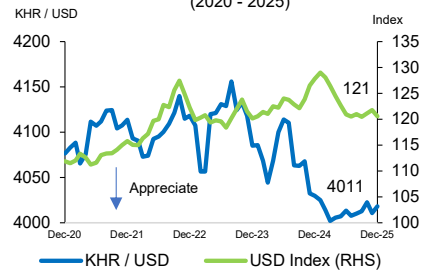
(In percent of GDP, 2020 - 2025e)



Source: Ministry of Economy and Finance, NBC's Staff Calculation
Note: e = estimate

1.10 KHR Exchange Rate and USD Index

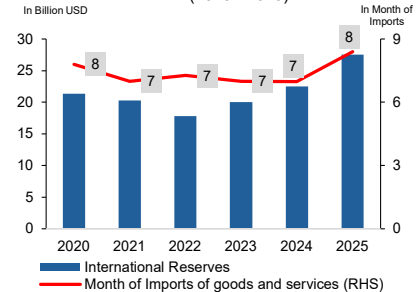
(2020 - 2025)



Source: National Bank of Cambodia

1.11 International Reserves

(2020 - 2025)



Source: National Bank of Cambodia

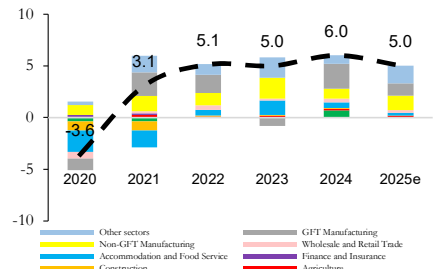
³ When the USD index decreases, it means the USD is losing strength relative to other currencies.

(6.9 percent in 2024), highlighting a gradual diversification from GFT related manufacturing. Tourism-related sectors also contributed positively, with the accommodation and food services sector rising by 5.6 percent (12.2 percent in 2024). Agriculture sector, maintained a modest growth of 0.9 percent (1.1 percent in 2024) (Figure 1.12).

Meanwhile, some key sectors have yet to fully recover to their pre-pandemic levels, though on the upward trajectory. The construction sector, which previously experienced rapid growth, still operated at 88 percent of its 2019 level, reflecting slow rebound of the sector. Similarly, the real estate sector remained at 84.0 percent of its pre-pandemic performance, weighed down by weaker demand and cautious investor sentiment. The accommodation and food services sector, while on an upward recovery, reached only 86.1 percent of its 2019 level (Figure 1.13). This partial rebound reflects a shift toward higher-spending international tourists arriving by air and stronger domestic tourists' expenditures, which have helped offset the decline of international tourist arrivals through land borders.

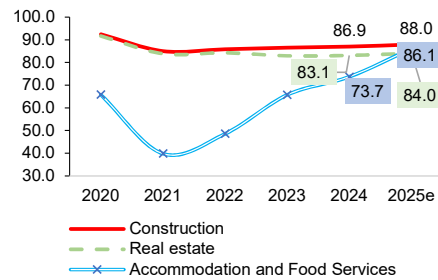
The overall number of international tourist arrivals declined from the previous year while air arrivals increased steadily. Despite surpassing pre-pandemic level in 2024, Cambodia received approximately 5.6 million foreign visitors in 2025, a -16.9 percent decline from the previous year (6.7 million) (Figure 1.14). Noticeably, land arrivals declined sharply by 37.8 percent while air arrivals continued to grow steadily by 19.2 percent. Foreign visitors were mostly from Vietnam (21.9 percent), China (21.6 percent), Thailand (18.4 percent), and the US (3.7 percent). However, compared to pre-pandemic levels, international tourists visiting Angkor Archaeological Park reached only 43.3 percent and international tourism revenue remained at 81.2 percent (Figure 1.15). Meanwhile, domestic tourism exhibited robust growth of 11.7 percent, reaching 25.2 million domestic visitors, which highlighted domestic expenditures as a mean to offset the decline in international tourist arrivals.

1.12 Contribution to GDP Growth
(In percent of GDP, 2020 - 2025e)



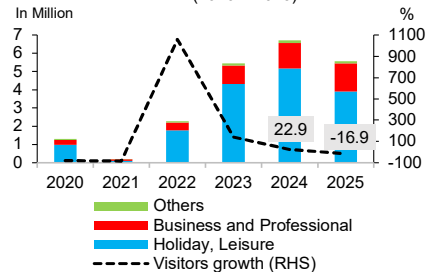
Source: National Institute of Statistics, NBC's staff estimation
Note: e = estimate

1.13 Economic Recovery in Selected Sectors
(Index (2019 = 100), 2020 - 2025e)



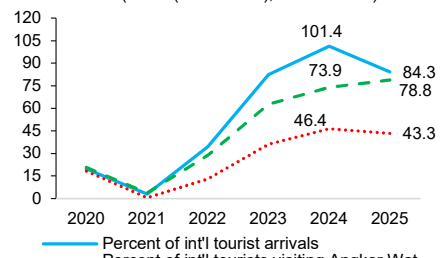
Source: National Institute of Statistics, NBC's staff estimation
Note: e = estimate

1.14 Number of International Arrivals by Purpose of Visit
(2020 - 2025)



Source: Ministry of Tourism, NBC's staff calculation

1.15 Recovery in Tourism
(Index (2019 = 100), 2020 - 2025)



Source: Ministry of Tourism, NBC's staff calculation

Border Conflict: Macro-Financial Impacts and Policy Responses

A. Overview

A border conflict with Thailand that began in May 2025 and escalated into multiple clashes in July and December 2025 disrupted economic activity in Cambodia's seven bordering provinces. These developments led to the displacement of local populations and the disruption of their livelihood, in addition to causing a wave of returning migrant workers from Thailand. While the economy has demonstrated resilience and a capacity for rapid adaptation, these events have inevitably introduced a localized slowdown. Specifically, the influx of returned migrated labor from Thailand led to a sudden oversupply in labor market and a contraction in remittance flows. Furthermore, border closures and product boycotts have reduced cross-border trade and supply chain adjustments. These developments also affected tourist sentiment, as reflected in the decline of visitor numbers.

B. Transmission Channel

Transmission Channel	Immediate Impact	Macro-Financial Effects
Returned migrants	Domestic labor oversupply (unemployment) and reduced remittances	(-) Credit Risk: Lowered household debt-servicing capacity, affecting repayment capabilities
Internal Displacement	Temporary loss of livelihood and business operational disruptions in border zones	(-) Asset Quality: Deterioration of collateral values and pressure for restructuring loans
Border Closure and Boycotts	Supply chain bottlenecks and the need for alternative import sources	(-) Macro-Stability: Reduced trade relationship and weakened investor confidence
Decline in tourism's sentiment	Contraction in tourism and hospitality's revenue	(-) Livelihood: Reduced revenue for tourism-dependent businesses, impacting local credit quality

C. Threat to Financial Stability

The Cambodian banking sector maintains soundness, supported by adequate liquidity and capital buffers. The current geopolitical tensions represent a localized and transitory development, with the banking system remaining resilient. However, operational disruptions in agriculture and retail trade across the seven bordering provinces suggest a need for close monitoring of credit quality and asset performance in those specific regions.

While the banking system's capital position provides a buffer against external shocks, the NBC continues to conduct diligent monitoring of credit developments. This oversight is intended to ensure the ongoing resilience of the financial landscape as the situation evolves.

D. Mitigation Measures

To address these challenges, the RGC has introduced supporting measures, facilitating returnees by providing temporary shelter and food in border areas, alongside vocational training and job placement campaigns. A specialized Working Group has also been established with the mandate to restore livelihoods and infrastructures that are damaged by the border conflict. These initiatives are further supported by social assistance programs designed to provide immediate relief to low-income households.

In alignment, the NBC has swiftly implemented targeted relief measures to ease the burden on the vulnerable borrowers and affected BFIs branches. These include the waiver of fees and penalties as well as the deferral of principal, and interest payments for affected civilians and soldiers. Additionally, the NBC has exempted license fees for the BFIs' branches in conflict zones to alleviate their financial hardship and ensure continued operations as soon as conflict has eased.

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B. Inflation and Monetary Conditions

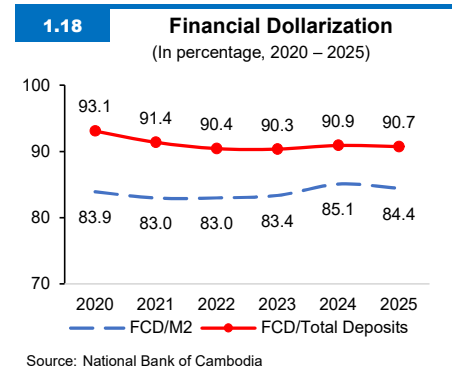
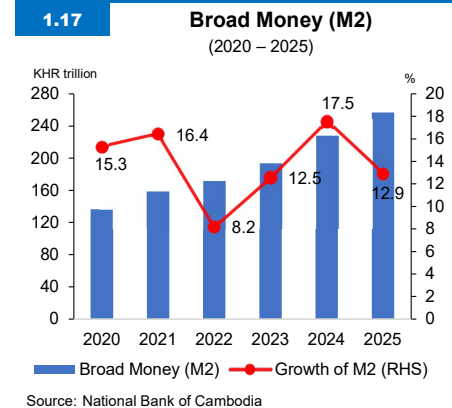
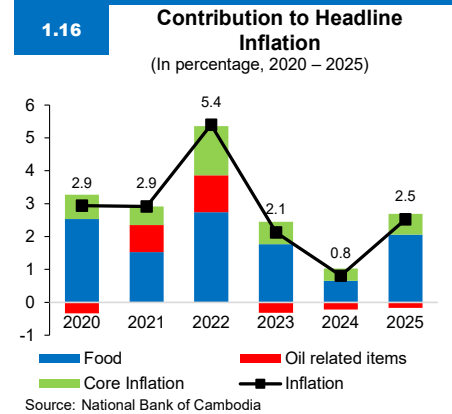
Inflation remained low at 2.5 percent in 2025, although it increased from 0.8 percent in 2024 (Figure 1.16).

This increase was driven mainly by higher food prices and base effects. Food price contributed 2.1 percentage points to the headline inflation, followed by core inflation, which added 0.6 percentage points. In contrast, oil-related prices continued to exert a negative contribution, subtracting 0.2 percentage points.

Broad money continued to expand, albeit at a slower pace than the previous year, aligning with the pace of economic growth. M2 increased by 12.9 percent (17.5 percent in 2024) (Figure 1.17), which was driven by a 12.2 percent increase in deposits and 22.4 percent rise in currency outside depository corporations. The sustained deposit growth reflected strong public confidence in Cambodia's banking system. At the same time, growing demand for KHR contributed to an increase in currency in circulation. However, financial dollarization remained high, reflecting by the ratio of foreign currency deposits (FCD) to M2 at 84.4 percent and FCD to total deposits at 90.7 percent (Figure 1.18). The NBC has been actively promoting the use of the KHR through various measures; however, further coordinated efforts among all stakeholders are needed to gradually increase the use of KHR at an appropriate level while maintaining price stability and market confidence.

C. Fiscal Sector

In 2025, Cambodia's fiscal position exhibited a balance between revenue and expenditure, reflecting strengthened revenue collection and rationalized public spending. The fiscal balance edged down to a deficit of -0.02 percent of GDP⁴, compared to a deficit of 2.0 percent of GDP in 2024 (Figure 1.19). Total government revenue increased by 7 percent to KHR 28.2 trillion (USD 7 billion), resulting from tax collections increasing modestly by 11.6 percent. In contrast, grants and foreign aid, which accounted for 1 percent of total revenue, significantly dropped by 78.4 percent as Cambodia is progressing to graduate from LDC status. On the expenditure side, total government spending amounted to KHR 28.3 trillion (USD 7 billion), a 6.5 percent decrease, with current expenditure falling by 7.7



⁴ This has been estimated by NBC's staff.

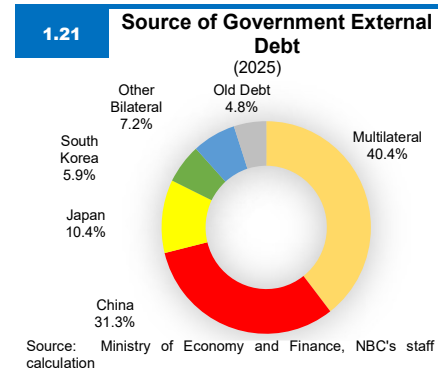
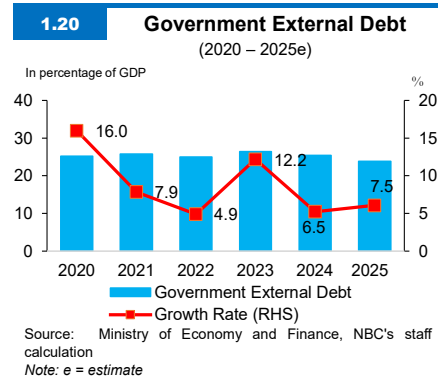
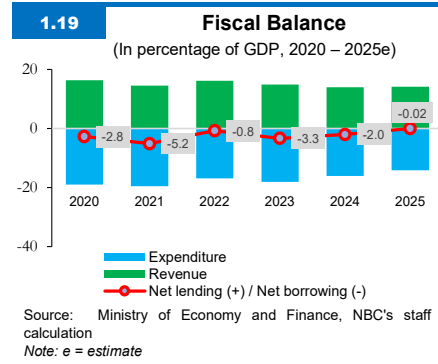
percent, while capital expenditure declined by 4.0 percent to KHR 8.8 trillion (USD 2.2 billion).

The government external debt dynamics remained stable, with nominal debt increasing while its share of GDP remained constant. For instance, the government external debt increased by 7.5 percent in nominal terms, reaching USD 12.8 billion, primarily to finance public investment projects in priority sectors. Meanwhile, the government external debt to GDP ratio stood at 25.7 percent, remaining constant with the previous year's level (Figure 1.20).

Multilateral creditors constituted the largest share of government external debt, at 40.4 percent. Among bilateral lenders, China remained the largest, holding 31.3 percent of the government's total external debt, followed by Japan at 10.4 percent and South Korea at 5.9 percent (Figure 1.21).

1.3 Conclusion

Cambodia's macroeconomic fundamentals remained broadly stable in 2025, underpinned by resilient external balances, growing investor confidence, and prudent fiscal and monetary policies. However, several risks continue to pose challenges to macroeconomic and financial stability. The economy remains dependent on a narrow export base, exposing it to external demand shocks and global trade disruptions. Financial dollarization also remains elevated, constraining the effectiveness of monetary policy. Furthermore, rising geopolitical tensions, the ongoing border conflicts, and potential remittance shortfalls could pressure household incomes and weaken debt servicing capacity. The slow recovery in construction, real estate, and parts of the tourism sector also reflects underlying structural weaknesses. Going forward, Cambodia needs to further diversify its exports by expanding into higher-value-added sectors while broadening its export markets. Meanwhile, promoting the use of the riel remains critical to improving monetary policy effectiveness and reinforcing financial stability. Achieving these objectives require sustained policy coordination and targeted structural reforms to safeguard macro-financial stability and unlock Cambodia's long-term growth potential in an increasingly complex and uncertain global environment.



II

Banking System: Performance and Stability

The banking system remains resilient, supported by a rebound in profitability and strong capital and liquidity buffers, despite continued pressures from rising non-performing loans (NPLs). Total banking system assets expanded by 8.2 percent, reaching KHR 402.3 trillion, reflecting sustained balance sheet growth amid a more cautious intermediation environment. Credit growth improved gradually to around 5.4 percent, while deposit growth remained robust at 12.4 percent, underpinned by continued public confidence in the banking sector. Although asset quality pressure persisted, deposit-taking banks and financial institutions (DTIs) maintained adequate liquidity and solid loss-absorption capacity, with the liquidity coverage ratio (LCR) standing at 179.3 percent and the total capital ratio at 22.0 percent, both comfortably above regulatory requirements. In parallel, non-deposit-taking banks and financial institutions (NDTIs) remained well capitalized, with a solvency ratio of 31.2 percent, supporting their resilience amid a subdued lending environment and continued asset quality pressures.

2.1 Banking System Landscape

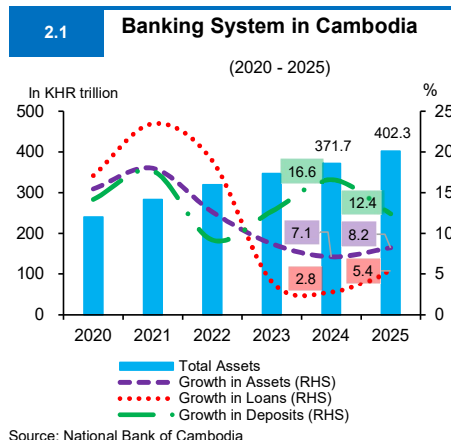
Cambodia's banking system was broadly stable in 2025, with deposit-taking banks and financial institutions continuing to account for the bulk of system assets and funding. The sector remains dominated by deposit-taking banks and financial institutions (DTIs), comprising commercial banks and MDIs. In 2025, there were 59 commercial banks and 4 MDIs, collectively holding total assets of KHR 389.9 trillion (USD 97.2 billion), accounting for 96.9 percent of the banking system's total assets. Commercial banks continued to play a central role, representing 92.4 percent of total assets, while MDIs accounted for 4.5 percent. Meanwhile, non-deposit-taking banks and financial institutions (NDTIs), including MFIs, specialized banks, financial lease institutions, and rural credit institutions, maintained a relatively small share of the system assets, reflecting their more specialized role in financial intermediation.

The banking system continued to expand in 2025, albeit at a more measured pace amid cautious credit conditions. In 2025, total banking system assets grew by 8.2 percent to KHR 402.3 trillion⁵ (USD 100.2 billion), reflecting sustained balance sheet growth in recent years. Loan growth, after a marked deceleration in 2023, recovered modestly, by 5.4 percent, reflecting a relative improvement in credit demand, especially among domestic small and medium enterprises, driven by increasing demand for local products. Deposit growth moderated from its 2024 pace but remained robust at 12.4 percent in 2025, indicating continued public confidence. (Figure 2.1)

Table 2.1: Structure of Cambodia's Banking System
(As of December 2025)

Institutions	Number	Assets (KHR, trillion)	Share (% of total assets)
Commercial			
Banks	59	371.9	92.4%
MDIs	4	18.0	4.5%
MFIs	85	8.5	2.1%
Specialized			
Banks	7	2.6	0.6%
Financial			
Lease			
Institutions	12	1.3	0.3%
Rural Credit			
Institutions	89	0.3	0.1%

Source: National Bank of Cambodia

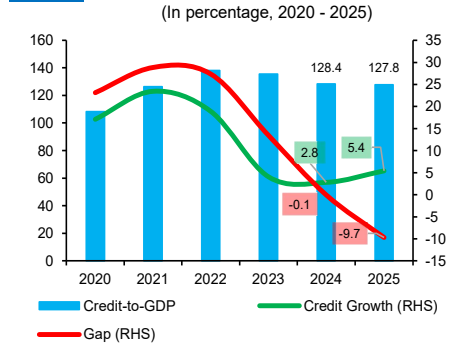


⁵ The discussion of the banking system from here does not include rural credit institutions.

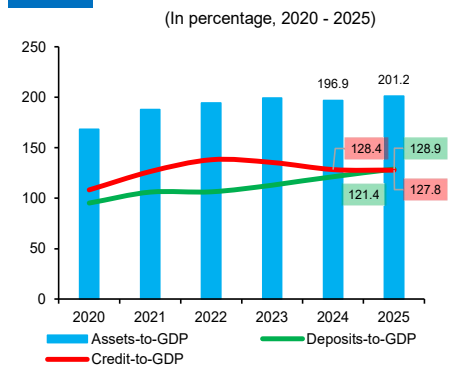
With credit growth moderating in recent years, the negative credit gap has widened further, indicating that credit conditions remained below their long-term trend. In 2025, credit growth slightly recovered at 5.4 percent while the credit-to-GDP ratio stabilized at around 127.8 percent, and the credit gap remained negative and widened further (Figure 2.2). This suggests that credit expansion continued to run below trend, consistent with prudent lending standards amid the prevailing macro-financial environment.

The banking system continued to play a crucial role in the economy, with its assets, deposits, and credit maintaining a significant share of GDP. In 2025, total banking system assets reached about 201.2 percent of nominal GDP, reflecting sustained balance sheet expansion. Deposits increased further to 128.9 percent of nominal GDP, while credit-to-GDP stood at 127.8 percent (Figure 2.3). Overall, developments in assets, deposits, and credit indicate a more balanced pace of financial intermediation alongside sustained support to economic activity.

2.2 Credit-to-GDP Ratio and Credit Growth



2.3 Banking System in Cambodia



Financial Inclusion and Consumer Protection: Why They Matter for Financial Stability

This box examines how financial inclusion and consumer protection affect financial system resilience, funding stability, and shock transmission in Cambodia. From a financial stability perspective, inclusion is a structural feature of financial intermediation, while consumer protection conditions the quality, sustainability, and confidence dynamics of financial participation. Together, they influence the observability of financial activity, the composition and behaviour of funding, and how households, MSMEs, and financial institutions respond to macroeconomic and financial shocks. International evidence suggests that the stability implications of broader access are conditional. Broader access to transaction and savings services generally supports resilience, while rapid or weakly governed credit expansion can heighten vulnerabilities (Cihák, Mare and Melecky, 2021).

Enhanced observability and risk monitoring. Inclusion can strengthen systemic risk monitoring by widening the perimeter of observable financial behaviour. Where activity remains cash-based or informal, standard indicators may understate leverage, repayment stress, or liquidity pressures. As payments, savings and borrowing increasingly take place through regulated institutions and supervised payment systems, authorities obtain more timely and representative information, supporting early-warning analysis, stress assessment, and calibration of macroprudential and supervisory policies. Consumer protection mechanisms further complement this process. Complaint and inquiry data can provide early signals of emerging issues related to market conduct, service delivery, and digital channels, thereby enhancing supervisory monitoring and risk detection (World Bank, 2019). In Cambodia, this channel is already operational. In 2025 alone, NBC received 721 complaints and inquiries, including 533 cases at headquarters and 188 at branches. Of these, 683 cases were resolved, 12 remained in progress, and 26 were under court proceedings, providing supervisors with granular and timely signals on market conduct, service delivery, and consumer-facing frictions.

Funding diversification and deposit stability, and confidence dynamics. A broader and more active retail depositor base may reduce funding concentration and reliance on a small number of large depositors. Cross-country evidence from the global financial crisis indicates that wider access to bank deposits was associated with more stable deposit dynamics during stress episodes (Han and Melecky, 2013). At the same time, broader access does not automatically guarantee deposit stability, particularly in a highly digitalised environment where funds can be transferred rapidly across institutions and instruments. This elevates the relevance of confidence dynamics and the speed of outflows alongside traditional funding indicators. From this perspective, effective consumer protection, through clear disclosure, accessible complaint handling, and timely redress, supports confidence and helps contain spillovers during periods of heightened public concern (OECD, 2022).

Digitalisation, operational resilience, and consumer-facing processes. Digital financial services introduce operational, cyber and confidence-related channels that are increasingly macro-relevant. As electronic payments and digital wallets expand, operational disruptions or weak dispute resolution may have effects beyond direct losses if they undermine confidence or trigger precautionary shifts in payment and savings behaviour. Oversight of payment systems, especially interoperability, operational resilience, and customer remedy therefore supports stability in a more digital ecosystem.

The role of financial literacy. Financial literacy represents the quality dimension of inclusion and is critical in determining whether broader access translates into greater resilience. Higher levels of financial knowledge and capability support prudent borrowing, improve liquidity management, and reduce exposure to fraud and unsuitable products. A substantial body of evidence links financial literacy to better financial decision-making and more sustainable use of financial services (Lusardi and Mitchell, 2014). Without adequate capability, expanded access—particularly to digital credit—can amplify risks of over-indebtedness and consumer distress.

Shock absorption, policy transmission, and trade-offs. From a macro-financial perspective, inclusive financial systems can strengthen shock absorption and policy transmission when access is broad and services are actively used. Transaction accounts facilitate the efficient receipt of wages, remittances, and

government transfers, while savings instruments provide buffers that reduce reliance on informal and procyclical coping mechanisms during periods of stress. The principal stability trade-off remains credit. Where underwriting standards, credit information systems, or supervisory coverage lag behind innovation, rapid credit deepening—especially among newly served segments—can increase the risk of over-indebtedness and amplify cyclical losses (Cihák, Mare and Melecky, 2021). Consumer protection and market conduct oversight are therefore important complements to inclusion in containing these risks.

Implications for financial stability monitoring. In practice, assessing the stability implications of inclusion requires monitoring multiple dimensions, including: (i) depth and quality of usage (such as active accounts, dormancy, and savings behaviour); (ii) distributional risk concentrations (including inclusion gaps and credit growth in newly served segments); (iii) digital ecosystem risks (operational incidents, cyber risks, fraud, and the effectiveness of customer recourse); (iv) consumer outcomes and capability (complaints trends, pricing transparency, and financial literacy indicators); and (v) liquidity and confidence sensitivity (the speed and concentration of balance movements across deposit and payment channels during periods of stress). The NBC’s supervisory, oversight, and consumer protection mandates intersect across these areas.

Policy context in Cambodia. NBC continues to promote financial inclusion under the National Financial Inclusion Strategy 2019–2025 by improving access to safe, affordable, and understandable financial services. Key initiatives include nationwide awareness campaigns and community outreach; integration of financial education into schools; targeted support for farmers and small businesses; and collaboration with the Association of Banks in Cambodia, the Cambodian Microfinance Association, and other stakeholders to promote responsible lending and fair market practices. Consumer protection has been strengthened through expanded complaint-handling mechanisms and surveys on market conduct, while improved data collection—including sex-disaggregated data—supports more responsive and inclusive policymaking. NBC’s leadership in financial literacy, public awareness, and stakeholder coordination is particularly important in a digital environment where data protection and scam awareness are essential to sustaining trust.



Source: NBC's staff compilation

Overall, financial inclusion and consumer protection can act as mutually reinforcing supports for financial stability when underpinned by robust payment infrastructure, prudent intermediation practices, and effective consumer redress, and strong financial literacy. NBC’s ongoing work in these areas aligns with international supervisory guidance, which emphasizes proportionate supervision of institutions and financial products

relevant to financial inclusion and is therefore important to ensure that the benefits of broader access are realised while risks remain contained.

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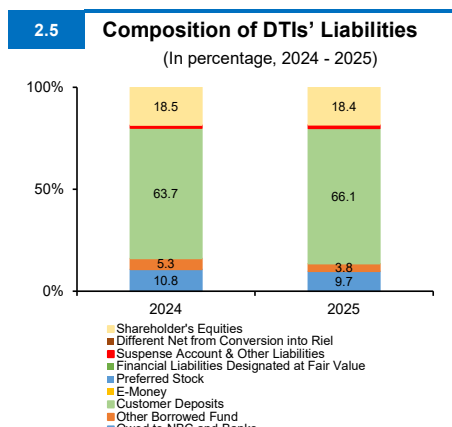
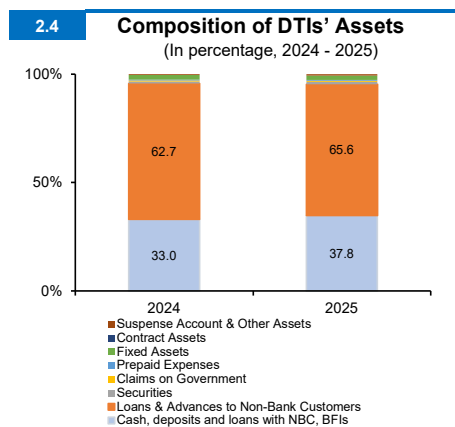
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2.2 Deposit-Taking Banks and Financial Institutions (DTIs)

A. Balance Sheet Structure

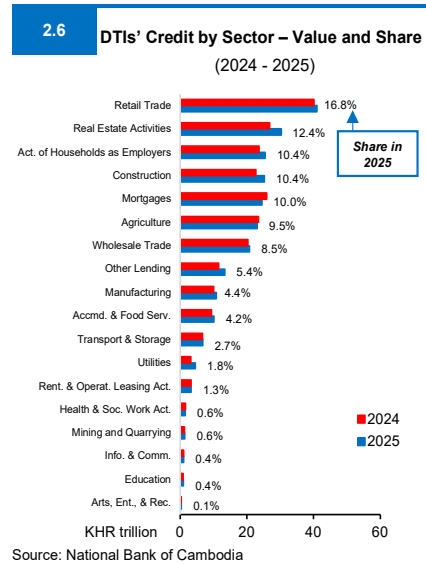
The composition of DTIs’ balance sheets shifted modestly between 2024 and 2025, reflecting changes in both asset allocation and funding structure. On the asset side, the share of loans and advances to non-bank customers expanded, suggesting that a larger portion of DTIs’ resources continued to be deployed into non-financial customer lending. At the same time, the share of cash, deposits, and placements with NBC and BFIs also rose, indicating that banks maintained sizable liquid buffers and continued to park funds in safer and more liquid instruments amid an uncertain operating environment (Figure 2.4). On the liability side, customer deposits remained the dominant funding source and increased further in share, while reliance on borrowed funds declined. This shift points to a funding structure that is increasingly anchored in domestic sources, which may be more stable than external borrowing during periods of tighter global financial conditions. Shareholders’ equity remained broadly stable, supporting resilience (Figure 2.5). Taken together, the balance-sheet composition suggests that banks continue to expand lending selectively while preserving liquidity buffers, and that ongoing



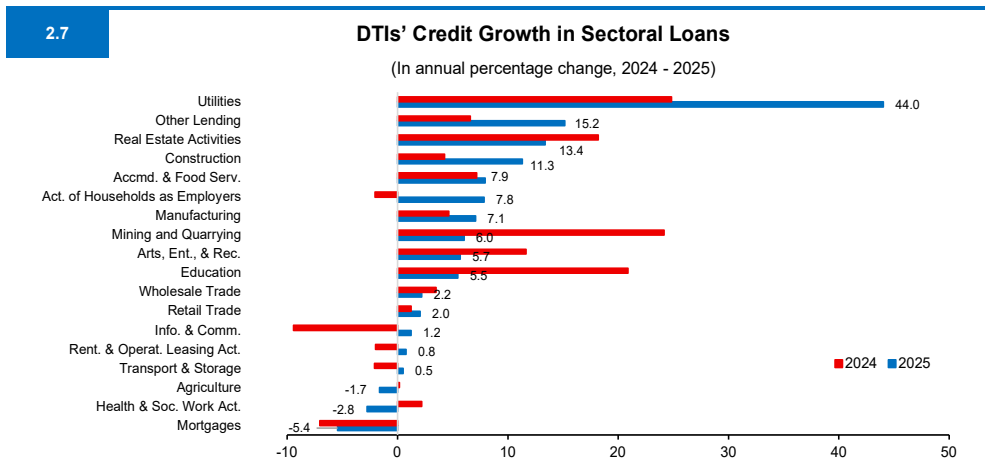
monitoring is warranted to ensure the pace of balance sheet reallocation remains consistent with sound risk management.

B. Credit

The distribution of DTIs' credit across sectors remained relatively diversified in 2025, with some variations in sectoral shares compared with 2024. Lending to trade-related sectors continued to account for the largest share of lending with retail trade at 16.8 percent of total credit and wholesale trade at 8.5 percent, underscoring the sector's central role in domestic economic activity. Credit to real estate activities, construction, and mortgages remained sizable at 12.4 percent, 10.4 percent, and 10.0 percent, respectively, despite persistent headwinds in the property market. Meanwhile, the share of lending to activities of households as employers was at a notable 10.4 percent while manufacturing, agriculture, and other productive sectors maintained moderate shares (Figure 2.6). These evolving patterns point to gradual rebalancing of credit toward relatively resilient sectors, as banks seek to balance growth opportunities with risk management considerations.



Credit growth across sectors in 2025 remained uneven, reflecting differentiated recovery dynamics. Overall DTIs' credit expanded by 5.3 percent in 2025. Retail trade recorded moderate growth of 2.0 percent, slightly higher than 1.2 percent in 2024, while stronger expansions were observed in utilities (44.0 percent), real estate activities (13.4 percent), and construction (11.3 percent), indicating sustained financing flows to selected investment- and infrastructure-related activities. Lending to accommodation and food services (7.9 percent), alongside activities of households as employers (7.8 percent), and manufacturing (7.1 percent) expanded, suggesting continued credit demand in key economic sectors. In contrast, credit to agriculture (-1.7 percent) remained subdued, reflecting softer sectoral momentum. Mortgages credit contracted (-5.4 percent), consistent with continued adjustment in housing-related lending amid prevailing property market conditions. Compared with 2024, the composition of credit growth points to a gradual reallocation across sectors, as banks calibrate lending standards and portfolio positioning in line with evolving sectoral risk profiles and asset quality considerations. (Figure 2.7)

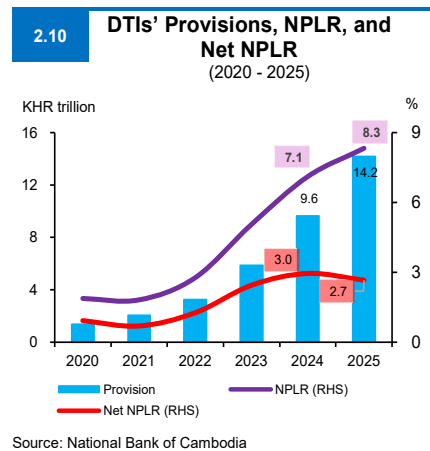
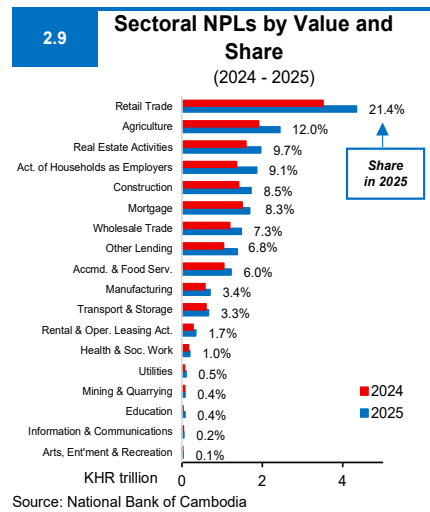
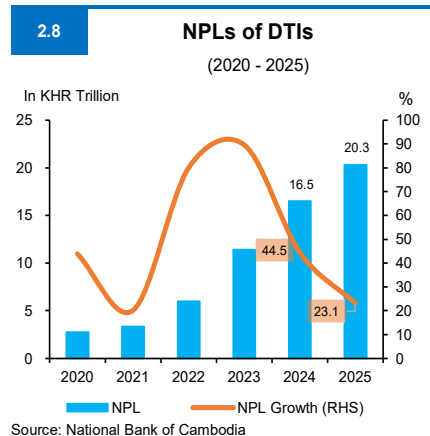


Non-performing loans (NPLs) continued to rise in 2025, reflecting ongoing pressures on repayment capacity, although the growth has eased. By the end of 2025, gross NPLs increased further, reaching KHR 20.3 trillion (USD 5.1 billion), while NPL growth moderated markedly from its peak in 2023 (Figure 2.8). This deceleration suggests that the accumulation of new NPLs has begun to slow, supported by more cautious credit underwriting standards and enhanced credit portfolio management by DTIs. Nevertheless, the continued increase in NPLs indicates that asset quality challenges persist, particularly in sectors facing softer activity conditions.

The distribution of total NPLs across sectors remained uneven in 2025, with the sectoral shares skewed towards a few activities. In 2025, retail trade continued to account for the largest share of total NPLs (21.4 percent), followed by agriculture (12.0 percent), and real estate activities (9.7 percent). The share of activities of households as employers' NPLs increased to 9.1 percent, indicating rising repayment pressures in households. While the value of NPLs in construction, mortgages, and wholesale trade increased from 2024, their respective shares of total NPLs declined to 8.5 percent, 8.3 percent, and 7.3 percent, suggesting that the pace of NPL accumulation in other sectors outpaced that of these three industries. (Figure 2.9)

Amid the continued rise in the NPL ratio (NPLR), DTIs adopted more stringent credit management practices, reflected in higher loan loss provisions. Although the pace of NPL growth has slowed, provisioning continued to increase steadily, indicating banks' ongoing efforts to strengthen loss-absorbing buffers to ensure they remain in line with evolving credit risks. The NPLR rose to 8.3 percent, while the net NPLR⁶ remained low at 2.7 percent (Figure 2.10). Taken together, the moderation in NPL growth and sustained provisioning point to a more forward-looking and prudent approach to credit risk management, supporting the system's capacity to absorb potential shocks.

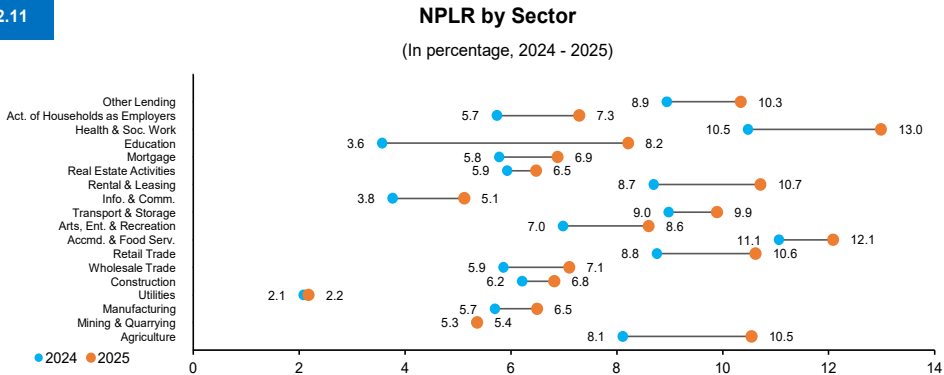
Amid a moderation in NPL growth, sectoral NPLRs increased across all sectors in 2025, reflecting ongoing pressures in key segments of the economy. The NPLR in retail trade rose markedly to 10.6 percent from 8.8 percent in 2024, reflecting continued pressure in domestic economic activities. NPLRs in accommodation and food services and in arts, entertainment and recreation rose further to 12.1 percent and 8.6 percent, respectively, amid weaker-than-expected performance in the tourism-related sector. The NPLR in agriculture elevated to 10.5 percent, partly reflecting ongoing sector-specific challenges. Real estate-related activities, including



⁶ Net NPLR is calculated by $\frac{NPLs - Specific Provisions}{Gross Loans - Specific Provisions}$

mortgages (6.9 percent), construction (6.8 percent), and real estate activities (6.5 percent), experienced more moderate increases in NPLRs, suggesting that stress in the property sector has stabilized to some extent but remained elevated. The utilities sector recorded strong credit growth while maintaining the lowest NPLR, reflecting its stable demand and long-term investment characteristics, although credit risks in this sector may only become evident over a longer horizon. (Figure 2.11)

2.11



Source: National Bank of Cambodia

C. Funding and Liquidity

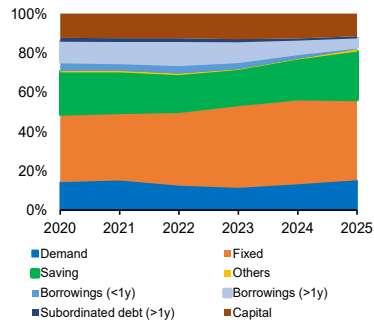
DTIs' funding structure remained broadly stable over time. Deposits continued to be the primary source of funding, accounting for 81.8 percent of total funding in 2025, with growth observed across fixed, savings, demand, and other deposits. Fixed deposits represented the largest share of deposits, contributing to a more stable funding composition. Capital accounted for 11.4 percent of total funding, while borrowings represented 6.8 percent, with borrowings largely concentrated in longer-term instruments, including borrowings with maturities exceeding one year and subordinated debt (Figure 2.12). Short-term borrowings remained minimal throughout the period, indicating limited reliance on short-term funding sources. DTIs' funding profile was characterized by longer-term funding sources, which supported funding stability and limited exposure to short-term refinancing pressures.

Liquidity conditions in the banking system remained resilient, supported by adequate liquidity buffers. Overall, the liquidity coverage ratio (LCR), estimated on a 30-day stressed cash-flow basis, stood at 179.3 percent, remaining above the regulatory minimum of 100 percent, although lower than 198.3 percent in 2024. High-quality liquid assets (HQLAs) increased to an estimated KHR 56.1 trillion (USD 14.0 billion), compared to KHR 55.3 trillion (USD 13.8 billion) in 2024, reflecting primarily cash and balances held at the central bank. The composition of HQLA continued to support short-term liquidity needs and was consistent with prudent liquidity management practices. At the same time, total net cash outflows rose to KHR 31.3 trillion (USD 7.8 billion), from KHR 27.8 trillion

2.12

DTIs' Source of Fund

(2020 - 2025)

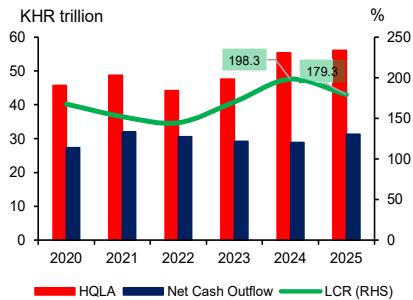


Source: National Bank of Cambodia

2.13

DTIs' LCR

(2020 - 2025)



Source: National Bank of Cambodia

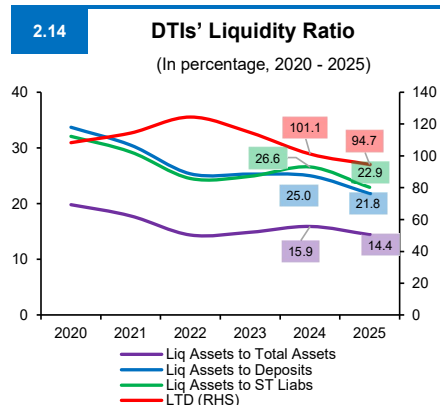
(USD 6.9 billion) in 2024. Overall, the high LCR suggests that DTIs remained well positioned to withstand short-term liquidity shocks and continue to prioritize liquidity resilience. (Figure 2.13)

Other liquidity indicators pointed to ample liquidity conditions in the banking system, notwithstanding some moderation. Liquid assets of DTIs, which are the share of assets that can be readily converted into cash, accounted for 14.4 percent of total assets, slightly lower than 15.9 percent in 2024. Despite this decline, liquid assets relative to deposits and short-term liabilities remained at 21.8 percent and 22.9 percent, respectively, indicating that banks continued to hold adequate liquidity buffers against short-term funding needs. In line with these developments, the loan-to-deposit ratio (LTD) declined to 94.7 percent from 101.1 percent in 2024, mainly reflecting subdued credit expansion alongside continued deposit growth. (Figure 2.14)

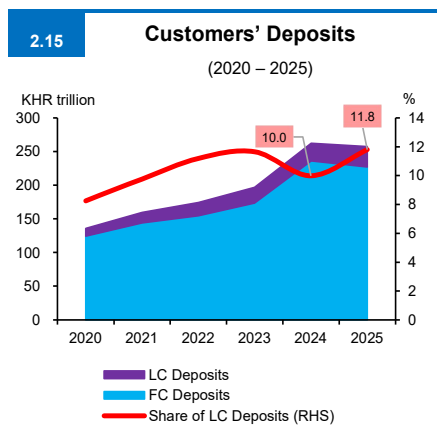
The share of riel deposits has remained broadly stable in recent years, while foreign currency deposits continued to dominate the banking system. Despite the high degree of dollarization, local currency deposits maintained a steady presence, reflecting sustained efforts to promote riel usage. In 2025, riel deposits continued to expand alongside overall deposit growth, supported by digital payment initiatives and wider acceptance of riel in retail transactions. Meanwhile, foreign currency deposits remained the primary contributor to deposit mobilization, indicating the continued preference for foreign currency in savings and transactional purposes (Figure 2.15). The persistence of this structure highlights both the progress made and the remaining challenges in strengthening the role of the local currency in the financial system.

D. Profitability

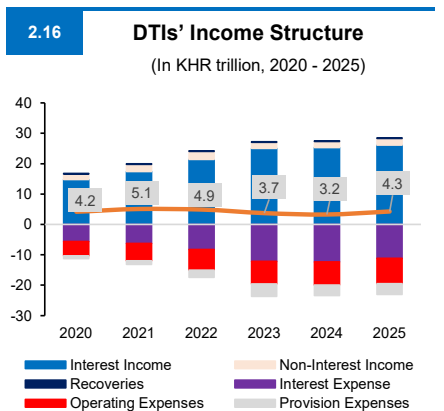
The profitability of DTIs remained healthy, supported primarily by resilient interest income, despite rising cost pressures and provisioning needs. Interest income amounted to KHR 26.1 trillion (USD 6.5 billion), increasing by 3.2 percent compared with the same period in 2024, reflecting continued credit expansion. Non-interest income also contributed positively to total income, increasing by around 7.5 percent although its share remained modest. On the expense side, interest expense amounted to KHR 11.2 trillion (USD 2.8 billion), declining by -9.4 percent compared with the same period in 2024. Operating expenses continued to trend upward (8.3 percent), partly due to rising personnel and administrative costs. In addition, provisioning expenses increased by 6.0 percent to KHR 3.6 trillion (USD 894.1 million), in line with DTIs' proactive efforts to bolster their buffers against NPLs. Overall, there was a substantial recovery in net profit (32.4 percent), driven by the expansion of interest and non-interest income, coupled with notable reduction in interest expenses, which effectively cushioned the impact of higher operating and provisioning expenses. (Figure 2.16)



Source: National Bank of Cambodia

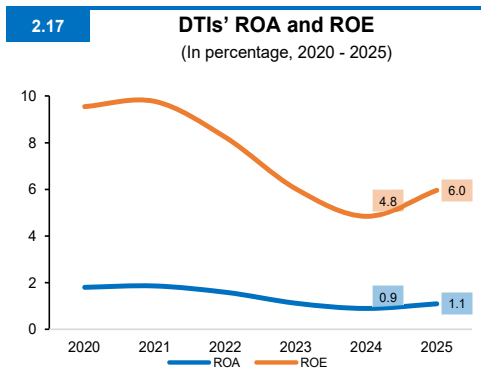


Source: National Bank of Cambodia

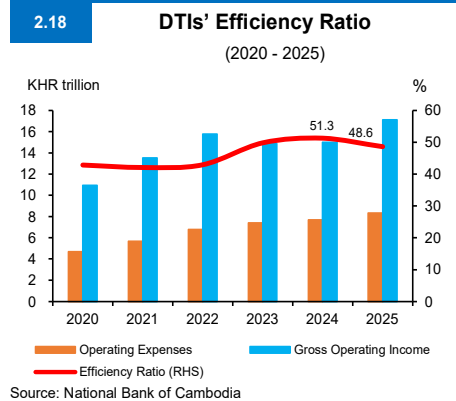


Source: National Bank of Cambodia

Profitability indicators showed signs of stabilization in 2025 following earlier pressures. Return on assets (ROA) and return on equity (ROE) improved modestly to around 1.1 percent and 6.0 percent, respectively, reflecting stronger income generation and easing cost pressures (Figure 2.17). The gradual recovery in these metrics suggests improving operational performance, supported by stronger income generation and a notable improvement in operational efficiency, as evidenced by the efficiency ratio dropping to 48.6 percent from 51.3 percent in 2024. (Figure 2.18)



Source: National Bank of Cambodia

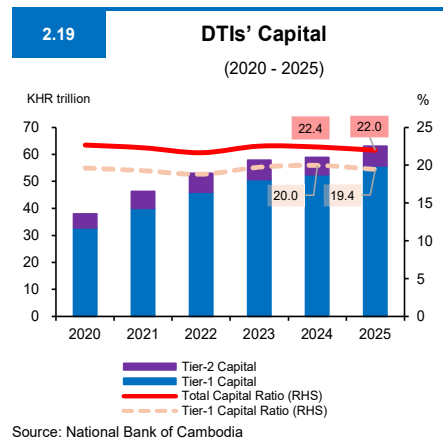


Source: National Bank of Cambodia

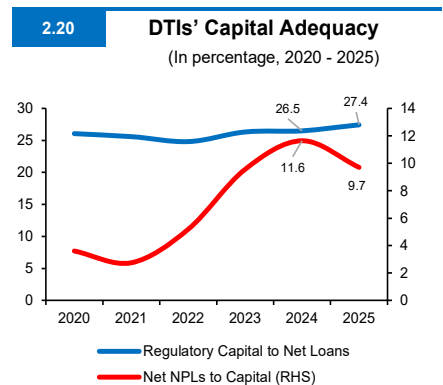
E. Capital

DTIs sustained a sound capital position in 2025, anchored in high-quality core capital. Total regulatory capital grew by 7.1 percent from KHR 58.9 trillion (USD 14.7 billion) in 2024 to KHR 63.0 trillion (USD 15.7 billion) in 2025, reflecting ongoing capital accumulation by DTIs (Figure 2.19). However, both total capital ratio and the Tier-1 capital ratio edged down slightly, largely due to risk-weighted assets expanding at a faster pace than capital, resulting in a moderation of capital ratios. In 2025, the total capital ratio stood at 22.0 percent, while the Tier-1 capital ratio was 19.4 percent, indicating that balance sheet growth and risk-taking activities had absorbed part of the capital buffer. Overall, capital positions remained comfortably above regulatory requirements, providing a buffer against potential shocks, while continued monitoring is important to ensure that DTIs' capital adequacy remains aligned with the evolving risk environment.

The regulatory capital to net loans ratio remained stable at around 27.4 percent in 2025, indicating that banks continue to maintain strong capital buffers relative to their lending exposures. This suggests that credit expansion has remained well supported by capital and that institutions retained adequate capacity to absorb potential losses. Meanwhile, the net NPLs-to-capital ratio, which measures the proportion of capital that could be eroded by uncovered NPLs, rose in recent years before moderating to 9.7 percent in 2025 (Figure 2.20). This reflects lingering asset quality pressures, although the recent stabilization points to improved risk management and provisioning efforts. Taken together, these indicators suggest that while credit risks remained elevated, the banking system's capital position continued to provide a meaningful cushion against potential shocks.



Source: National Bank of Cambodia



Source: National Bank of Cambodia

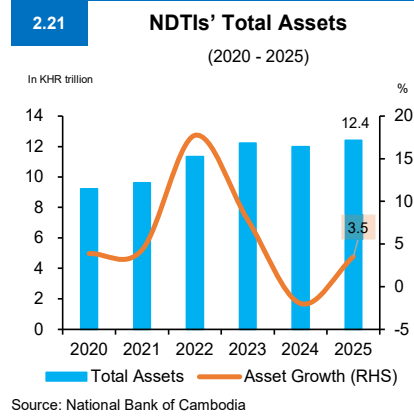
2.3 Non-Deposit-Taking Banks and Financial Institutions (NDTIs)⁷

A. Assets

NDTIs' asset growth has shown recovery. At the end of 2025, NDTIs, which include 7 specialized banks and 85 MFIs, and 12 financial leasing institutions, achieved total asset growth of 3.5 percent to KHR 12.4 trillion (USD 3.1 billion), reversing the 2.0 percent contraction observed in 2024 (Figure 2.21). This return to positive growth indicates a gradual normalization in NDTIs' balance sheet expansion following the previous year's decline.

B. Credit

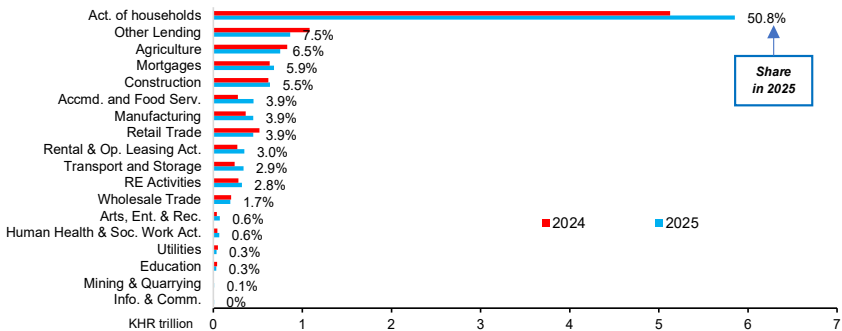
Activities of households as employers accounted for half of the total NDTIs' credit portfolio. In 2025, activities of households as employers represented 50.8 percent of total NDTI credit. This was followed by other lending (7.5 percent), agriculture (6.5 percent), mortgages (5.9 percent), and construction (5.5 percent), while other sectors each held relatively small shares of less than 4 percent (Figure 2.22). Compared with 2024, only the share of activities of households as employers and transport and storage experienced a slight increase while the share of other lending, agriculture, and retail trade slightly decreased. The sectoral composition of the remaining categories was broadly unchanged.



2.22

NDTIs' Credit by Sector - Value and Share

(2024 - 2025)

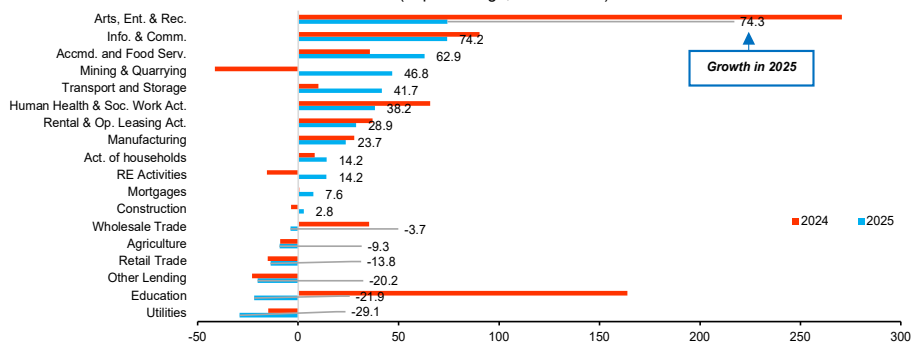


NDTIs' credit growth remained uneven across sectors. Overall NDTIs' credit expanded by 8.7 percent, a significant improvement from 1.8 percent in 2024. Growth was led by a few segments, with lending to arts, entertainment, and recreation and to information and communication rising similarly by about 74 percent, and credit to accommodation and food service increasing by 62.9 percent. Mining and quarrying, transport and storage, and real estate activities rebounded from 2024, growing at 46.8 percent (-41.5 percent in 2024), 41.7 percent (10.1 percent), and 14.2 percent (-15.6 percent), respectively. In contrast, several sectors recorded contractions, including wholesale trade, agriculture, retail trade, other lending, education, and utilities. (Figure 2.23)

⁷ Including MFIs, SBs and financial lease institutions.

NDTIs' Credit Growth in Sectoral Loans

(In percentage, 2024 - 2025)

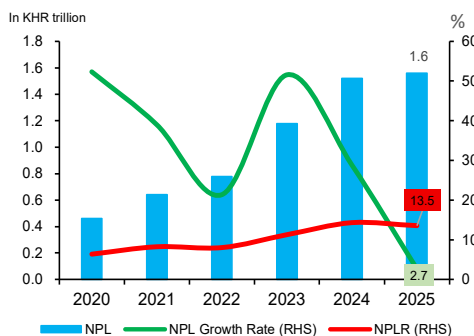


Source: National Bank of Cambodia

Asset quality in NDTIs' loan portfolios showed continued challenges, while the pace of NPL growth moderated significantly. NDTIs' NPL grew by 2.7 percent to KHR 1.6 trillion (USD 388.8 million), compared with much higher growth in 2024 (28.8 percent). Consistent with this moderation, the NPL ratio declined to 13.5 percent from 14.3 percent in 2024 (Figure 2.24). At the same time, NDTIs increased provisioning to strengthen loss-absorption capacity. The provision coverage ratio⁸ rose to 56.1 percent from 44.9 percent in 2024, indicating improved provisioning buffers against potential credit losses. Furthermore, Net NPLR, after the adjustment of provisions, eased to 6.4 percent in 2024 (Figure 2.25).

NDTIs' Credit Quality

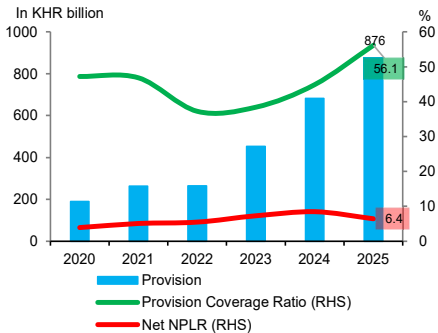
(2020 - 2025)



Source: National Bank of Cambodia

NDTIs' Provision and Net NPLR

(2020 - 2025)



Source: National Bank of Cambodia

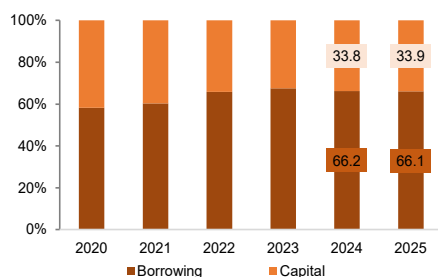
C. Funding

MFIs' funding remained dominated by borrowing funds. As of 2025, borrowed funds accounted for 66.1 percent of total funding, with capital contributing 33.9 percent. This composition was broadly unchanged from 2024, when borrowings represented 66.2 percent and capital 33.8 percent, indicating a stable funding profile. (Figure 2.26)

Further examination of MFIs' borrowing profile indicates a continued shift toward longer-tenor funding. MFIs' total borrowing increased by 3.9 percent to KHR 5.4 trillion (USD 1.3 billion). Long-term borrowing,

MFIs' Funding Structure

(2020 - 2025)



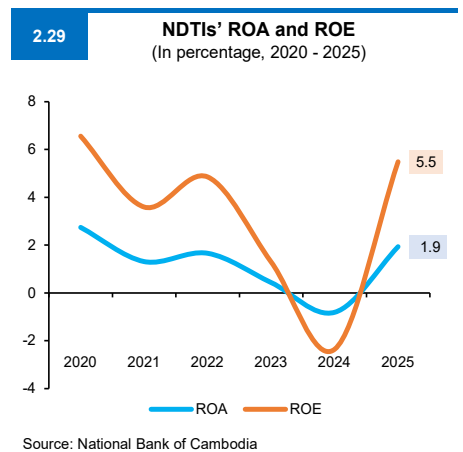
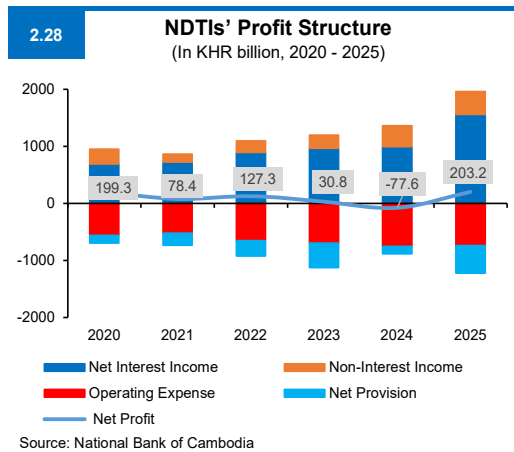
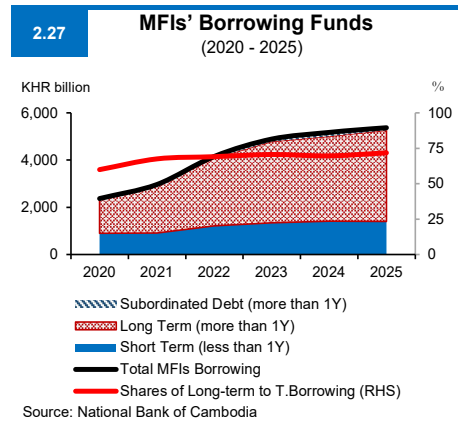
Source: National Bank of Cambodia

⁸The provision coverage ratio is calculated by dividing the total provisions by the total non-performing loan amount.

which accounted for 71.8 percent of total borrowing, reached KHR 3.9 trillion (USD 961.5 million), a 7.2 percent increase compared to 2024. Subordinated debt, representing 3.5 percent of total borrowing, reached KHR 186.1 billion (USD 46.4 million), up 16.8 percent from 2024. In contrast, short-term borrowing declined by -0.7 percent to KHR 1.4 trillion (USD 350 million), with its share narrowing from 27.3 percent in 2024 to 26.1 percent in 2025 (Figure 2.27). Overall, MFIs are strengthening their liquidity stability through shifting toward longer-tenor funding.

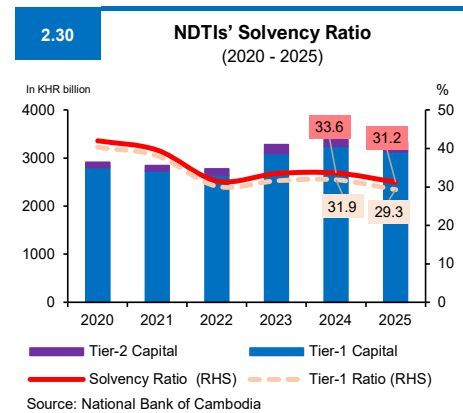
D. Profitability

NDTIs recorded a rebound in profitability in 2025 following the loss observed in 2024. Net profit recorded KHR 203.2 billion (USD 50.6 million), driven by an increase in interest income and non-interest income across MFIs and specialized banks, as well as a decrease in operating expenses of MFIs (Figure 2.28). As profitability recovered, NDTIs' ROA and ROE improved from -1 percent and -2.1 percent in 2024 to 1.9 percent and 5.5 percent in 2025 (Figure 2.29). The efficiency ratio also improved to 48.6 percent, down from 56.5 percent in 2024, indicating better cost efficiency. Overall, the sector rebounded in 2025, supported by the recovery of NDTIs' profitability after the losses recorded last year.



E. Capital

NDTIs' capital position remained strong and resilient against potential shocks. NDTIs maintained a strong capital position in 2025, with a solvency ratio of 31.2 percent, well above the 15 percent regulatory minimum, indicating a sizable buffer to absorb potential losses and support resilience. The capital base is also dominated by higher-quality Tier-1 capital, which amounted to KHR 3.1 trillion (USD 780.1 million), while Tier-2 capital remained comparatively small at KHR 207 billion (USD 51.6 million), suggesting that NDTIs relied primarily on core capital rather than supplementary instruments. (Figure 2.30)



2.4 Policy Support

The banking system remained sound, reflecting the NBC's proactive policies and supporting measures. With high levels of capital and liquidity, the banking system could withstand global financial and economic uncertainty, risks stemming from the border conflict, slow credit growth and rising NPLs. These highlight the support of NBC's prudential policies and measures implemented in 2025 to mitigate and manage risks in the financial sector. The NBC took macroprudential actions, including permitting BFIs to operate with a 1.25 percent CCB, and maintaining both local and foreign currency reserve requirement ratio at 7 percent. For other measures, the NBC further permitted loan restructuring for eligible customers, particularly regarding the border conflict, by advising BFIs to alleviate financial burden on displaced civilians, returning migrant workers, and frontline soldiers engaged in combat operations by waiving all fees, penalties, interest, and principal loan repayment, as well as cancelling loans for fallen and disabled soldiers. These measures will remain in effect until March 31, 2026, for refugees and until May 31, 2026, for the soldiers. Also, to enhance the resilience of BFIs, strengthen capital base to absorb potential losses, and mitigate risk arising from procyclicality, the NBC newly set CCB at 2.5 percent and CCyB at 0 percent. Meanwhile, the reserve requirement ratio for foreign currency continues to be maintained at 7 percent until December 31, 2026, to effectively support safe and sound operational liquidity management. These policies and measures play an important role in safeguarding the banking system and preserving financial stability.

2.5 Conclusion

Overall, Cambodia's banking system remains resilient, supported by strong capital and ample liquidity buffers, despite economic uncertainty, risks stemming from the border conflict with Thailand, subdued credit growth, and rising NPLs. Profitability has shown signs of recovery, while deposit growth remained robust, reflecting sustained public confidence in the banking system. Nevertheless, vulnerabilities related to asset quality and earnings sustainability warrant continued close monitoring.

Capital Buffers: Strengthening Resilience

Capital buffers are additional capital layers held above minimum capital requirements to enhance the resilience of banks and financial institutions (BFIs). Under the Prakas N° B37-025-536 Prokor dated 19 November 2025 on Capital Buffer in Deposit-Taking Banks and Financial Institutions (DTIs), capital buffers comprise the capital conservation buffer (CCB) and the countercyclical capital buffer (CCyB), both of which must be met by using high-quality capital, namely Common Equity Tier 1 (CET1). The CCB is designed to be built up under normal economic conditions and drawn down during periods of stress, allowing institutions to absorb losses without breaching minimum capital ratios or sharply contracting the supply of credit to the economy. Meanwhile, the CCyB adjusts with the credit cycle. It is activated when excessive credit growth is identified and can be released during economic downturns to support the continuation of lending.

Under the 2025 Prakas, the CCB is set at 2.5 percent of risk-weighted assets (RWAs), in addition to the minimum CET1 ratio of 8 percent. The CCB is complemented by the CCyB, which can be adjusted between 0 and 2.5 percent of RWAs. Currently, the CCyB is set at 0 percent of RWAs.

Capital buffers are closely linked to earnings distribution constraints, which enhance BFIs' preparedness for stress events. When an institution's CET1 capital ratio falls within the buffer range, restrictions are automatically imposed on profit distributions, including dividends, share buybacks, and discretionary bonus payments. The severity of these restrictions increases as capital ratios move closer to the minimum requirements. Institutions operating in the lowest buffer quartile, defined as the first quarter of the combined capital buffer above the minimum CET1 requirement, are required to retain 100 percent of earnings, ensuring that capital buffers are rebuilt in a timely and orderly manner.

Overall, the capital buffer framework strengthens the resilience and stability of Cambodia's banking system by ensuring that institutions maintain additional high-quality capital above minimum requirements. The framework enhances loss-absorption capacity, supports confidence in the banking system, and provides the authority with flexibility to address systemic risks across the financial cycle, while maintaining the smooth provision of credit to the economy.

The equity market showed signs of recovery, as reflected in a marginal increase of 2.5 percent in the Cambodia Securities Exchange (CSX) index and 4.5 percent in market capitalization. In contrast, trading activity—measured by average daily trading value and volume—continued to decline in 2025. The bond markets expanded remarkably, providing additional options for both the government and corporates to seek alternative financing. For example, the total outstanding of the government bonds was recorded at KHR 990.5 billion (USD 246.8 million), while the size of corporate bonds reached KHR 1.5 trillion (USD 379.1 million). In the insurance sector, total assets continued to expand at a moderate rate, reaching KHR 5.3 trillion (USD 1.3 billion), with a gradual increase in gross premiums. The real estate sector remained soft, reflecting subdued demand in mortgage lending, while market supplies expanded.

3.1 Capital Market

A. Equity Market

The equity market showed signs of recovery following a downturn in the previous year, as reflected in the gradual increase in the CSX index and market capitalization. In 2025, the CSX index increased by 2.5 percent to 423.1 (Figure 3.1). Meanwhile, the market capitalization grew by 4.5 percent to KHR 11.7 trillion (USD 2.9 billion) from KHR 11.2 trillion (USD 2.8 billion), mainly supported by the listing of a new company, Picasso City Garden Development Plc. (Figure 3.2).

The industry breakdown of listed companies⁹ is dominated by telecommunication (41.7 percent) and finance (27.1 percent), followed by transportation (12 percent), while other sectors such as education, utilities, manufacturing, construction, and real estate represented relatively small shares (Figure 3.3).

Most listed stocks recovered from their previous price contraction, notably PAS (growth of 12.1 percent), JSL (19.4 percent), PESTECH (18 percent), PPAP (3.3 percent), and CAMGSM (2.5 percent).

Despite improvements in market indicators, trading activity continued to decline, both in terms of average daily trading value and volume. The daily trading value fell by 18.8 percent, from KHR 535.9 million (USD 131.6 thousand) in 2024 to KHR 435.3 million (USD 108.5 thousand), and the average trading volume decreased

3.1

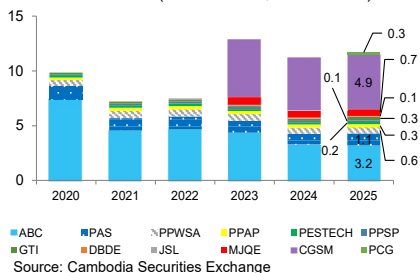
CSX Index
(2020 – 2025)



Source: Cambodia Securities Exchange

3.2

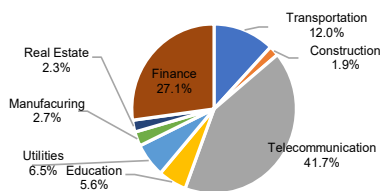
Market Capitalization
(In KHR trillion, 2020 – 2025)



Source: Cambodia Securities Exchange

3.3

Listed Companies by Industry
(As of 2025)



Source: Cambodia Securities Exchange

⁹ The listed companies are categorized as follows: telecommunications — CAMGSM Plc (CAMGSM); finance — ACLEDA Bank Plc (ABC); transportation — Phnom Penh Autonomous Port (PPAP) and Sihanoukville Autonomous Port (PAS); education — Mengly J. Quach Education Plc (MJQE); utilities — Phnom Penh Water Supply Authority (PWSA) and PESTECH (Cambodia) Plc (PESTECH); manufacturing — Grand Twins International (Cambodia) Plc (GTI); real estate — Picasso City Garden Development Plc (PCGD); and construction — Phnom Penh Special Economic Zone Plc (PPSP), DBDE Engineering Plc (DBDE), and JS Land Plc (JSL).

by 7.9 percent to 93,848 shares per day (Figure 3.4). Furthermore, the number of valid trading accounts—both Cambodian and foreign—rose from 58,543 to 72,357 accounts with Cambodian investors accounting for 93 percent.

B. Bond Markets

B.1 Government Bond

The government bond market expanded significantly, supported by new issuance of USD-denominated bonds in 2025. The total government bond issuance reached KHR 691.2 billion (USD 172.2 million), of which KHR 280.9 billion (USD 70 million) was USD-denominated bonds. This represented a 2.3-fold increase compared to the previous year. The bonds were issued across maturities ranging from 1 year to 15 years, with coupon rates between 2.7 percent to 4.6 percent, paid semi-annually. Outstanding government bonds stood at KHR 990.5 billion (USD 246.8 million), while a total of KHR 164 billion (USD 40.9 million) matured. (Figure 3.5)

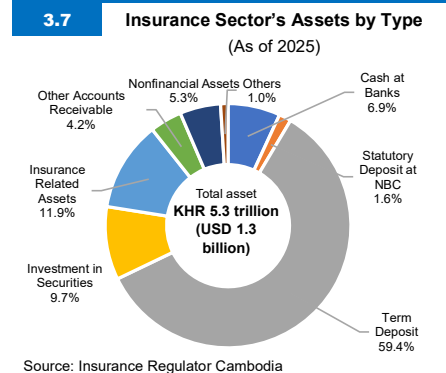
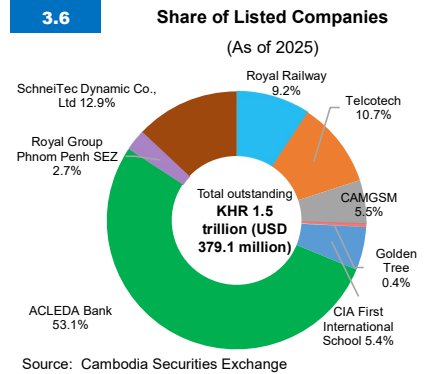
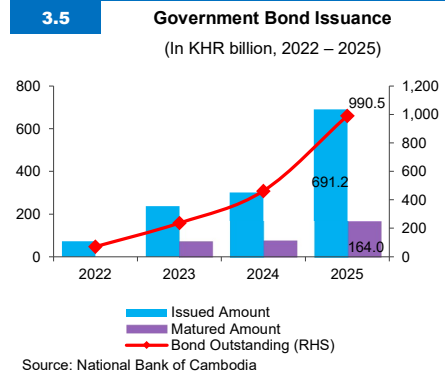
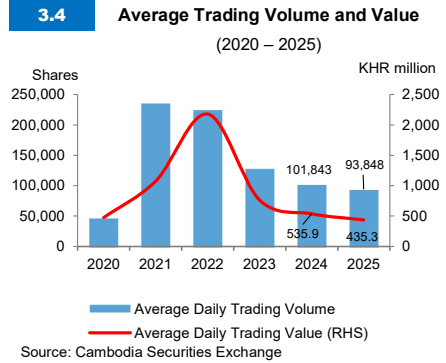
B.2 Corporate Bonds

The corporate bond market maintained its growth momentum, with new issuances. In 2025, ACLEDA Bank, CIA First International School and SchneiTec Dynamic Co., Ltd issued KHR 1.1 trillion (USD 260.7 million), bringing the total bond outstanding to KHR 1.5 trillion (USD 379.1 million), which was an increase of 172.5 percent compared to the previous year.

Among the eight issuers in the corporate bond market, the financial institution remained dominant, with ACLEDA Bank accounting for 53.1 percent of total outstanding corporate bonds. This was followed by the energy sector, represented by SchneiTec Dynamic Co., Ltd (12.9 percent); the telecommunications sector, comprising Telcotech (10.7 percent) and CAMGSM (5.5 percent); the transportation sector, represented by Royal Railway (9.2 percent); the education sector, represented by CIA First International School (5.4 percent); the construction sector, represented by Royal Group Phnom Penh SEZ (2.7 percent); and the real estate sector, represented by Golden Tree (0.4 percent). (Figure 3.6)

3.2 Insurance Sector

The total assets of the insurance sector continued to expand steadily. By the end of 2025, the insurance sector's assets rose modestly by 7.5 percent, amounting to KHR 5.3 trillion (USD 1.3 billion). The composition of insurance asset indicated that deposits held at banks comprised 66.3 percent of the total asset, followed by insurance-related assets (11.9 percent), investment in



securities (9.7 percent), deposits at the NBC (1.6 percent), and others (10.6 percent) (Figure 3.7). Of deposits at banks, 59.4 percent was held as term deposits, indicating limited availability of diversified investment instruments. In addition, the insurance market consisted of 18 general insurance companies, 13 life insurance companies, 7 micro insurance companies, 1 reinsurance company, and 21 insurance brokers.

The gross insurance premiums maintained growth momentum. The gross premiums increased by 3.6 percent to KHR 1.5 trillion (USD 369.8 million), mainly contributed by the general insurance premiums (2.6 percent contribution to the total growth) (Figure 3.8). Life insurance premiums accounted for 55.1 percent of gross premiums, while general insurance premiums comprised the remaining 44.9 percent. In addition, the number of policies surged by 149.3 percent to 4.3 million, suggesting increased access to insurance and improved risk protection.

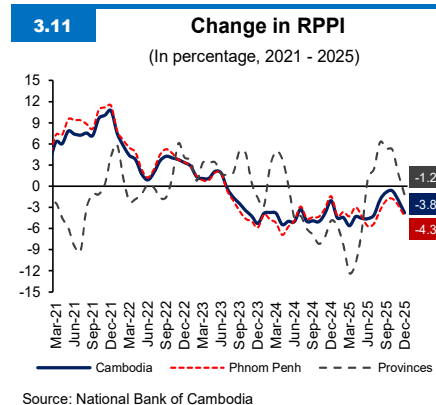
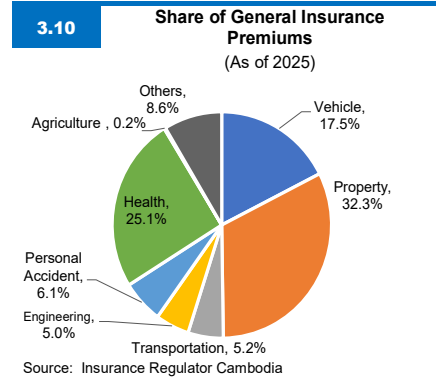
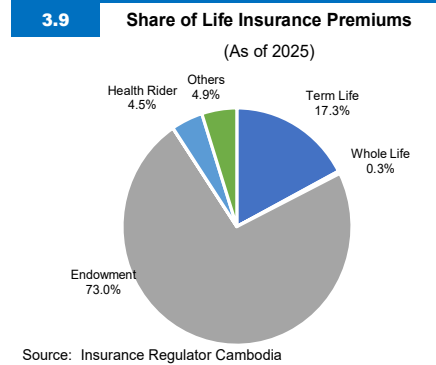
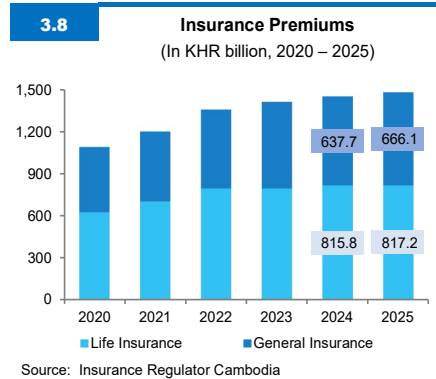
Life insurance premiums increased marginally by 1.7 percent to KHR 817.2 billion (USD 203.7 million). The breakdown of life insurance premiums revealed that endowment policies accounted for the largest share (73.0 percent), followed by term life insurance (17.3 percent), health rider insurance (4.5 percent), and whole life insurance (0.3 percent). (Figure 3.9)

Meanwhile, general insurance premiums recorded an increase of 6.0 percent, amounting to KHR 666.1 billion (USD 166.1 million). Within the general insurance segment, property insurance represented the largest share at 32.3 percent, followed by health insurance at 25.1 percent and motor insurance at 17.5 percent. (Figure 3.10)

3.3 Real Estate Sector

A. Residential Property Development

The residential property market remained very soft in 2025, although the pace of price correction moderated in the second half of the year. The overall Residential Property Price Index (RPPI) continued to decline, falling by 3.8 percent in December 2025, compared with a 2.0 percent decline in the same period last year (Figure 3.11). While the decline of RPPI decelerated from July 2025 onwards, this easing was not sustained, as prices softened again in the last two months of the year, suggesting an ongoing price pressure. Phnom Penh RPPI continued to decline by 4.3 percent in December 2025, after declining by 5.7 percent in June 2025. In contrast, the provincial RPPI exhibited better performance than in Phnom Penh, with price growth turning positive from June 2025, though this was short-lived. Overall, the continued decline in the price index reflects subdued demand for mortgages amid a more cautious lending environment.



Supply of residential properties expanded, targeteig for housing segment. The number of new residential projects approved by the Real Estate Business and Pawnshop Regulator rose significantly to 55 projects¹⁰ in 2025, up from 40 projects in 2024. This increase was driven by housing projects, which climbed from 27 to 41, while condominium project approvals were slightly lower at 11, compared to 12 in 2024. At the same time, total capital investment in residential property development grew by 22.1 percent to USD 982.4 million in 2025, driven primarily by a 35.6 percent growth of capital investment in housing segment, accounting for 55.3 percent of total capital investment. While these approvals will add to supply in the coming years, the pickup in project number and capital investment may also reflect developers' expectations of a higher demand over the medium term, especially in landed housing segment. Nevertheless, given a softened RPPI, continued monitoring of project execution, absorption rates, and completion timelines remains warranted.

B. Commercial and Industrial Property Developments

While conditions in the commercial property market softened further, the expansion of the industrial market was more pronounced. The total area of newly approved industrial construction projects increased sharply by 124.9 percent (Figure 3.12), signalling a significant expansion of industrial space for lease and sale over the medium term, likely supported by stronger expectations for logistics, manufacturing, and export-related activities. In contrast, office market indicators suggested continued soft demand. According to Advantage Property Services' Fearless Forecast 2026 report, the office occupancy rate edged down to 65.0 percent in 2025 from 65.2 percent in 2024. Meanwhile, the total area of newly approved commercial construction projects declined by 41.1 percent in 2025, reflecting a moderation in new supply additions in the commercial property market.

C. Policy Support

Policy measures continued to provide targeted support to the real estate sector. In particular, stamp duty exemptions for homebuyers purchasing registered borey or condominium units remained in place throughout 2025 and were extended through 2026. Under this measure, a full stamp duty exemption was applied to first-time homebuyers purchasing properties valued up to USD 210,000, while partial exemptions were applied to properties valued above USD 210,000 as well as to second and subsequent homebuyers. In addition, the implementation of the 20-percent capital gains tax was further postponed until the end of 2026. Together, these measures aim to support demand in the affordable housing segment and encourage real estate transaction activities.

3.4 Conclusion

In 2025, the non-bank financial sector continued to support a more diversified and broad-based development of the financial system. The equity market showed early signs of recovery, while the bond market expanded significantly, providing an alternative source of financing for the economy. On



Source: Ministry of Land Management, Urban Planning and Construction; NBC staff's calculation.

¹⁰ Approved projects include housing, condominium, mall/office, and mixed projects.

the other hand, the insurance sector maintained steady growth, supported by rising assets and premium income; however, investment portfolios remained concentrated in bank deposits. Meanwhile, while supply expansions in the real estate sector may reflect developers' positive sentiment toward sector development, the softening in the price indicator warrants close monitoring. These conditions may pose spillover risks to the broader financial system, underscoring the need for close coordination with relevant ministries. Going forward, further deepening of capital markets, broader expansion of the insurance sector, and improvement of the real estate sector will be important to support sustainable financial sector development.

IV Payment System Development

Cambodia's payment system continued to undergo structural transformation, driven by the expansion of the Bakong payment system and the growing adoption of digital payment services. Bakong payment system has become increasingly central in facilitating retail and wholesale payments, while supporting international connectivity and local currency usage. At the same time, mobile-based digital banking and payment services have gained broader user uptake, contributing to financial inclusion, while traditional payment instruments such as cards continued to decline. However, the scale and concentration of payment activities within these platforms have also elevated their systemic importance and associated operational, liquidity, and cyber risks. In response, the National Bank of Cambodia has issued directives and guidelines aimed at enhancing the operational and cyber resilience of the payment system, contributing to safeguarding financial stability.

4.1 Overview of Payment Landscape

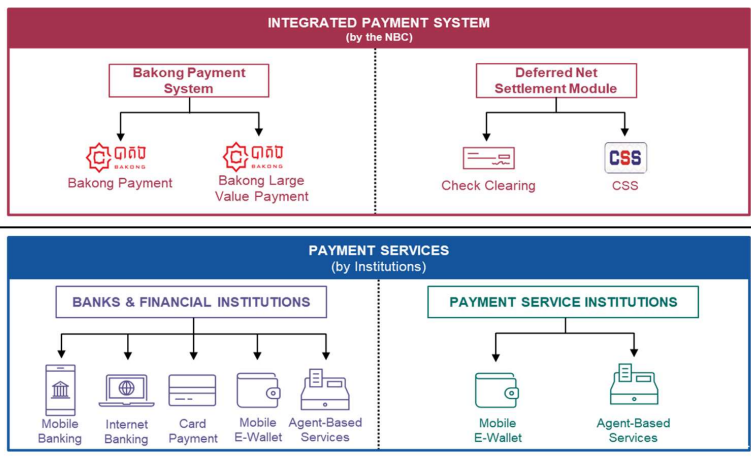
Cambodia's payment landscape comprises the Integrated Payment System (IPS) under the NBC, together with payment services provided by BFIs and payment service institutions (PSIs). The IPS constitutes the core national payment infrastructure, providing centralized platforms and mechanisms that enable payment interconnection, clearing, and settlement among BFIs, PSIs, and other participants in the payment system.

The IPS consists of the Bakong payment system and the Deferred Net Settlement (DNS) module. Among these, the Bakong payment system has progressively expanded its service coverage to support both retail and wholesale payments, thereby strengthening its role in the overall payment infrastructure.

In parallel, BFIs and PSIs provide a range of payment channels and instruments for customers' day-to-day payment activities. In recent years, digital banking channels—including mobile banking, internet banking, and mobile e-wallets—have gained wider adoption, driven by their convenience, accessibility, and cost efficiency.

4.1

Stylized View of Cambodia's Payment Landscape



Source: National Bank of Cambodia

The rapid expansion of the Bakong payment system, together with the increasing reliance on digital payment channels, has elevated their systemic importance within Cambodia's payment system. As a result, these developments warrant close monitoring and regular assessment to ensure the operational resilience of payment infrastructure and to mitigate potential risks to financial stability.

4.2 Development of Bakong Payment System

A. Bakong Payment

Bakong payment continued to expand rapidly in 2025, reinforcing its role as a backbone payment infrastructure. In 2025, total transactions processed through Bakong reached 1.3 billion, representing a 118.7 percent increase, while total transaction value rose by 52.2 percent to KHR 899.1 trillion (Figure 4.2). The faster growth in transaction volume relative to value suggests increasing transaction frequency and broader usage among retail users. In addition, total transaction value amounted to approximately 4.5 times GDP, up from 3.1 times in 2024, indicating growing confidence in Bakong's real-time processing capability, wide connectivity, and low-cost payment system. Overall, these developments are consistent with deepening digital payment usage and continued progress toward a more cashless economy.

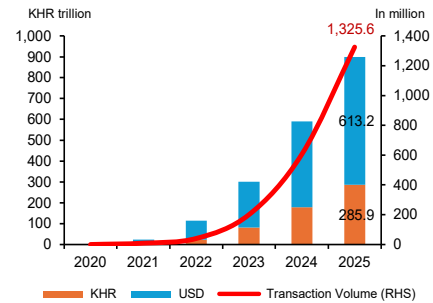
Settlement in KHR continued to increase in prominence. In 2025, the share of KHR-denominated transactions volume in Bakong widened to 58.2 percent, from 49.3 percent in 2024 (Figure 4.3). This shift reflects a gradual change in payment behavior toward greater use of the local currency in day-to-day transactions, facilitated by improved access to KHR payment through Bakong and favorable exchange rate conditions. The trend also suggests that Bakong is contributing to the broader policy objective of supporting local currency usage, although USD remained significant in overall payment activities.

Cambodia continued to expand cross-border payment connectivity through Bakong, primarily via QR-based payment linkages. As of 2025, international QR payments have been enabled through bilateral arrangements with eight regional economies¹¹ and four international payment service providers¹², allowing cross-border retail payment via Bakong. Total Bakong cross-border transaction volume increased by 74.5 percent, to 270.6 thousand transactions, while transaction value rose sharply by 235.3 percent to KHR 111.4 billion. (Figure 4.4)

B. Bakong Large Value Payment

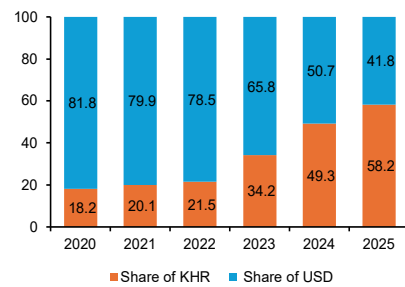
The Bakong Large Value Payment (Bakong LVP)¹³ service recorded early signs of adoption in 2025, supporting efficiency gains in wholesale payment activities. Transaction volume increased by 211.9 percent to 12.7 thousand transactions, while transaction value expanded by 333.1 percent to KHR 11.5 trillion compared to 2024 (Figure 4.5). Although usage remained modest, Bakong LVP provides real-time settlement for interbank payments, retail net settlements, and financial

4.2 Bakong Payment – Value and Volume (2020 - 2025)



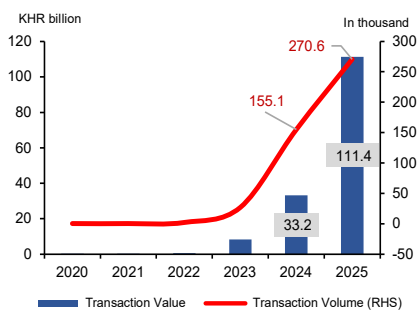
Source: National Bank of Cambodia

4.3 Share of Bakong's Transaction Volume by Currency (In percentage, 2020 - 2025)



Source: National Bank of Cambodia

4.4 Bakong Cross-Border Payment – Value and Volume (2020 - 2025)



Source: National Bank of Cambodia

¹¹ Laos, Thailand, Vietnam, Malaysia, South Korea, China, Japan, and Singapore

¹² Mastercard, VISA, UnionPay International, and Alipay.

¹³ The minimum settlement value of Bakong Large Value Payment is USD 50,000.

market transactions. Taken together with Bakong Payment, their real-time functionality has the potential to reduce intraday settlement and liquidity risks, comparing with the DNS module, particularly check payments. At the same time, as usage expands, participating institutions may need to further strengthen liquidity management and monitoring to ensure smooth settlement operations.

4.3 Development of Payment Services

A. Mobile and Internet Banking

Digital banking channels provided by BFIs continued to grow in scale and importance in 2025, reflecting a progressive digital shift in payment behavior. Total transaction volume conducted via BFIs' mobile banking and internet banking increased by 33.9 percent to 1.6 billion transactions, indicating sustained adoption by bank customers. Transaction value through mobile banking rose by 21.9 percent to KHR 1,048.0 trillion, while internet banking transaction value increased by 29.4 percent to KHR 147.4 trillion (Figure 4.6). The combined transaction values reached approximately 6 times GDP, highlighting the increasing reliance on BFIs' digital banking instruments for payment services and the associated importance of operational resilience in these channels.

B. Card Payment

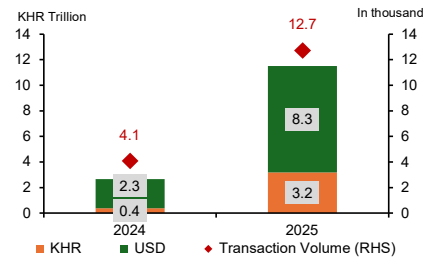
Card payment usage continued to decline in 2025. Total transaction volume decreased by 9.9 percent to 166.5 million transactions, while transaction value fell by 10.8 percent to KHR 105.4 trillion (Figure 4.7). This decline coincided with a reduction in the number of cards issued, which declined from 12.6 million in 2024 to 7.0 million in 2025. The declining trend suggests an ongoing shift away from card-based payments towards alternative digital payment instruments, particularly QR-based and mobile-based solutions, which offer greater convenience and lower transaction costs.

C. Mobile E-Wallet

Mobile e-wallet services provided by BFIs and PSIs continued to support payment digitalisation and financial inclusion.

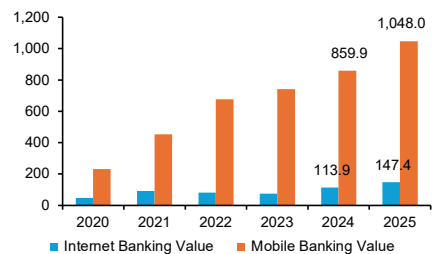
- BFIs' Mobile E-Wallet:** Registered e-wallet accounts with BFIs declined to 6.3 million in 2025 from 10.4 million in 2024 (Figure 4.8), largely reflecting the integration of e-wallet user accounts into conventional current and savings accounts. Despite the decline in registered accounts, transaction activity increased substantially. Total transaction volume rose by 85.4 percent to 2.0 billion transactions, while transaction value increased

4.5 Bakong Large Value Payment – Value and Volume (2024 - 2025)



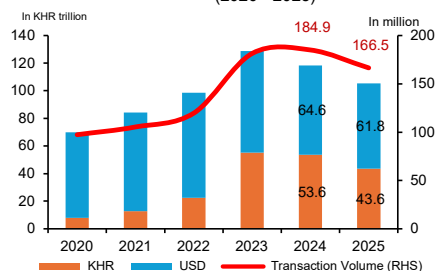
Source: National Bank of Cambodia

4.6 Transaction Values of Mobile and Internet Banking (In KHR trillion, 2020 - 2025)



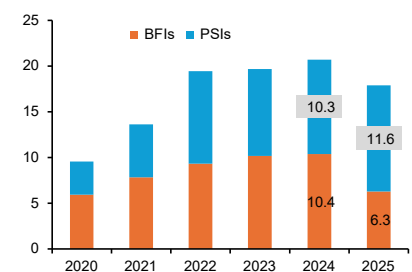
Source: National Bank of Cambodia

4.7 BFIs' Card Payment – Value and Volume (2020 - 2025)



Source: National Bank of Cambodia

4.8 Registered E-Wallet Accounts (In million, 2020 - 2025)



Source: National Bank of Cambodia

by 47.1 percent to KHR 641.0 trillion (Figure 4.9). This indicates higher transaction frequency among BFIs' existing mobile e-wallet users.

2. **PSIs' Mobile E-Wallet:** Registered e-wallet accounts with PSIs increased to 11.6 million in 2025, from 10.3 million in the previous year (Figure 4.8). Transaction volume expanded by 41.5 percent to 184.5 million transactions, while transaction value increased by 26.1 percent to KHR 40.3 trillion (Figure 4.10). The increase in e-wallet accounts and strong growth in transaction volume suggest continued uptake of PSI digital payments, reflecting broader outreach supported by the accessibility of PSI-provided services.

4.4 Financial Stability Implications

The expanding role of Bakong payment system in both retail and wholesale payments has increased its systemic importance within Cambodia's financial system. A significant operational disruption to Bakong could impair payment flows and economic activities, potentially resulting in delayed settlements, reduced transaction velocity, and contractual defaults. Stronger oversight and contingency arrangements are warranted for its operational resilience.

The widespread adoption of real-time payments also places higher demands on liquidity management by BFIs and PSIs relative to traditional DNS mechanisms.

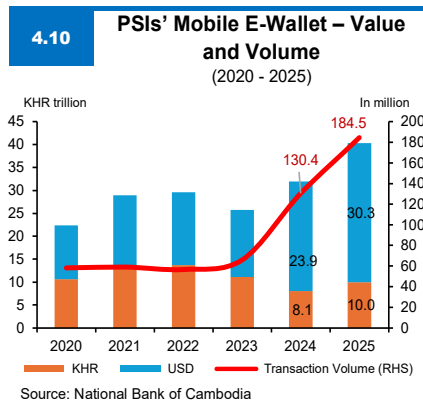
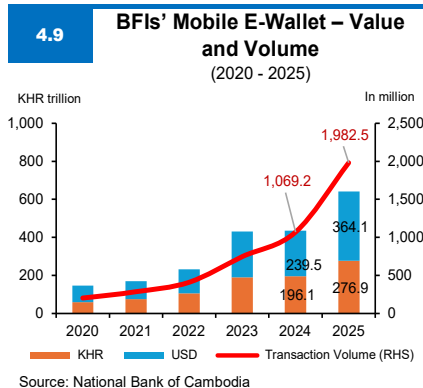
Most prominently, sensitivity of deposit flows to shocks may become more pronounced, as instant payment capability enables rapid fund transfers across institutions. Such dynamics could exacerbate liquidity stress at individual institutions and, in adverse scenarios, affect broader confidence in the financial system.

Operational and cyber risks have become more prominent as payment activities increasingly rely on banking digital channels. System outages, cyberattacks, fraud, and scams could disrupt payment services, leading to financial losses for users, and undermine trust in the payment system.

To mitigate these risks, the NBC has strengthened its regulatory and supervisory framework for the payment system. A directive¹⁴ was issued requiring institutions to report payment interruption incidents occurring on mobile banking or payment applications to the NBC for monitoring, coordination, and resolution. In addition, the Technology and Cyber Risk Management Guidelines has been issued, aiming at enhancing the operational sustainability, cyber resilience, and customer protection in BFIs' technology ecosystem.

4.5 Conclusion

The continued expansion of Bakong and digital payment channels has reshaped Cambodia's payment landscape, with Bakong emerging as a systemically important infrastructure for retail, cross-border, and large value payments. While these developments have delivered efficiency and inclusion gains, they have also brought emerging risks related to operational resilience, liquidity management, and cyber security. Strengthened regulatory oversight and ongoing monitoring remain essential to ensure that innovation in payment services continues to support financial stability.



¹⁴ The directive on Strengthening the Notification Mechanism Regarding Payment Services Interruption (B14-025-023) was issued on 10 November 2025.

Appendix 1

Table 1: Balance of Payment
(In percent of GDP, 2020 - 2025e)

	2020	2021	2022	2023	2024	2025e
Overall Balance	1.8	0.2	0.9	0.2	0.9	0.9
Financial Account	3.6	29.3	19.4	1.2	2.2	0.2
Current and Capital Account	-1.8	-29.0	-18.5	1.5	2.5	0.7

Source: National Bank of Cambodia
Note: e = estimate

Table 2: FDI Inflows by Sectors
(2020 - 2025)

	2020	2021	2022	2023	2024	2025
FDI (USD billion)	3.6	3.5	3.6	4.0	4.4	5.1
Agriculture	0.2	0.1	0.1	0.1	0.2	0.1
Mining and Quarrying	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing	0.6	0.7	0.8	1.4	2.3	3.3
Financial Activities	1.4	1.3	1.1	0.9	0.7	0.6
Accommodation	0.4	0.2	0.2	0.2	0.2	0.1
Telecom	0.0	0.0	0.0	0.0	0.0	0.0
Construction & Real Estate	0.6	0.6	0.8	0.9	0.6	0.5
Other	0.4	0.4	0.5	0.4	0.5	0.4
Total Growth (percent)	-1.0	-3.9	2.7	10.6	11.0	16.9

Source: Council for the Development of Cambodia and NBC's staff calculations

Table 3: GDP Growth by Sector
(In percentage, 2020 - 2025e)

	2020	2021	2022	2023	2024	2025e
Real Estate	-8.3	-8.5	0.5	-1.6	0.9	0.5
Agriculture	0.6	1.5	0.6	1.1	1.0	0.9
Construction	-7.6	-8.0	0.9	0.8	1.2	0.5
Finance and Insurance	4.3	3.2	1.0	-0.1	-0.2	0.2
Accommodation and Food Service	-34.2	-39.5	22.0	49.1	13.2	5.6
Wholesale and Retail Trade	-6.3	2.5	4.5	2.1	3.9	2.9
Non-GFT Manufacturing	9.8	13.6	10.0	16.1	6.9	10.1
GFT Manufacturing	-7.7	15.9	11.3	-4.5	15.8	7.1
Real GDP Growth	-3.6	3.1	5.1	5.0	6.0	5.0

Source: National Institute of Statistics, NBC's staff estimation
Note: e = estimate

Table 4: Contribution to Growth by Sector
(In percentage, 2020 - 2025e)

	2020	2021	2022	2023	2024	2025e
Real Estate	-0.4	-0.4	0.0	-0.1	0.7	0.0
Agriculture	0.1	0.3	0.1	0.2	0.1	0.1
Construction	-0.9	-0.9	0.1	0.1	0.1	0.0
Finance and Insurance	0.2	0.1	0.0	0.0	0.0	0.0
Accommodation and Food Services	-2.1	-1.6	0.5	1.4	0.5	0.2
Wholesale and Retail Trade	-0.6	0.2	0.4	0.2	0.4	0.3
Non-GFT Manufacturing	0.9	1.5	1.2	2.0	1.0	1.4
GFT Manufacturing	-1.1	2.3	1.8	-0.8	2.4	1.2
Other Sectors	0.3	1.6	1.0	2.0	0.8	1.7
Real GDP Growth	-3.6	3.1	5.1	5.0	6.0	5.0

Source: National Institute of Statistics, NBC's staff calculations
Note: e = estimate

Table 5: Number of International Tourist Arrivals by Purpose of Visits
(In Million Tourists, 2020 - 2025)

	2020	2021	2022	2023	2024	2025
Holiday	1.0	0.1	1.8	4.3	5.2	3.9
Business and Professional	0.3	0.1	0.4	1.0	1.4	1.6
Others	0.1	0.0	0.1	0.1	0.1	0.1
Total International Tourist Arrivals	1.3	0.2	2.3	5.5	6.7	5.6
Growth of International Tourists Arrival (percent, Y-o-Y)	-80.2	-85.0	1,058.6	139.5	22.9	-16.9

Source: Ministry of Tourism, NBC's staff calculations

Table 6: Contribution to Headline Inflation
(In percentage, 2020 - 2025)

	2020	2021	2022	2023	2024	2025
Inflation	2.9	2.9	5.4	2.1	0.8	2.5
Food	2.5	1.5	2.7	1.8	0.7	2.1
Oil-related Items	-0.3	0.8	1.1	-0.3	-0.2	-0.2
Core Inflation	0.7	0.6	1.5	0.7	0.4	0.6

Source: National Bank of Cambodia

Table 7: Financial Dollarization
(In percentage, 2020 - 2025)

	2020	2021	2022	2023	2024	2025
Foreign Currency to Broad Money (FCD/M2)	83.9	83.0	83.0	83.4	84.5	84.5
Foreign Currency to Total Deposits (FCD/TD)	93.1	91.4	90.4	90.3	90.6	90.7

Source: National Bank of Cambodia

Appendix 2

Table 9: Banking Indicators Compared to GDP
(In percentage, 2020 - 2025)

	2020	2021	2022	2023	2024	2025
Assets to GDP	168.5	187.9	194.5	199.4	196.9	201.2
Loans to GDP	108.3	126.4	138.2	135.5	128.4	127.8
Deposits to GDP	95.3	105.9	106.3	113.0	121.4	128.9

Source: National Bank of Cambodia

Table 10: DTIs' Credits and Deposits by Type of Currency
(2020 - 2025)

Credits	2020	2021	2022	2023	2024	2025
Credit in KHR (KHR trillion)	19.8	24.1	27.7	29.2	30.7	30.6
Credit in FC (KHR trillion)	131.9	164.1	194.3	198.3	199.6	213.3
Share of KHR Credit (percent)	13.1	12.8	12.5	12.8	13.3	12.6
Deposits	2020	2021	2022	2023	2024	2025
LC Deposits (KHR trillion)	11.2	15.6	19.5	22.9	26.2	30.4
FC Deposits (KHR trillion)	124.6	144.2	154.9	173.7	236.1	227.3
Share of LC Deposits (percent)	8.3	9.8	11.2	11.7	10.0	11.8

Source: National Bank of Cambodia

Table 11: DTIs' Credit by Sector – Value and Share
(2023 - 2025)

Value (In KHR trillion)	2023	2024	2025
Agriculture, Forestry and Fishing	23.4	23.5	23.1
Mining and Quarrying	1.0	1.3	1.4
Manufacturing	9.6	10.0	10.7
Utilities	2.5	3.1	4.5
Construction	21.8	22.7	25.3
Wholesale Trade	19.6	20.3	20.8
Retail Trade	39.6	40.1	40.9
Accommodation and Food Services	8.8	9.4	10.1
Arts, Entertainment, and Recreation	0.3	0.3	0.3
Transport and Storage	6.8	6.7	6.7
Information & Communication	1.1	1.0	1.0
Rental and Operational Leasing Activities	3.3	3.2	3.2
Real Estate Activities, excluding Mortgages	22.7	26.8	30.4
Mortgages	27.8	25.9	24.5
Education	0.7	0.8	0.9
Human Health & Social Work Activities	1.5	1.6	1.5
Activities of Households as Employers	24.1	23.6	25.5
Other Lending	10.8	11.5	13.3
Total	225.4	231.8	244.0
Share (In percentage)	2023	2024	2025
Agriculture, Forestry and Fishing	10.4	10.1	9.5
Mining and Quarrying	0.5	0.6	0.6
Manufacturing	4.3	4.3	4.4
Utilities	1.1	1.3	1.8
Construction	9.7	9.8	10.4
Wholesale Trade	8.7	8.8	8.5
Retail Trade	17.6	17.3	16.8

Accommodation and Food Services	3.9	4.1	4.2
Arts, Entertainment, and Recreation	0.1	0.1	0.1
Transport and Storage	3.0	2.9	2.7
Information & Communication	0.5	0.4	0.4
Rental and Operational Leasing Activities	1.4	1.4	1.3
Real Estate Activities, excluding Mortgages	10.0	11.6	12.4
Mortgages	12.3	11.2	10.0
Education	0.3	0.4	0.4
Human Health & Social Work Activities	0.7	0.7	0.6
Activities of Households as Employers	10.7	10.2	10.4
Other Lending	4.8	5.0	5.4

Source: National Bank of Cambodia

Table 12: DTIs' Liquidity Coverage Ratio
(In percentage, 2020 - 2025)

	2020	2021	2022	2023	2024	2025
LCR Required	100	100	100	100	100	100
LCR Actual	167.6	152.2	144.6	170.2	198.3	179.3

Source: National Bank of Cambodia

Table 13: Share of DTIs' Source of Funds
(In percentage, 2020 - 2025)

	2020	2021	2022	2023	2024	2025
Demand	14.3	15.1	12.5	11.4	13.1	15.2
Saving	20.8	20.1	18.0	17.3	19.8	24.2
Fixed	34.9	35.0	38.1	42.7	43.9	41.3
Others	0.9	0.9	0.9	0.4	0.4	1.2
Borrowings (<1y)	4.9	4.5	4.9	4.3	2.8	1.7
Borrowings (>1y)	10.0	10.2	11.1	9.5	6.3	3.9
Subordinated Debt (>1y)	1.9	1.9	1.9	1.6	1.1	1.2
Capital	12.3	12.3	12.5	12.9	12.6	11.4

Source: National Bank of Cambodia

Table 14: DTIs' Return on Assets and Equity
(In percentage, 2020 - 2025)

	2020	2021	2022	2023	2024	2025
Return on Assets	1.8	1.9	1.6	1.1	0.9	1.1
Return on Equity	9.5	9.8	8.2	6.4	4.8	6.0

Source: National Bank of Cambodia

Table 15: DTIs' Total Capital Ratio
(In percentage, 2020 - 2025)

	2020	2021	2022	2023	2024	2025
Regulatory Total Capital Ratio Limit	15	15	15	15	15	15
Tier-1 capital Ratio	19.6	19.3	18.8	19.7	20.0	19.4
Total Capital Ratio	22.7	22.3	21.7	22.5	22.4	22.0

Source: National Bank of Cambodia

Table 16: Total Assets in NDTIs
(2020 - 2025)

	2020	2021	2022	2023	2024	2025
Amount (KHR Trillion)	9.2	9.6	11.3	12.2	12.0	12.4
Growth (percent)	3.9	4.3	17.7	7.8	-2.0	3.5

Source: National Bank of Cambodia

Table 17: NDTI Credit by Sector – Value
(2023 - 2025)

Amount (billion KHR)	2023	2024	2025
Agriculture	908.1	827.8	750.9
Mining & Quarrying	10.4	6.1	8.9
Manufacturing	283.1	362.0	447.7
Utilities	61.3	52.2	37.0
Construction	640.0	617.5	634.4
Wholesale Trade	147.2	199.2	191.8
Retail Trade	612.5	519.0	447.6
Accommodation and Food Service	203.7	276.6	450.5
Arts, entertainment, and recreation	11.3	41.8	72.9
Transport and Storage	217.5	239.5	339.3
Information and Communications	2.4	4.6	7.9
Rental and Operational Leasing Activities	196.9	269.8	347.7
Real Estate Activities, excluding Mortgages	334.6	282.6	322.6
Mortgages	627.5	631.0	679.2
Education	16.6	43.7	34.3
Human Health and Social Work Activities	28.6	47.4	65.6
Activities of Households as Employers	4,734.5	5,126.3	5,853.5
Other Lending	1,401.7	1,081.4	862.8
Total	10,437.9	10,628.3	11,554.6

Source: National Bank of Cambodia

Table 18: NDTIs' Credit Quality
(2020 - 2025)

	2020	2021	2022	2023	2024	2025
NPL (In KHR billion)	461.2	641.2	778.2	1,179.4	1,519.6	1,560.1
NPLR (In percent)	6.4	8.3	8.0	11.3	14.3	13.5

Source: National Bank of Cambodia

Table 19: NDTIs' Return on Assets and Equity
(In percentage, 2020 - 2025)

	2020	2021	2022	2023	2024	2025
Return on Assets	2.7	1.3	1.7	0.4	-0.8	1.9
Return on Equity	6.6	3.6	4.8	1.3	-2.4	5.5

Source: National Bank of Cambodia

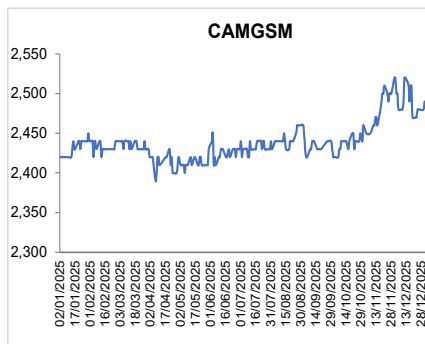
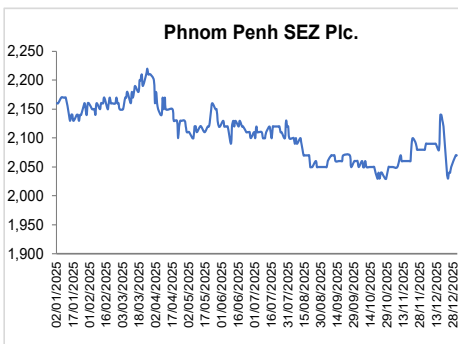
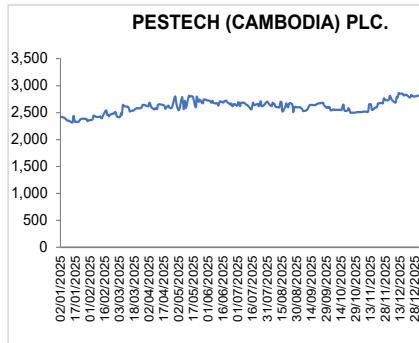
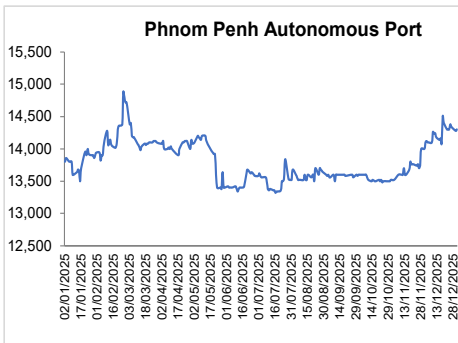
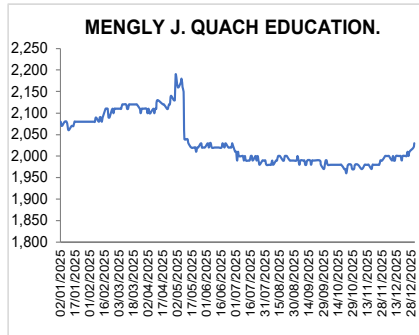
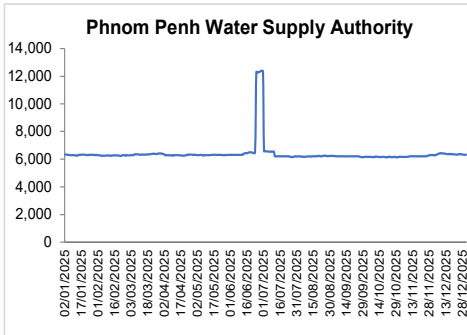
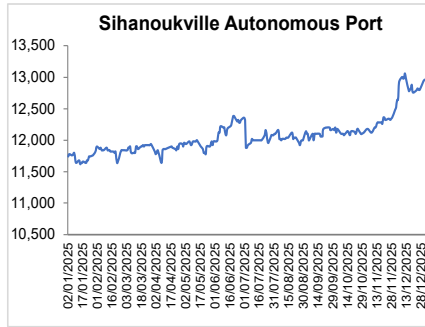
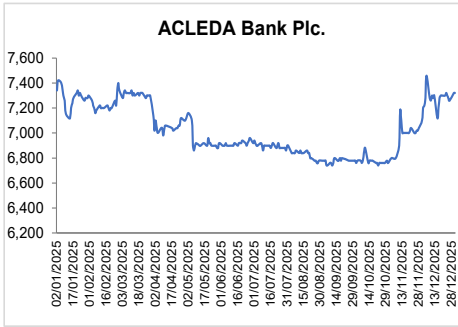
Table 20: NDTI's Solvency Ratio
(In percentage, 2020 - 2025)

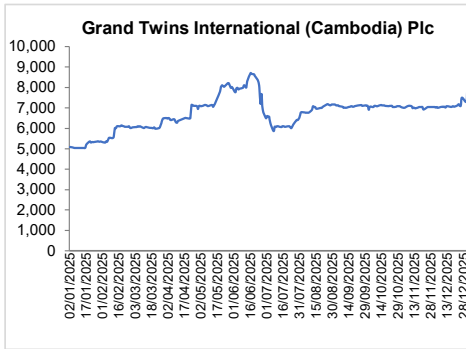
	2020	2021	2022	2023	2024	2025
Regulatory Solvency Limit	15	15	15	15	15	15
Solvency	42.0	39.6	31.6	33.5	33.6	31.2

Source: National Bank of Cambodia

Appendix 3

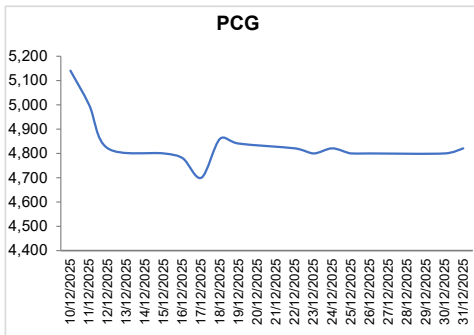
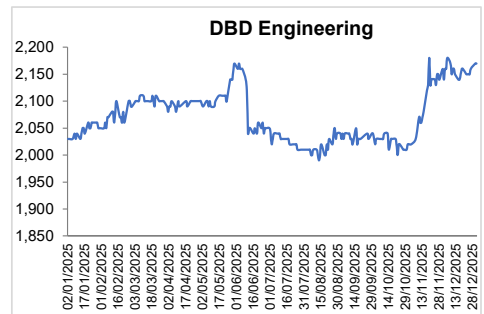
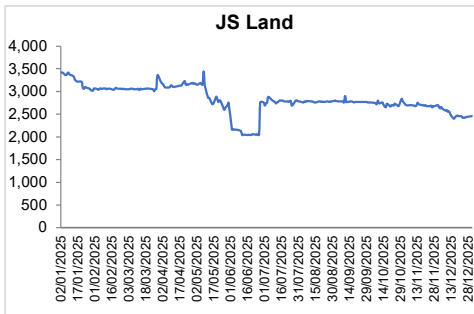
Equity Market (Main Board)
(In KHR per Share, 2025)





Source: Cambodia Securities Exchange

Equity Market (Growth Board) (In KHR per Share, 2025)



Source: Cambodia Securities Exchange

Table 21: Equity Market Capitalization
(In KHR billion, 2020 - 2025)

	2020	2021	2022	2023	2024	2025
ABC	7,407.1	4,556.9	4,686.8	4,357.6	3,266	3,170.8
PAS	1,218.0	1,142.5	1,142.5	1,089.0	991.5	1,111.6
PPWSA	530.5	622.7	657.5	633.1	553.1	551.4
PPAP	242.0	304.1	289.6	289.6	286.2	295.8
PESTECH	217.3	236.1	236.1	205.3	179.1	211.3
PPSP	84.8	148.8	171.8	156.7	156.0	148.8
GTI	128.0	168.8	152.0	113.6	203.2	320.8
MJQE				690.2	674.0	657.8
CGSM				5,152.9	4,761.0	4,878.6

DBDE	-	14.9	15.4	13.8	13.3	14.0
JSL	-	-	127.5	113.1	87.9	63.2
PCG						264.7
Total	9,827.7	7,194.8	7479.2	12,804.1	11,171.6	11,688.8

Source: Cambodia Securities Exchange

Table 22: Government Bond
(2022 - 2025)

KHR billion	2022	2023	2024	2025
Issued amount	72.1	238.0	301.3	688.4
Matured amount		72.1	76.0	164.0
Outstanding amount	72.1	238.0	463.3	987.7

Source: Cambodia Securities Exchange

Table 23: Coupon Rates of Corporate Bonds

Issuer	Bond Name	Coupon Rate			
		5-Year	7-Year	10-Year	15-Year
Telcotech	Telcotech Bond	4.5%			
	Telcotech Public Ltd	SOFR* + 2.5%			
Royal Railway Bond	Royal Railway Bond			7.0%	
	Royal Railway Guarantee Bond 1	SOFR +3.5% or 5% per annum**			
	Royal Railway Guarantee Bond 2			SOFR +3.5% or 5% per annum and year 6 to year 10: SOFR +3.75% or 5% per annum	
Golden Tree	Golden Tree Green Bond	7.0%			
CIA First International School	CIA First Guaranteed Bond 1	6.3%			
	CIA FIRST Guaranteed Bond 2	5.6%			
CAMGSM	CAMGSM Sustainability Bond			SOFR +3% or 5.5% per annum	
Royal Group Phnom Penh SEZ	PPSP Green Bond	SOFR + 1.5%			
ACLEDA Bank PLC.	ACLEDA Sub-Bond		8.50%		
	ACLEDA Sub-Bond 2		8.50%		
	ACLEDA Sub-Bond 2.0		7.50%		
SchneiTec Dynamic Co., Ltd	SchneiTec Dynamic Green Infra Bond				180-Day SOFR Average + 3.00%
	SchneiTec Dynamic Guaranteed Green Infra Bond 2				180-Day Average SOFR + 1.60% (4.00% - 6.00%)
	SchneiTec Dynamic Green Infra Bond				180-Day SOFR Average + 1.80%

Source: Cambodia Securities Exchange

Note: *SOFR refers to Secured Overnight Financing Rate, ** The higher one is applicable

Table 24: Insurance Sector
(2020 - 2025)

Total Assets

KHR trillion	2020	2021	2022	2023	2024	2025
Total	3.0	3.4	4.0	4.6	5.0	5.3

Gross Premium

KHR billion	2020	2021	2022	2023	2024	2025
General Insurance	466.8	502.7	563.6	619.3	637.7	647.0
Life Insurance	625.4	700.1	795.3	795.3	815.8	835.9
Micro Insurance	20.5	16.8				
Total	1,112.7	1,219.6	1,358.9	1,386.6	1,453.5	1,482.9

Note: the performance of Micro Insurance from 2022 is included in the "General Insurance" market.

General Insurance Premium

Share (In percentage)	2020	2021	2022	2023	2024	2025
Vehicle	18.4	17.5	17.8	16.8	17.3	17.5
Property	32.8	30.4	34.2	34.2	33.6	32.3
Transportation	2.5	3.4	5.6	5.9	5.0	5.2
Engineering	7.5	7.3	4.5	6.6	6.1	5.0
Personal Accident	4.5	4.6	5.2	5.0	5.4	6.1
Health	18.9	21.9	23.3	22.1	23.1	25.1
Agriculture						0.2
Livestock						0.0
Others	15.6	14.8	9.4	9.4	9.7	8.6

Life Insurance Premium

Share (In percentage)	2020	2021	2022	2023	2024	2025
Term Life	14.3	17.7	19.4	20.7	21.0	17.3
Whole Life	0.7	0.7	0.4	0.6	1.0	0.3
Endowment	84.0	80.0	79.9	78.7	78.0	73.0
Annuity						0.0
Health Rider						4.5
Others	1.0	1.6	0.3	0.0	0.0	4.9

Source: Insurance Regulator Cambodia

Table 25: Residential Property Price Index
(2024 - 2025)

2024	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cambodia	108.4	107.8	107.0	105.3	105.5	105.6	106.7	105.4	105.0	104.2	104.3	105.5
Phnom Penh	109.6	108.5	107.5	105.6	106.4	107.5	108.5	107.3	106.5	105.8	105.8	106.9
Rest of the Provinces	99.8	101.5	102.1	100.9	98.2	94.2	95.6	94.0	95.1	93.8	94.7	96.3

2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cambodia	103.6	103.0	101.0	100.7	100.6	100.8	102.4	103.4	104.0	103.5	102.2	101.5
Phnom Penh	105.0	104.5	102.9	102.4	101.9	101.4	102.8	103.6	104.3	103.9	102.9	102.3
Rest of the Provinces	94.2	93.0	89.5	89.9	92.1	95.2	97.9	99.8	100.1	98.7	96.3	95.1

Source: National Bank of Cambodia

Appendix 4

Table 26: Value and Volume of Bakong Payment
(In KHR Trillion, 2021 – 2025)

	2021	2022	2023	2024	2025
Payment in KHR	4.2	23.5	81.1	179.2	285.9
Payment in USD	19.1	90.4	219.7	411.6	613.2
Total Value	23.2	113.9	300.7	590.9	899.1
Total Volume (million)	8.2	40.4	200.9	606.1	1,325.6

Source: National Bank of Cambodia

Table 27: Value and Volume of E-wallet Transactions
(In KHR Trillion, 2020 – 2025)

	2020	2021	2022	2023	2024	2025
Payment in KHR	70.7	88.5	119.9	200.9	204.2	286.9
Payment in USD	97.4	109.8	141.2	256.4	263.4	394.4
Total Value	168.1	198.2	261.1	457.3	467.6	681.3
Total Volume (million)	258.7	343.8	467.4	811.0	1,199.6	2,167.1

Source: National Bank of Cambodia

Table 28: Values of Internet and Mobile Banking
(In KHR Trillion, 2020 – 2025)

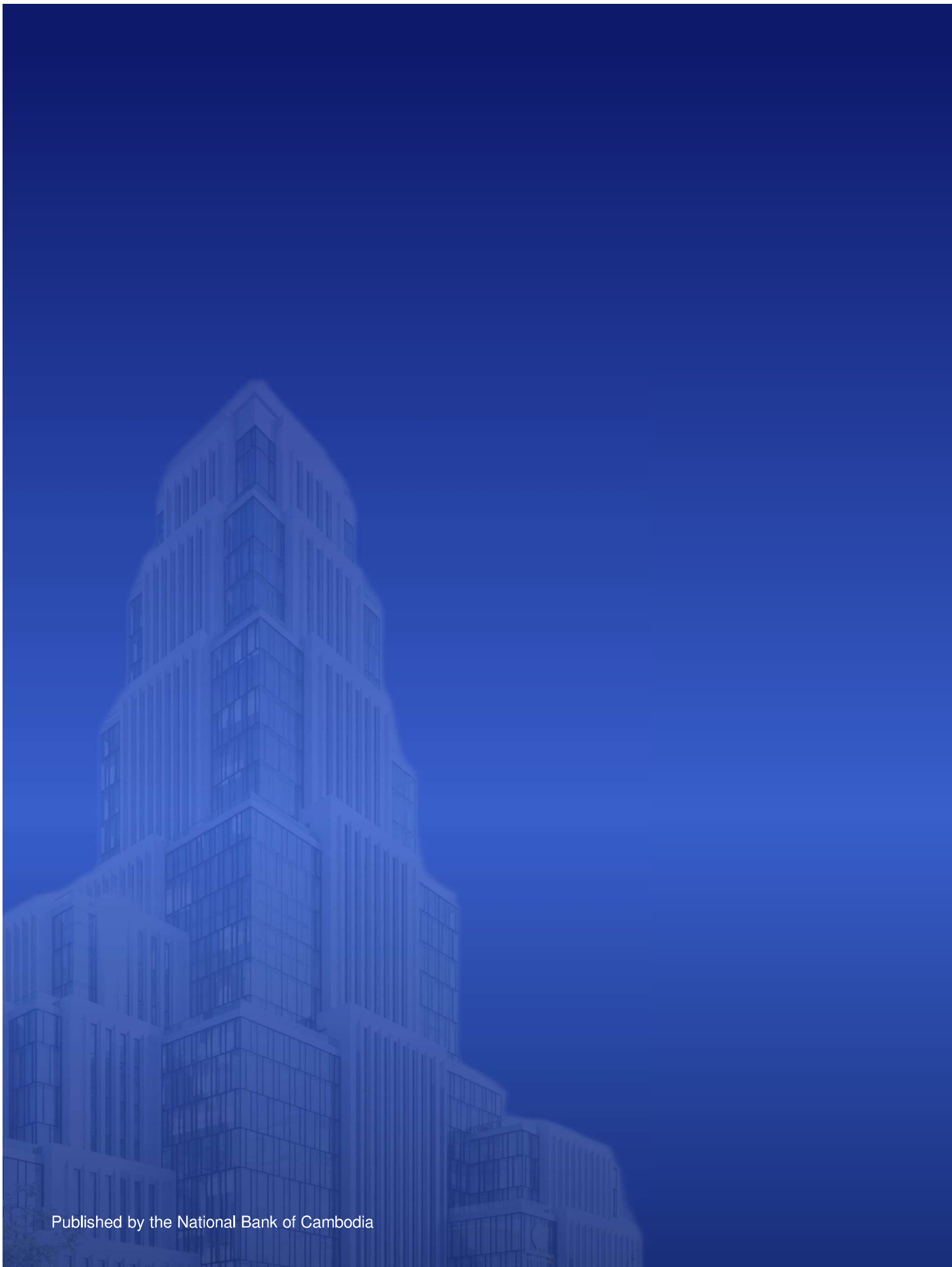
	2020	2021	2022	2023	2024	2025
Internet Banking	46.8	90.2	80.6	74.1	113.9	147.4
Mobile Banking	230.3	453.6	677.0	742.6	859.9	1,048.0

Source: National Bank of Cambodia

Table 29: Value and Volume of Card Payment
(In KHR Trillion, 2020 – 2025)

	2020	2021	2022	2023	2024	2025
Payment in KHR	8.0	12.8	22.4	55.1	53.6	43.6
Payment in USD	61.7	71.4	76.2	73.6	64.6	61.8
Total Value	69.7	84.2	98.6	128.8	118.2	105.4
Total Volume (million)	97.3	105.3	119.7	181.5	184.9	166.5

Source: National Bank of Cambodia



Published by the National Bank of Cambodia