

Daily Thai News Updates: 1 February 2017

1. Thai – Myanmar talks due

Source: Bangkok Post ([Link](#))

Deputy Prime Minister Somkid Jatusripitak will be leading major Thai businesses to meet a team of Myanmar officials and businesses to seek further cooperation in developing industrial estates in Myanmar and border trade operations on Feb 3-4. Industry Minister Uttama Savanayana said the Thai business group, which comprise PTT Plc (PTT), Siam Cement Group (SCG) and Ch. Kanchang Plc (CK), are due to meet the team of Myanmar officials, which includes an adviser to Myanmar State Counsellor Aung San Suu Kyi. Mr Uttama said the head of the Industrial Estate Authority of Thailand (IEAT) will be joining the trip to seek ways to develop new estates in Myanmar. "We need to amend some Thai laws to allow the IEAT to develop new estates outside Thailand. Prior to that we need to talk with partners in Myanmar partner and understand what they need from us," he said.

2. BoT: Q4 growth in 2016 despite tourist contraction

Source: Bangkok Post ([Link](#))

The country's economy continued to grow in the final quarter of last year, underpinned by public spending and a pickup in exports, says a senior central bank official. Merchandise exports were flat in 2016, better than the 0.6% contraction forecast by the central bank, as trade partners' economies improved, said Pornpen Sodsrichai, director of macroeconomic and monetary policy at the Bank of Thailand. "Export of Thai goods showed no growth in 2016, recovering from a 5.6% contraction in 2015, thanks to a more robust recovery in the second half of the year, especially in the fourth quarter," she said. During the October-to-December quarter, exports grew 3.4% compared with 0.4% growth in the third quarter and a 2% contraction in the first half of the year.

3. Hotel investment to remain strong this year, JLL forecasts

Source: The Nation ([Link](#))

Thailand's hotel investment activity remained robust in 2016, with more than 10 hotels and hospitality assets sold in Bangkok and major provincial destinations, says JLL, a major investment-management company specialising in real estate. Five assets were brokered by JLL on behalf of the sellers. However, investment volume fell 15 per cent from 2015 to Bt9.6 billion because of the lack of large assets being offered to the market. This year will see a big jump in investment volume as the Bt10.8-billion sale of Swissotel Nai Lert Park is scheduled for conclusion this year, according JLL's hotels and hospitality group. "Investment appetite by both local and foreign investors in Thailand's hospitality market has [shown] no signs of subsiding as these investors have remained upbeat on long-term fundamentals in this ever-resilient market," said Mike Batchelor, managing director of investment sales in Asia for that group. Data from the Tourism Authority of Thailand suggest that the growth of inbound visits to Thailand has been consistent, with a 10-year compound annual growth rate of 8.9 per cent.

4. Chinese likely to pour more money into Thai properties

Source: Bangkok Post ([Link](#))

Chinese institutional investors will likely play a bigger role in the Thai property market despite limited activity over the past few years, according to JLL, a professional services firm specializing in real estate. "Chinese companies have been actively looking for opportunities to invest in a wide range of real estate assets in Bangkok and major resort markets. Despite the keen interest, investment activity by the Chinese to date has remained limited with most of the transactions being joint ventures in property development projects or acquisitions of stakes in Thai property development companies," said Suphin Mechuchep, managing director of JLL Thailand.

5. Dept expands nominee probe to 17,000 firms in 12 sectors

Source: The Nation ([Link](#))

The Business Development Department will this year expand its investigation into the use of Thai nationals as nominees of foreign-controlled companies, covering more than 17,000 companies in 12 sectors where the illegal practice is suspected of being widespread. Three business sectors – tourism, land and property trading, and agricultural-products trading – will be highlighted and stringently investigated, as the department says it has found foreigners to be increasingly involved in such businesses via Thai nominees. Director-general Bangjongjitt Angsusingh said that under its 2017 plan, the agency would tackle the practice vigorously through stringent law enforcement in a bid to prevent violations of the Foreign Business Act. Moreover, the department will extend its investigation of nominee cases to 12 business sectors in total, the other nine being: food and beverages, property rental, car rental, spas, handicraft and souvenir retailing, Internet retailing, direct sales, the trading of medicines, herbs and supplements, and education consultants. She said the 12 sectors would be targeted because it was believed that a high proportion of their businesses were foreign-controlled through the use of Thai nominees.