

## Daily Thai News Summary: 11 May 2016

### 1. AESOP makes Thailand foray

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

AESOP, an Australian botanical cosmetics brand, is exploring opportunities in Thailand's 10 billion baht skincare market. Michael O'Keeffe, Chief Executive of Emeis Cosmetics, the parent of AESOP, said during a visit to Thailand yesterday that the company expanded its business into Thailand by appointing Central Marketing Group, the cosmetics and fashion arm of Central Group of Companies, to distribute and market AESOP skincare, haircare and bodycare products in the local markets.

### 2. Developers eyes promotions after end of govt incentives

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

Residential developers are considering special promotions for their projects launching this quarter after the government's stimulus package reducing transfer and mortgage fees to 0.01 expired last month. Yesterday, Gaysorn Property Co introduced its latest luxury condominium, the Tela Thonglor, worth Bt4.1 billion. NYE Estate brought out its latest townhouse estate, Cherkoon, worth Bt500 billion. Sansiri unveiled its latest detached-housing estate, Setthasiri Pattanakarn, worth Bt3.1 billion. Fafuen Temboonkiat, managing director of Gaysorn Property, said the company had confidence that the demand for luxury condominiums in Bangkok's Thonglor area was still growing. This is also the best time to expand. Tela Thonglor is under construction with completion scheduled by the end of 2019. The average price is Bt300,000 per square metre. The company believes it can close 75 per cent of the project's sales by the end of this year, he said.

Sutee Limpanachaipornkul, managing director of NYE Estate Co, said Cherkoon had succeeded in locking up buyers for 45 per cent of its units after presales opened early this year. *"Looking forward to this year in the Thai residential property market, we see a constant growth in horizontal housing projects, while condominium development tends to slow down. Many major real-estate developers have allocated more investment to horizontal housing projects. There is still considerable demand for premium townhouses and townhouses in urban and urban fringe areas with short commutes and convenient access to mass transit systems and expressways, which offer cheaper prices per square metre than condominiums,"* he said.

### **3. NBTC to offer new max tariffs on phone service**

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

The National Broadcasting and Telecommunications Commission office will propose to the telecom committee next week that it consider new maximum mobile-phone tariffs of Bt0.69 per minute for voice service and Bt0.26 per megabyte for data service for all new packages. Currently, the rule is that the average tariffs of all of a telecom's packages should be 69 and 26 satang for voice and data respectively. NBTC secretary-general Takorn Tantasith made the remark yesterday at a seminar hosted by the Information Technology Press Club on the lessons from the auctions of licences for fourth-generation wireless service. Currently the average price of all combined packages of each of operators feature maximum voice fee at Bt0.69 per minute and data fee of Bt0.26 per megabytes.

Takorn also said Advanced Info Service subsidiary Advanced Wireless Network (AWN) would definitely take part in the auction for a licence on the 900-megahertz spectrum on May 27. He said AIS had told him informally that its board had approved the plan to join the auction. He said True Corp had still not made a final decision on taking part in the auction as its board had yet to meet on the matter. So far only AWN and True Move H Universal Communication have picked up the documents for applying to participate in the auction. The bid invitation period runs from April 12 to May 17.

### **4. Bangkok Bank launches asset management firm**

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

Bangkok Bank has launched a new subsidiary, Bangkok Capital Asset Management (BCAP), to strengthen its private-fund and provident-fund operations, aiming to double the size of its assets under management (AUM) by 2018. The bank holds 99.89 per cent in BCAP through Bualuang Securities, which runs both the private-fund and securities businesses. Amid the fierce competition in the assets-management business and clients' growing demands for investment products, BCAP says it will help ensure Bualuang Securities' high performance. Bualuang had transferred its private- and provident-fund businesses to BCAP with Bt18.2 billion in AUM.

Mayvadee Prasertsintanag, managing director of BCAP, said the company embraced two strategies. First is adopting international standards to improve the investment and risk-management process to assure institutional and individual investors that they can rely on BCAP to handle their needs, she said. Second is continuity investment, for which BCAP has executed best practices. Moreover, the company will focus on providing products that differ from those offered by other asset-management companies. Under the theme "better investment approach: be informed, be innovative, be global", it aims to invest revenue from its private- and provident-

fund businesses to develop other products, she said. The company plans to have new products covering private funds, provident funds and mutual funds within three years. Mayvadee said the company planned to launch two or three funds this year. It will introduce its first mutual fund, BCAP MSCI Thailand ETF, for investors looking for long-term savings in local stocks. This fund is designed for investors who have little time or experience. Return on investment is set at 5-10 per cent.

## **5. Central sells stake in Big C Thailand to finance VN deal**

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

Central Group yesterday confirmed it had sold its remaining 25-per-cent stake in Big C Supercenter to TCC Group, a holding company owned by tycoon Charoen Sirivadhanabhakdi. An industry source said Central probably made this decision because of its ownership in Tops Supermarket and FamilyMart. Parts of their operations overlap Big C's, he said, adding that hypermarkets are not Central's business focus for Thailand. He also noted that the value of Big C Thailand was far higher than Big C Vietnam's. "Vietnam seems to be more interesting to Central, judging from the financial sums to be invested in Thailand and possible cannibalisation of Tops and FamilyMart," the source said. Central, the largest retail conglomerate in Thailand, accepted a tender offer from TCC Group. The deal, worth at least Bt50 billion, will help Central finance the purchase of Big C Vietnam. Central declined to provide any details on the deal, saying its executives were travelling outside the country. Central Group, which has interests spanning from hotels and resorts to property and restaurants, also bid when Casino Group was selling its Thai assets, eventually losing out to Charoen. He bought the French retailer's majority 58.6-per-cent stake in Big C Thailand for 3.1 billion euros (Bt124 billion) in February.

Central in partnership with Nguyen Kim Group recently acquired Big C Vietnam from Casino for 920 million euros. Central Group chief executive officer Tos Chirathivat said the acquisition represented the strength of Central's will to keep expanding its business in Asia. Operating for more than 18 years, Big C Vietnam has 43 stores nationwide, comprising 33 hypermarkets and 10 convenience stores, and 30 shopping malls. Total revenue in 2015 was about 586 million euros.

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**By Harsha Hazarika**