

## Daily Thai News Summary: 17 May 2016

### 1. Thailand eyes jump in trade with Russia

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

Thailand aims to set a target of a five times increase in bilateral trade within five years during Prime Minister Prayut Chan-o-cha's visit to the country this week, according to Commerce Minister Apiradi Tantraporn. The four-day visit starts today. Apiradi said Thailand would participate in a special session of the Asean-Russia Summit, while a bilateral discussion would take place between Prayut and Russian President Vladimir Putin and Russian Prime Minister Dmitry Medvedev. At the summit, three sets of document will be ratified including an action plan to strengthen bilateral ties between Asean and Russia and a recommendation report of a group of experts involving the Asean-Russia strategic partnership. Apiradi said that the ministry's other key issues were an initiative involving the Eurasian Economic Union and a memorandum of understanding for the expansion of trade and economic cooperation between Thailand and Russia.

Prayut will lead more than 30 major private enterprises in meeting with some 100 Russian private enterprises tomorrow at the Thai-Russian Business Dialogue. They aim to convince Russian companies to invest in Thailand, said Hiranya Sujinai, secretary-general of the Board of Investment. The Thai private enterprises cover sectors such as food, rubber, electronics and finance. *"Russia has high potential in scientific and technological advancement and innovation. We want to invite Russia's business groups to invest more in Thailand,"* Hiranya said. Russian businesses are mostly involved in Thailand's tourism sector and small-sized operations in others sectors, particularly software and digital content. Russia is Thailand's largest Eurasia trade market. Trade between the two countries totalled US\$2.35 billion (Bt83 billion) in 2015.

### 2. Sermsuk looks to big boost in exports to ASEAN market

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

SERMSUK PLC, a beverage producer and distributor under Thai Beverage Group, plans to boost exports especially in Asean markets to 20 per cent of sales by 2020 from less than 10 per cent today. This following its success in introducing its energy drink Ranger to Malaysia and 100 Plus to Myanmar. The company plans to launch its carbonated drink, est, in Malaysia this year, as it already distributes Oishi green tea, bottled by Oishi Plc, in Malaysia and Singapore. The focus will be on the CLMV countries of Cambodia, Laos, Myanmar and Vietnam. Vivek Chhabra, president of Sermsuk and Thai Drink Co and chief executive officer

of the soft drink units of ThaiBev, told a press conference on Sunday that this strategy support's ThaiBev's "Vision 2020" to double its sales of non-alcoholic beverages from Bt20 billion last year.

The non-alcohol business covers carbonated drinks, bottled water, energy drinks, green tea, and health beverages. The group will expand to health beverages - fruit juices and soy milk - by importing them from F&N, which has well-known brands for both categories. The company has earmarked a capital expenditure budget of up to Bt1 billion. Half will be used to expand its production line in Khon Kaen in two months and half to expand its production line in Surat Thani next year. *"Not only are we expanding our production capacity, but we are also continuing to plan for mergers and acquisitions. But we cannot say how much and when a deal will happen. That depends on the business opportunity,"* he said. The group has set its marketing budget at 15 per cent of annual sales to boost its business both in Thailand and the overseas market.

### **3. Economy sees best growth in three years**

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

Thailand's economy remained resilient in the first quarter of this year, surprising forecasters by growing more than the previous quarter despite the continued contraction of exports. First-quarter gross domestic product (GDP) expanded the highest in three years to 3.2 per cent, compared to the previous quarter's 2.8 per cent. The country's economy grew a seasonally adjusted 0.9 per cent in the first quarter, boosted by public spending and tourism, according to the National Economic and Social Development Board (NESDB). Private consumption rose 2.3 per cent, continuing from the previous quarter's 2.6-per-cent increase, while public consumption climbed 8 per cent compared to the 4.8 per cent in the fourth quarter of last year. Given disbursement of investment in rural sectors for roads and water resources management, public investment remained high with a 12.4-per-cent increase. Pornpen Sodsrichai, the central bank's director of the Macroeconomic Office at the Bank of Thailand, said that first-quarter economic growth at 3.2 per cent came close to the central bank's forecast. The expansion was mainly driven by services, particularly high growth in tourism, and consistent rise in public spending, she said.

#### 4. Demand for Uber service doubles in 12 months

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

UBER has seen a twofold increase in demand for its service in the last 12 months, which involves the participation of several thousand drivers in Thailand. The firm has also urged the government to regulate ride-sharing to boost the service industry. Uber's general manager for Southeast Asia, Chan Park, said the firm in the last couple of months had created the prototype Uber MOTO service. The service enables people looking to save time and money on short trips to book a ride on a motorcycle. Price starts at Bt10 with Bt3.50/km and Bt0.85/min. The Uber MOTO is available in the Sathorn, Siam, and Silom areas. You can ride from MRT Silom, MRT Lumpini, BTS Saladaeng, or BTS Chong Nonsi to your home or office. The firm also provides Uber MOTO service in Indian cities such as Bangalore. *"Demand is expected to be off the charts as we add more Uber MOTO drivers, so you may need to request multiple times. In the coming weeks, we'll be expanding coverage of Uber MOTO to more locations around Bangkok,"* said Park. The firm has also urged the Thai government to regulate the ride-sharing transportation service like in Singapore, Malaysia, Philippines, the US, and Australia.

#### 5. Scoot, Nok Air join world's biggest budget carrier alliance

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

Eight Asian budget carriers, including Scoot and Tigerair, have joined hands to launch the world's biggest low-cost carrier alliance. The other partners of Value Alliance are Tigerair Australia, Cebu Pacific (including subsidiary Cebgo) in the Philippines, South Korea's Jeju Air and Japan's Vanilla Air and Thailand's Nok Air and NokScoot. With the tie-up, customers will be able to view, select and book seats on flights from any of the airlines in a single transaction, directly from each partner website. This means more destinations and route options, the group's members said at the launch of the new partnership yesterday. They can also access seat and meal selection options, baggage allowances and other inflight features from across all partner airline sectors in a single itinerary. Together, the eight airlines operate 176 aircraft to more than 160 destinations across the region. Last year, they carried a total of 47 million travellers from 17 hubs.



**By Harsha Hazarika**