

Daily Thai News Summary: 11 March 2016

1. Maker of Big Cola makes Thailand its Asia centre

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

Spain based Aje Group, one of the largest multinational beverage companies, has made Thailand its regional centre for Asia, with the role of facilitating its foray into individual markets within the region. The group is now present in more than 23 countries in Latin America, Asia and Africa, with 13,000 direct and indirect employees. In addition to its flagship brand, Big Cola, Aje's product portfolio includes such brands as Cielo, Cifrut, Pulp, Big Fresh, Sporade and Volt in the water and juices categories, as well as electrolyte and energy drinks. Soren Lauridsen, Aje Group regional director for Asia and managing director of Aje Thailand, said his mission was to increase the footprint of Big Cola and the other beverage brands across Asia, which is recognised by Aje as an important market with great business potential.

Lauridsen, who has been in the top position in the Thai operation for six months, said Latin America was now the group's biggest market, particularly Mexico, which is recognised as the second-largest soft-drink market in the world. Before joining Aje, Lauridsen worked as chief executive at Carlsberg in charge of India and other parts of Asia. He said Aje's beverage products were now available in many markets in Asia, including Thailand, Vietnam, Cambodia, Indonesia, India and Bhutan.

2. Thai plaspac gears for new products, takeovers

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

Thai Plaspac Plc has budgeted Bt100 million to develop innovative packaging and acquire major stakes in other consumer packaging firms. "The development of our people into the most passionate and experienced industry professionals coupled with our ability to identify and our commitment to invest in cutting-edge packaging technologies continues to differentiate us," Kevin Sharma, chief executive officer, said yesterday. TPAC designs and manufactures bespoke rigid plastic packaging solutions across the food, pharmaceutical and homecare industries. It boasts a track record of more than 30 years in delivering sustainable and innovative packaging solutions to the world's leading consumer goods companies. Last year the company increased its net profit nearly 12 per cent to Bt104.2 million. It brought its debt-to-equity ratio down to about 0.2 times through repayment of loans via strong cashflow from operations. The company is looking beyond Thailand to expand its operations. *"We are staying alert to*

synergistic growth opportunities that will enable us to further serve our customers internationally", he said.

3. Three giant conglomerates ready to pour funds into sector

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

Thailand's top three conglomerates, TCC Land Group, CP Group and Singha Corporation, have set aside more than Bt100 billion to expand their investment in the property sector from this year until 2020. The funds have been earmarked for both residential projects as well as commercial buildings to generate long-term income. With a high net-profit margin in the property sector, which has recorded average earnings of 15 per cent, big Thai conglomerate have decided to aggressively pour money into the industry. TCC Land Group, which is owned by Charoen Sirivadhanabhakdi, has been investing in hospitality and commercial buildings such as office and retail projects under its non-listed firm TCC Land Asset World Co Ltd. Charoen's daughter Wallapa and her husband Soamapat Traisorat are managing the subsidiary. The company has said that it will spend Bt74.2 billion on developing at least 10 new hotels from now until 2022. *"TCC Land plans to invest aggressively in the hospitality business as it foresees Thailand becoming a regional travel hub now that the Asean Economic Community has gone into effect, especially in terms of meetings, incentives, conferences and exhibitions [MICE]. For now, we are suspending expansion in the residential market and will spend less in retail properties due to limited availability of land,"* Soamapat, who is chief executive officer of TCC Land Asset World Co Ltd, said.

Its Singapore-based arm Frasers Centrepoint Ltd (FCL) will oversee the company's future investments in hospitality business overseas. *"We have continued managing some of our overseas hotels in places like Vietnam, Laos, Cambodia and China. But the new investments abroad will now be expanded by our subsidiary in Singapore,"* Wallapa, TCC Land Asset World Co Ltd's deputy CEO, said.

4. Thai hotel room rates dropped 8% last year

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

The latest Hotel Price Index (HPI) from Hotels.com shows prices paid per night for accommodations in Thailand, including taxes and fees, fell 8 per cent last year compared with 2014, partly because of the country's low inflation rate and lower global oil prices. The global index was 114 for 2015, closing the gap on the previous peak of 117 in 2007, the year before the world economic crisis. According to the Ministry of Tourism and Sports, the number of travellers to Thailand surged in 2015. Visitor arrivals increased by 20.4 per cent over 2014,

totalling 29.8 million, mainly driven by demand from the Chinese market. The 8-per-cent drop in hotel prices in Thailand was good news for travellers, with some of them finding even more affordable rates at most destinations.

Travellers to cities in other Asian countries also saw a decrease in room prices, with rates in Kuala Lumpur falling by 20 per cent to Bt2,087 per night, in Seoul by 19 per cent to Bt3,232, in Bali by 19 per cent to Bt2,790, in Singapore by 18 per cent to Bt4,527 and in Taipei by 13 per cent to Bt3,279.

Room prices at 95 per cent of the hotels in Thai cities dropped last year, according to the Hotels.com HPI report. Travellers in Thailand paid an average of Bt2,968 per night, down from Bt3,226 in 2014. Among Thai locations analysed in the HPI, Kanchanaburi and Koh Samet saw the highest decline at 39 per cent. The only destinations where travellers experienced an increase were Pran Buri in Prachuap Khiri Khan province and Koh Ngai in Krabi, rising by 7 per cent to Bt5,529 and 5 per cent to Bt3,473 respectively.

5. Host of promotions as govt incentive about to expire

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

Property developers have launched special promotions in a bid to boost sales before the government's incentive for home-buyers .Most residential developers are running promotions at the "34th House & Condo Show", being held until tomorrow at the Queen Sirikit National Convention Centre, while some are introducing campaigns separate from the event. For example, Thanasiri Group is offering discounts, plus one baht weight of gold for every Bt1 million spent buying a home, as well as free air-conditioning and other accessories, at the show. Sena Development is offering discounts up to Bt1 million for customers booking a home at the four-day event, while Quality Houses offers a similar deal during the show, as well as a free iPhone 6s 16GB for home-buyers. LPN Development, meanwhile, has a special "Help you pay a half of monthly payment" promotion, as well as free mortgage and transfer fees for customers deciding to buy one of its condominiums at the event.

Eastern Star Real Estate will provide a gift voucher worth Bt30,000 for customers booking a unit at either of its two condominium projects, Vantage and Amber, where units are on sale for Bt3.9 million and Bt2.49 million, respectively. Kanda Property offers free mortgage and transfer fees, discounts up to Bt1.5 million, and free furniture for bookings made during the show. Veerakit Akeakkaravichit, chair of the organising committee for the "*34th House and Condo Show*", has targeted up to 150,000 visitors and sales value of Bt3 billion during the event, as well as a further Bt7 billion being generated within a month of it shutting its doors. "*We believe many home-buyers will decide before the government's measure, which has reduced the transfer and mortgage fee to just 0.01 per cent, expires at the end of April,*" he said. Meanwhile,

some developers are also holding special campaign events of their own to speed up sales before the government's incentive expires.



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