

Daily Thai News Summary: 13 August 2015

1. Stronger ties sought with South Africa

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

The private sector is urging the formation of a Thai-South African business council to ease trade and investment between the two countries. Kriengkrai Thiennukul, vice-chairman of the Federation of Thai Industries (FTI), said the new business council, once set up, would help to boost bilateral trade between Thailand and South Africa to as US\$0 billion annually over the next three years. South Africa could potentially become a goods distribution centre for other countries in Africa, he said.

"Most African consumers now take Thai-made products as quality products," Mr Kriengkrai said. *"We, the private sector, see a tremendous opportunity not only for trade but also investment if there is a joint business council."*

Potential sectors of interest include health and beauty, plastics, food processing, consumer products and auto parts. Bilateral trade between Thailand and South Africa totaled \$35.2 billion last year, with Thai exports accounting for \$2.35 billion, down by nearly 10% from 2013.

2. Govt expects foreign tourists to exceed target

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

The Government is confident the number of foreign tourists to the Kingdom will rise beyond the 28.8-million target by the end of this year, said Maj-General Sansern Keawkamnerd, deputy spokesman of the Prime Minister's Office.

Sansern said about 17.5 million tourists visited the country and spent about Bt818.439 billion from January until July 31. Hence the government believes more tourists will arrive and bring the total to between 29 million and 30 million, more than the Tourism and Sports Ministry's projection of 28.8 million.

This means the country will earn between Bt1.6 trillion and Bt1.8 trillion - much more than the projected Bt1.4 trillion by the end of 2015, he added. The weakening baht will attract a large number of Chinese tourists - possibly double the usual rate of 500,000 per month - from October 1-7 during the Chinese holiday period, he said. As the US economy begins to improve, it is expected that 1.2 million Americans will travel to Thailand - 300,000 more than the usual rate. They usually stay 14-15 days each time they visit Thailand, he added.

3. BBL eyes Chinese firms in Vietnam

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

Bangkok Bank sees Chinese corporations becoming some of the major customers of its Vietnamese operations after experiencing greater direct investment activities from them. Chinese companies have expanded into Vietnam as they want to use that country as an export base.

Vietnam is enjoying tax benefits under a free-trade agreement with the European Union, said Tharabodee Serng-Adichaiwit, senior vice president and general manager of Bangkok Bank's Vietnamese operations. When the US-led Trans-Pacific Partnership crystallizes, Chinese exporters with a production base in Vietnam, which plans to be one of the members, can take advantage of tax privileges from the US.

Labour in China will no longer be cheap, so its exporters have to find a new base, while Vietnam is welcoming foreign direct investment to accelerate its economic growth.

4. Plans afoot to woo Hollywood

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

The Cabinet has approved in principle the Tourism and Sports Ministry's idea of attracting the producers of Hollywood movies to use Thailand as the setting for their next blockbusters.

"We are talking about famous blockbuster movies with high budgets such as 'Star Wars', for which, at one point, Thailand was considered as a location, but [the producers] opted to use the United Kingdom instead because it offered incentives and Thailand did not," Tourism and Sports Minister Kobkarn Wattanavrangkul said after the Cabinet meeting yesterday.

"If we had incentives with some boundaries, such as using places that have tourist attractions as part of the movie sets, than we could promote our country's image. Many countries in the region are also considering the same measures right now," she said.

5. GDP growth may fall below 2.3%

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

Kobsidthi Silpachai, head for market and economic research at Kasikornbank, warned that Thailand's economic growth rate this year may fall below the bank's forecast of 2.3 per cent due to poor export figures. The bank is waiting for the official economic data for the second quarter, to be released on August 17, he said.

The bank has forecast 1.7 per cent contraction in export value for the whole year. For now, it expected the 1.4 per cent growth rate in the fourth quarter, which would be the best quarter for Thai exports.

By Harsha Hazarika