

Daily Thai News Summary: 13 May 2016

1. Major boost for residential prices along purple line

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

Residential prices at new projects along the Purple Line could rise by up to 50 per cent when the mass-transit route begins operations late this year, according to a survey by property agency Collier International Thailand. Associate director Surachet Kongcheep said new condominium projects being launched around the Purple Line from Bang Sue to Bang Yai would see offer prices between 30 per cent and 50 per cent higher than those in existing projects. This follows increases of up to 30 per cent in land prices in areas around the mass-transit route since the start of last year. *"The price of land around Tao Pun station has been recorded at up to Bt500,000 per square wah [4 square metres], because the area from Tao Pun to Bang Sue station will be a new commercial hub and logistics centre when the mass-transit routes - the Blue Line extensions [Hua Lumphong-Bang Khae and Bang Sue-Tha Pra] and the Purple Line - are linked in 2020,"* he said.

According to a survey by the Agency for Real Estate Affairs (AREA), the price of land around the Purple Line route has been recorded at between Bt85,000 and Bt250,000 per square wah, some 25 per cent higher than 2015 levels. The area around Tao Pun station has seen the highest prices, at more than Bt250,000 per square wah, because the location still has land for the development of residential projects when compared with Bang Sue, where most of the land around the station is state agency-owned and there is limited space for either residential or commercial development, the AREA and Collier surveys both stated. According to a survey by The Nation, the total number of condominium units launched around the Purple Line route from Bang Sue to Bang Yai - a 23-kilometre stretch - is nearly 50,000. There are 16 stations along the route: Tao Pun, Bang Son, Wong Sawang, Yaek Tiwanon, Public Health Ministry, Nonthaburi Civic Centre, Si Phon Sawan, Yaek Nonthaburi 1, Phra Nangklao Bridge, Sai Ma, Bang Rak Noi-Tha It, Bang Rak Yai, Bang Phlu, Sam Yaek Bang Yai, Talat Bang Yai and Khlong Bang Phai.

2. Honda starts up new car factory

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

HONDA Automobile (Thailand) Co yesterday opened a new plant worth Bt17.15 billion on 1,600 rai (256 hectares) at Rojana Industrial Park in Prachin Buri province. Honda says the plant will enhance its capability to deliver quality products for customers in Thailand and worldwide. The plant will also strengthen this country's role as one of the carmaker's important production hubs, Takahiro Hachigo, Honda Motor Co president, chief executive officer and representative director, said after the opening ceremony yesterday. Thailand has increased its presence as one of Honda's production hubs by supplying products and components not only for the home market but also for the world, including Asean nations, which drive global sales growth, he said. *"I am committed to making certain that the role of Thailand will become even more valuable with the completion of this all-new Prachin Buri factory with the full advantage of Honda's newest production technologies,"* he said.

3. CPF to invest Bt 150 bn for organic growth

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

CHAROEN POKPHAND Foods (CPF) plans to invest Bt50 billion from 2016-20 on organic expansion, while exploring merger and acquisition (M&A) opportunities, especially overseas, to maintain long-term growth. CPF has also set a growth target for sales of 10-15 per cent this year, based on the continued execution of its business strategy and the turnaround in the shrimp-farming industry. In the first quarter, the group's sales rose by 10 per cent year on year to Bt105.51 billion and net profit by 27 per cent to Bt3.76 billion. Its sales increased 6 per cent in Thailand and 12 per cent in its foreign operations. Its shrimp business in Thailand has recovered substantially from the early mortality syndrome of the past few years, while it saw improvement in its operations in Vietnam.

CP Pokphand Co, a CPF subsidiary and Hong Kong-based listed company, has reported a remarkable advance in its financial performance. The gross margin of its livestock operation in Thailand has recovered from the meat glut last year. Adirek Sripratak, president and chief executive officer of CPF, said yesterday that the group would continue to pursue its strategy of focusing on sustaining offshore growth and continuing to add value to its products. It will invest in the vibrant agro-industry and food markets. Its growth will be organic or via M&As.

4. Greenview offers tools for efficient, sustainable hotel business

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

US-BASED tourism research firm Greenview has unveiled sustainability and cost-saving tools to enable Thai hotels to operate more efficiently and help hotel operators expand overseas. Greenview founder and chief executive officer Eric Ricaurte said Thailand's hotel industry had grown enormously over the past few years. However, the sector is highly competitive and many home-grown groups are now expanding into the region and across the world. To help operators enhance their competitiveness, reduce operating costs and strengthen overseas expansion, the company offers two tools for Thailand's hospitality industry - the Greenview Portal and the Green Lodging Survey.

The Greenview Portal provides an internationally accredited data platform to measure, track and report usage of energy, water, waste, carbon, efficiency projects and community work, helping single hotels or operators/owners of a portfolio of hotels save money through best sustainable practices. The Green Lodging Survey offers the only trends analysis of its kind worldwide, helping hotels benchmark where they stack up against their peers in implementing the latest practices in sustainable hospitality. *"It goes beyond environmental efficiency to include community engagement and guest communications, providing the hotel industry with an annual measurement yardstick. It is free for hotels to participate in this survey,"* Ricaurte said. Speaking at an American Chamber of Commerce conference yesterday, he said Thailand had a tremendous opportunity to become known as Asia's, if not the world's, home of hospitality.

5. VGI targets strong growth after acquiring Master Ad

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

VGI Global Media, an out-of-home advertising-media house, is expecting explosive growth as its acquisition of Master Ad will enhance its competitive strengths. The company enjoyed a 19-per-cent jump in net profit to Bt954 million on a 3-per-cent increase in revenue to Bt2.05 billion for its fiscal year ended in March. The operating results exclude modern trade. Suparanan Tanviruch, chief financial officer, said yesterday that the company's net profit margin rose as high as 46 per cent as a result of business restructuring. The company decided to terminate modern trade, a low-margin business, at the beginning of its financial period. It also booked a gain on the sale of its stakes in a subsidiary and joint venture. The growth of office-building and other media increased 28.6 per cent, after the successful move in fiscal 2015 to increase office-building coverage by 135 properties, higher than the target of 123. This was despite the overall contraction of 1.2 per cent in the advertising-media industry as a result of the economic slowdown and weakening purchasing power. *"In spite of the past year's gloomy economic outlook due to both internal and external factors, which affected consumer confidence*

and resulted in overall negative growth in advertising spending, we managed to record decent growths in revenue and net profit. That reflected our sheer competitiveness," she said.

Marut Arthakaivalvatee, chief executive officer, said the company's strategy was to focus on expanding its out-of-home advertising media network. Its ambition is to create a nationwide integrated media platform within two years as a way to enhance business potential, especially in the areas of transit/Skytrain, office, airport and outdoor advertising media.

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By Harsha Hazarika