

## Daily Thai News Summary: 15 January 2016

### 1. Broadband to reach 70,000 villages in 2016

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

The National Broadcasting and Telecommunications Commission and the Information and Communications Technology Ministry will collaborate to provide to all 70,000 villages nationwide broadband connections to the Internet this year with an initial budget of Bt38 billion. The National Broadcasting and Telecommunications Commission and the Information and Communications Technology Ministry will collaborate to provide to all 70,000 villages nationwide broadband connections to the Internet this year with an initial budget of Bt38 billion. The links will be via both wireless and fixed-line broadband access points. The spending will also cover the roll-out of such access in key locations such as hospitals and the improvement of the service quality and connection speed of the current coverage in 27,000 villages.

The ICT Ministry will contribute Bt20 billion to the project, which will be allocated from the Bt80.78 billion total upfront fees paid by the winners of the 1,800-megahertz licence auction last November. The NBTC's Universal Service Obligation (USO) Fund will chip in the remaining Bt18 billion. However, the ministry might scale down the budget if it is found later that the investment will be overlapping.

### 2. AEC sales to help PFP reach 15-20% growth target, Chairman says

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

PFP Group, a maker and distributor of frozen processed seafood products, has set a goal to increase its revenue by 15-20 per cent this year driven by higher penetration into the Asean Economic Community. The company also plans to open new seafood-processing plants in neighbouring AEC countries, including Indonesia and Vietnam. The AEC market currently contributes about Bt700 million in annual export value to the company. Thawee Piyapatana, chairman of PFP Group, said the company was quite confident in the measures and policies being undertaken by the government to recover the economy. *"We have therefore set a goal to grow our revenue by between 15 and 20 per cent this year to reach Bt6 billion in total sales. We are preparing for market expansion to reach more consumers both domestically and overseas. About 60 per cent of our products are for the domestic market and the rest for export,"* he said. *"Based on changes of consumer behaviour towards seeking ease of access and convenience in their choice of food as well as advertisements nowadays about prioritising one's health and safety, PFP has continuously developed new products to serve such changing behaviour."*

### 3. Air con sales expected to heat up Panasonic revenue

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

Despite intense competition, Panasonic AP Sales (Thailand) raised sales by 10 per cent to Bt10.6 billion last year, and expects to maintain the same tempo this year, managing director Takeshi Nomoto said yesterday. A major driver will be air-conditioners, especially room A/Cs. The company has set a challenging target of 20-per-cent growth this year, on top of 40 per cent last year, when its Thai sales were the fastest-growing in the region. Hiroshi Komatsubara, chief sales officer of Panasonic's air-conditioning unit, said the company had successfully expanded in Asean markets last year. It achieved an increase of 10 per cent in Malaysia, 16 per cent in the Philippines, 20 per cent in Indonesia and 30 per cent in Vietnam.

But Dai Nishi, general manager for the Marketing 1 Department (A/Cs, water heaters and B2B) at Panasonic AP Sales (Thailand) said: *"We are not satisfied yet. We see big room to expand our sales in the Thai market. We're still No 4, even with the big growth last year."* Room A/Cs account for about 90 per cent of the overall air-conditioning market in Thailand, which grew by 5 per cent last year.

### 4. Govt spending to remain growth engine this year

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

Thailand's economic recovery was lacklustre in 2015. Gross domestic product expanded by 2.9 per cent in the first three quarters of last year. The major reason was the slowdown in global economic activity. As a result, Thai exports diminished by a 5.3 per cent during the first 10 months of 2015. Moreover, weak private consumption and investment also affected economic performance. Government spending was the only engine that supported the economy last year. In the final quarter of 2015, we expect that both exports and private investment continued to contract. However, private consumption is expected to rebound slightly, thanks to the government's tax incentive for year-end shopping.

In sum, we forecast Thailand's GDP growth at 3.0 per cent in 2015. This year, global economic activity is anticipated to continue slowing. Last week, the World Bank cut its global growth forecast to 2.9 per cent, down from 3.3 per cent in its last projection. Therefore, based on the National Institute of Development Administration's macro-econometric model, we forecast Thailand's GDP growth at 3.6 per cent in 2016. The major engines for growth in 2016 will still be public expenditure, especially in mega-project investment. I expect private consumption and investment in 2016 to increase by 3.8 and 2.7 per cent respectively. Despite the decline in export value in 2015 and an ongoing global slowdown in 2016, I still anticipate that export value this year will increase by 2 per cent. Including tourism revenues and other services, export volume will increase by 4.3 per cent.

## 5. Rama IX Ratchada enjoying status as capital's newest CBD

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

From an urban area of Bangkok noted primarily for its night-life 12 years ago, Rama IX-Ratchada has effectively been transformed into a new CBD due to the number of new office buildings that have opened for business and the many condominium projects that have been launched in the last five years - with most of them now already completed. *"Before the area began to change, when we wanted to go shopping we had to go to Central Lat Phrao, but now we can shop at Central Rama IX. In the area, there is also a community mall, as well as other facilities to serve our lifestyle needs,"* she said. One of the biggest is the Bt6-billion AIA Building, an office complex opened in the area in 2014.

Grand Canal Land is also developing Grand Rama 9, including the G Land Tower and a skyscraper tentatively called the "Super Tower", which will be a mixed-used project combining offices, retail and a six-star hotel. The buildings have a combined floor space of 1.12 million square metres and entail an overall investment of more than Bt98 billion.

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**By Harsha Hazarika**