

## Daily Thai News Updates: 11 November 2016

### 1. Thai exporters sign MoUs to sell rice, tapioca

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

Thai exporters yesterday signed five memorandums of understanding (MoUs) for a combined 11,000 tonnes of rice and 800,000 tonnes of tapioca chips with Hong Kong buyers at a business matching event organised by the Commerce Ministry. Commerce Minister Apiradi Tantraporn said of the five, CEC International Holding Ltd, which runs 759 supermarkets in Hong Kong, would buy 10,000 tonnes of Thai hom mali rice from Siam Diamond Export Rice Co. Kui Fat Yuen Ltd would buy 100 tonnes of gaba rice from Bangsue Chia Meng Rice Mill Co. Dah Chong Hong Ltd, one of Hong Kong's leading hom mali and glutinous rice importers, would buy 600 tonnes of high-value riceberry, while Kwong Sun Hong Ltd is set to buy 400 tonnes of riceberry from Thai Standard Rice Co. Values of the rice deals were not disclosed. Yesterday, Fu Lai Chun Group also signed a MoU to buy 800,000 tonnes of tapioca chips from PR Intertrade Ltd for US\$156 million (5.5 billion baht). According to Mrs Apiradi, apart from the five MoUs, the three-day business matching event, which attracted 300 traders from 41 countries and 100 local traders of rice, tapioca and their by-products, is expected to generate 63 billion baht worth of combined purchase orders for related products.

### 2. ITU event expected to inject Bt715m to economy

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

Total spending at “ITU Telecom World 2016”, which kicked off in Thailand yesterday, is expected to contribute at least Bt715.2 million to the Thai economy, according to Frost & Sullivan. The National Broadcasting and Telecommunications Commission (NBTC) hired Frost & Sullivan to study the expected benefits from the event. The four-day convention is being held at IMPACT Arena, Exhibition & Convention Centre in a collaboration of the NBTC, the Ministry of Digital Economy and Society, and the International Telecommunication Union (ITU). The event, which comprises seminars and exhibitions, is a global platform to accelerate innovations in information and communications technology for social and economic development of businesses of all sizes as well as government agencies. About 25,000 attendees are expected, of whom about 40 per cent will be foreigners from all around the world and 60 per cent Thais and expatriates. Frost & Sullivan also anticipates Bt22.3 million in tax revenue from the event, which will also employ 1,529 people. The NBTC spent Bt300 million to prepare the event. In a separate development, the NBTC yesterday signed a memorandum of understanding

with the Bhutan InfoComm and Media Authority to promote collaboration in several areas, including information exchange on regulations for managing telecom and broadcasting spectra.

### **3. Centel income rises as tourism booms**

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

SET-listed Central Plaza Hotel Plc (Centel) posted a consolidated net profit of 322 million baht in the third quarter of this year, rising 10% year-on-year, on revenue totalling 4.64 billion, up 6%. Contributing to its strong third-quarter performance was the country's booming tourism industry. Of the total revenue, 2.03 billion baht came from the company's hotel business and 2.6 billion from its food operations. Suthikiati Chirathivat, chairman of Centel, said total international tourist arrivals to Thailand in the third quarter surged 13% year-on-year, driving Centel's average hotel occupancy rate to 83%, up from 80% in the same period last year. For its hotels in the Maldives, the occupancy rate rose to 92% from 76% in the same period last year. In the third quarter, its revenue per available room (RevPAR) rose 6.3% year-on-year to 3,500 baht. In Thailand, Centara Grand Mirage Pattaya, Centara Grand Krabi and Centara Grand Samui all achieved outstanding increases in their RevPAR of 7%, 6% and 6%, respectively. The RevPAR for hotels in the Maldives was 15% after Centara Grand Island Resort & Spa Maldives completed major renovations in July. Meanwhile, its food business continued to expand in the third quarter with total-system-sales growth of 5.5% and same-store-sales growth of 0.1%, due to improving consumer confidence. KFC sales continued to increase, with same-store-sales growth of 1.8%, while its other quick service restaurant brands, namely Tenya, Yoshinoya and Katsuya, also performed well, with same-store-sales growth of 10%, 17% and 30%, respectively. As of Sept 30, Centel had 806 food outlets, of which 292 were in Bangkok and 514 were in other provinces.

### **4. Big injection seen as 1st-car scheme ends**

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

The closure of the first-car buyer scheme is expected to inject up to Bt33 billion into the economy over the next two years, the Economic Intelligence Centre (EIC) says. Ending of the first-car scheme's lock-in period is likely to have a minimal impact on domestic car sales, according to a survey released by the Siam Commercial Bank's research unit yesterday. The scheme began on September 16, 2011 and finished on September 15, 2016. Car buyers under the scheme were not allowed to transfer ownership of their cars. The five-year duration of the scheme was set against the five year term for most car loans. As many as 1.1 million cars participated in the scheme out of a total registration of almost 1.3 million. The survey showed that 7.2 per cent of car buyers under the scheme were interested in selling their cars to buy newer models. However, only 2.6 per cent of the the first cars bought, or 30,000 cars, are forecast to be

bought during 2017, as most consumers would rather delay spending and new car models will not be released in the first half of the year. Another 3.2 per cent of first car buyers are expected to purchase new cars in 2018, which is when several new sports utility vehicles are due to be announced.

## **5. Plans for test centre revved up**

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

The government is revving up construction of the first-ever automotive testing centre in preparation for the ambitious policy to make electric vehicles locally. Suthon Nikomkate, director of the Thai Industrial Standards Institute (TISI), said the testing centre should be finished by June 2019 and become operational by early 2020. "Prime Minister Prayut Chan-ocha himself has ordered the establishment of the long-delayed automotive testing centre be sped up to comply with the Thailand 4.0 policy that focuses on innovation and high technology," said Mr Suthon. "The government is also very keen to develop a national research and development (R&D) unit to upgrade the automotive and auto parts industry to maintain the country's competitiveness." According to the automotive testing centre's master plan, the government would invest 3.74 billion baht during 2016-20 out of the total 4.54 billion baht approved by the cabinet in June 2015, leaving the remaining 800 million baht for the centre's future development. All facilities will be located on 1,235 rai in Chachoengsao's Sanam Chai Khet district. Mr Suthon said the 3.74-billion-baht budget would be divided in two phases -- 800 million baht for a tyre testing track, and 2.94 billion baht for six car testing tracks and consultants' fee.

**By Nandini Malhotra**

