

Daily Thai News Summary: 16 February 2016

1. NESDB forecasts GDP growth of 3.3% this year

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

The office of the National Economic and Social Development Board (NESDB) anticipates gross domestic product to grow by 3.3 per cent this year, up from 2.8 per cent in 2015. The only major challenge is global economic difficulty, especially in China, the world's second-largest economy, which is grappling with the slowdown of its domestic economy and the measures set by Beijing to raise investors' confidence in the management of its financial sector.

NESDB secretary-general Porame-tee Vimolsiri said the major encouraging factors for the Thai economy included the acceleration of government expenditures and investments, especially on infrastructure projects, which will affect the budget disbursements of all state enterprises. Another plus is the government's measures to stimulate the economy, while the depreciation of the baht will benefit the export sector and the income and liquidity of business. The decrease in the oil price, which is expected to be even lower than in 2015 on average, will increase the purchasing power of people and the business sector. The NESDB also anticipates that export value will rise by 1.2 per cent this year, while household consumption will increase by 2.7 per cent and overall investment by 4.9 per cent.

2. Ministry may take over all tourism units

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

The National Reform Steering Assembly has agreed to a proposal to have all tourism-related units placed under the Tourism and Sports Ministry within six months, said Sathit Limpongpan, chairman of a commission on economic issues under the NRSA. Tourism-related units currently under the Prime Minister's Office could be moved into ministry for more flexibility. Withaya Kaewparadai, an NRSA member, proposed that private resorts in national parks set for demolition should be confiscated and allowed to operate for rent under certain conditions.

TOT and Advanced Info Service (AIS) are expected to sign a memorandum of understanding this month on a partnership to offer third-generation cellular service on the state agency's 2.1-gigahertz spectrum, TOT President Montchai Noosong said. There are three related contracts under the partnership deal, comprising the MoU, a six-month initial contract, and the official contract. The period of the official contract will end in 2025. They will sign the MoU first.

3. Thai Airways set to soar again, says Deputy PM

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

Thai Airways International's performance has shown signs of improvement, suggesting that the worst is over at the national carrier and it is ready to bounce back, said Deputy Prime Minister Somkid Jatusripituk. He made the remark after he and Finance Minister Apisak Tantivorawong visited THAI headquarters yesterday as part of a follow-up on the performances of state enterprises under the Finance Ministry. THAI will announce its 2015 financial results late this month. THAI executive vice president for commercial Teerapol Chotithanapibal said that next month the carrier would announce a step-by-step cut in its fuel surcharge as part of its target of bringing to zero. The policy will be implemented on selected routes, but he declined to elaborate. Some international airlines recently announced plans to remove fuel surcharges, in response to low global oil prices.

4. NIPPON pack in talks on deals

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

NIPPON Pack, which recently acquired a 20-year exclusive master franchise licence for A&W restaurants in Thailand, has announced it is in talks to acquire two more restaurant brands as part of an aggressive diversification into food business. Suraphong Triamchanchai, managing director of Nippon Pack (Thailand), a listed plastic-packaging company, yesterday said the company was expected to conclude the second deal within two months and it involved a Japanese restaurant chain with its own brand in Thailand. *"Since we will own the brand, we will be able to sell the franchise or expand it on our own, both in Thailand and in neighbouring countries,"* he said.

Suraphong said Nippon Pack had sufficient capital to acquire other restaurant brands to the tune of a billion baht, provided it was a good deal. These fast-food and restaurant chains will provide a synergy to the parent firm, which is a producer of food packaging, he said. Furthermore, Thai Luxe Food Products, its new subsidiary acquired last year, will produce food for these chains, he said. The group has brought in Wichai Charoentanmanon, the former president of CRG International, to spearhead its new restaurant business, NPP Food Inc.

5. Mercedes-Benz leasing has high hopes for MySTAR

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

MERCEDES-BENZ Leasing (Thailand) believes its innovative investment management programme called mySTAR could soon become the first choice of buyers. *"What we are seeing is an increase of wealthy [young] consumers and they are ready to change to new Mercedes-Benz models because a new model can represent their lifestyle,"* Supavut Jiramanusnakorn, managing director of the local unit, said yesterday. *"The trend can encourage the growth of the mySTAR financial programme,"* he said.

The company introduced mySTAR in 2013 by allowing borrowers to design their own option - either return their current car to the company and change to a new model, pay off the remaining balance and own the vehicle, or extend the financing terms by up to four years. In the first year of the programme, about 3 per cent of new contracts used it and last year, the proportion went to 20 per cent. The company hopes to see 25 per cent this year.

By Harsha Hazarika