

Daily Thai News Summary: 16 June 2015

1. Free Trade talks takes flight

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

Thailand is set to reopen free trade area negotiations with Turkey, expecting the talks will be finished in one and a half years.

Thawatchai Sophastienphong, director-general of Trade Negotiations Department, said the negotiating framework was ready to be submitted to the cabinet for approval. Negotiations are likely to kick off this year.

Thailand conducted a feasibility study on a free trade agreement (FTA) with Turkey in 2013 and found it would increase Thailand's GDP by 0.03% or US\$33 million. Mr Thawatchai said Turkey was crucial to Thailand's exports, as the country acted as a springboard for re-exports to the EU and Middle East.

2. WHA in talks to set up Vietnamese joint venture

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

SET-listed WHA Corporation, Thailand's biggest developer of factories and warehouses, is negotiating with a Vietnamese company on a joint venture to expand logistics and warehouse business in the southern part of the country.

President and chief executive Somyos Anantaprayoon said the move was part of WHA's plan to tap growing business ahead of the upcoming Asean Economic Community and become the biggest build-to-suit warehouse operator in the region. *"The company sees good signs of a growing economy in Vietnam,"* Mr Somyos said, adding that the company was also looking for expansion opportunities in Malaysia.

3. THAI boss sees return to growth in 2017

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

Thai Airways International (THAI) expects to get back on its feet beginning in 2017 after its ambitious turnaround plan is successfully executed.

THAI suffered a net loss of 15.6 billion baht last year and 12 billion the year before. But it was able to reverse course in the first quarter this year, posting a net profit of 4.54 billion baht, helped by a robust travel industry, foreign exchange gains and cost controls.

THAI president Charamporn Jotikasthira told the Bangkok Post that the airline's financial performance for 2015 would depend on two key factors — fuel cost and the euro's value. He reiterated there was no need for the airline's management to do more than what is outlined in the "transformation roadmap" endorsed earlier this year by the government. Nor does management require additional support to successfully see out the changes.

4. Govt urged to ask Chinese to share cost of railway

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

The Government should review its plan to borrow money from China to finance the electric-railway project between Bangkok and Nong Khai, a former finance minister and Democrat Party MP has said.

Korn Chatikavanij said the government should enter a joint venture with China rather than shoulder the full financial burden on its own.

According to a memorandum of cooperation between the two countries, the Thai government would borrow the money to finance the project, not enter a joint venture with Beijing. *"I want to see a joint venture between the Thai and Chinese governments, as it will be difficult to get a return on investment from some parts of the line,"* Korn said.

5. Jetro, Maybank Kim Eng note Thai role in AEC development

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

The Japan External Trade Organisation (Jetro) wants to see one-stop service centres for trade and other business activities within this region as the next step in the development of the Asean Economic Community (AEC), which will be launched at the end of this year.

Meanwhile, the chairman of the Stock Exchange of Thailand and the chief executive officer of Maybank Kim Eng Securities Thailand believe that the Thai economy and the environment of the capital market will be more active in the second half of 2015.

"I [would] like the government of Thailand to take the lead to make the AEC meaningful in terms of arrangement and coordination among the Asean member states," said Masayasu Hosumi, president of Jetro's Bangkok office and its chief representative for Asean and South Asia.

By Harsha Hazarika