

Daily Thai News Summary: 20 January 2016

1. Chinese tourism to grow 16% annually in Thailand

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

The number of Chinese tourists visiting Thailand is tipped for 16% compound annual growth in the next five years despite the slowing economy in China, says the brokerage house CLSA. The sharp growth in China's outbound tourism is due to Chinese people's rising incomes and increasing desire to travel as restrictions such as visa are eased, said Aaron Fischer, CLSA's regional head of consumer and gaming research.

The rise in Chinese travellers has driven growth in the Thai tourism industry for a few years. In 2015, Thailand welcomed 8.3 million Chinese tourists, accounting for 36% of total arrivals. This year's forecast is for 8 million, according to the Tourism Authority of Thailand. CLSA surveyed 400 outbound Chinese travellers who listed Thailand as the third most popular outbound travel destination for Chinese tourists after South Korea and Japan.

2. Thai Union welcomes workers from former suppliers

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

After ending all relationships with external pre-processing facilities to help ensure full oversight of all processing stages in its supply chain, Thai Union committed to employing 1,000 additional workers at its factories in Samut Sakhon and has been able to welcome close to 1,200. *"We are extremely pleased to be able to offer safe and legal employment to the former workers from the external pre-processing facilities,"* Rittirong Boonmechote, president of TU's global shrimp business, said yesterday.

The workers will be paid wages consistent with TU's processing-line employees, which also meet the minimum-wage requirements under Thai law. The new workers have been provided with all apparel and equipment, as required by TU's health and safety standards. An induction workshop informed these workers of their employment rights under Thai law, the employment rules and regulations under Thai Union Group, their wages, benefits and employee welfare rights, the world's leading seafood company said.

3. Pruksa upbeat on market outlook

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

With the government's commitment to rev up spending in big ticket infrastructure projects, SET listed developer Pruksa Real Estate Plc is optimistic that Thailand's property market will grow by 5-7% a year over the next five years. President and Chief Executive Thongma Vjittpongpun said property market value in Greater Bangkok is expected to reach 372-392 billion baht this year compared with 355 billion in 2015, which was a 21% increase from 293 billion in 2014.

4. Ichitan targets revenue growth of 17% despite economic woes

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

Amid the economic volatility, Ichitan Group is challenging itself to achieve growth of 17 per cent to Bt7.5 billion in revenue this year, by focusing on new products, packaging and pricing in line with 360-degree marketing communications. *"Even though the ready-to-drink green-tea market experienced a decline of 2.5 per cent to Bt15.57 billion last year due to economic conditions, consumption volume still saw growth of 0.7 per cent,"* said Tan Passakornnatee, president and chief executive officer. With the government's stimulus packages, the industry should shift into recovery mode by the second half this year, so the green-tea market should advance at least 10 per cent over last year, he said. The Ichitan green-tea empire aims to increase its market share through a series of campaigns in line with the introduction of new products.

Tanapan Khongnuntha, executive vice president, said the company would concentrate more on the sugar-free green-tea segment to expand its customer base to health-conscious consumers. Next month, the company will start an online campaign for its existing sugar-free green tea and Oolong tea drink, targeting urban dwellers. *"If any brands in this segment do not make significant moves, this segment will see a drop in market share. So Ichitan's efforts must be in place. I personally believe that the sugar-free green-tea-drink market could hit Bt1.5 billion in five years,"* he said. Ultra-high-temperature processed green tea is another highlight for the group this year. Tan said his company would offer a bigger UHT green-tea pack with 300 millilitres, up from 250ml, but keep the price the same to grab share from its rivals.

5. Supalai, Lalin buoyed by outlook for this year

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

Listen property firms Supalai Plc and Lalin Property Plc have announced plans to launch new residential projects worth a combined Bt40.57 billion this year, while they have a combined annual investment budget of Bt8.9 billion to buy undeveloped land. Supalai has Bt36.57 billion set aside for 35 project launches this year and it has allocated Bt8 billion to buy undeveloped land. Lalin Property plans to launch eight projects, valued totaling Bt4 billion, and has set aside Bt900 million to buy undeveloped land. They are confident the property market this year will grow between 5-10 per cent. *"We are confident Thailand's economy will recover this year thanks to the government's investment in infrastructure projects and also the measures [it launched] to support the property market from the last quarter of last year till April this year,"* Supalai chief executive Prathep Tangmatithum said at press conference yesterday. He added that the Asean Economic Community's full implementation at the start of the year would also drive demand for residential projects, with projected strong growth in Bangkok and the provinces. The company has targeted total presales of Bt24.5 billion and total revenue of Bt22 billion this year, up 6.24 per cent and 5 per cent respectively from last year. The presales and revenue targets are from the company's existing projects and the 35 new projects earmarked for launch this year. Of the upcoming projects, 25 are condominiums and the rest are single detached homes and townhouses.

By Harsha Hazarika