

Daily Thai News Updates: 21 October 2016

1. Distribution centre push to aid Thai SMEs

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

The government vows to persuade the private sector to invest in distribution centres in strategic locations throughout the country as part of efforts to stimulate cross-border trade. Adul Chotinisakorn, deputy director-general of the Foreign Trade Department, said the proliferation of distribution centres will help small and medium-sized enterprises (SMEs) expand their distribution channels and lower logistics costs. "The department has already given support to one party from the private sector who is interested in establishing a distribution centre worth 5 billion baht in Pathum Thani, which is not far from Don Mueang airport, on a plot spanning 150 rai," said Mr Adul, without disclosing the name of the investor. "Construction of this centre is expected to be completed in the first quarter of 2018. It will enable Thai SMEs to increase their marketing channels in countries like Cambodia, Laos, Myanmar and Vietnam," he added.

2. Asia Green upbeat about coal rebound

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

SET-listed coal trader Asia Green Energy (AGE) predicts that coal will rebound further in the last quarter of this year and raise the company's revenue substantially as global oil prices continue to rise. Chief executive Panom Kuansataporn said he expected to see brighter business sentiments for the rest of the year, and probably through next year, as global coal prices have risen to a three-year high of US\$97.5 per tonne, reflecting rising demand. He said the company's sales volume could rise by 10% from the previous year to 2.2 million tonnes this year. "China and Vietnam have started to import more coal, in line with growing economies. Demand for coal also rises ahead of winter, pushing prices higher," he said.

3. Myanmar hotels look to boost standard with Thai help

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

Yangon - A joint seminar on hospitality management development will be held on Saturday, a cooperative effort by the Myanmar Hotelier Association and Thai industry. The conference, organised by Krung Thai Bank, will be held at Taw Win Garden Hotel, "Many international brands have already entered into the Myanmar hotel industry, so we will compete with them and prepare to develop technical expertise and knowledge to an international standard," Hotelier Association joint secretary Nay Zaw Aung said. "That's why hotel management experts with over 30 years of experience will share at this seminar, in order to

benefit local entrepreneurs.” A similar seminar was held in Mandalay last June, with around 250 hotel delegates in attendance.

4. Trade missions planned through 2017 to drive rice export

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

The Commerce Ministry has set up many missions to promote the sale of Thai rice overseas late this year and throughout next year. Traders from Iraq and Iran will also be invited to visit Thailand in order to restore their confidence to buy Thai rice after suspending its import for many years. They will be allowed to inspect rice plantations and mills here. Duangporn Rodphaya, director-general of the Foreign Trade Department, said countries to be visited soon included Malaysia and Indonesia, which are major rice importers. The ministry will also join the Philippines’ tender for 250,000 tonnes of rice, which is to open soon. She said that although the main harvest season had started, the market price for rice had not dropped much. China’s recent agreement to import 100,000 tonnes of Thai rice under a government-to-government project and the Philippines’ purchase of 100,000 tonnes under a previous tender showed that overseas markets still had high demand for rice. She said the current price of paddy rice was about Bt8,000 per tonne. Prices of domestic rice should not fall much as some have feared. Besides setting up overseas missions, the ministry will invite international rice traders to visit Thailand in order to boost export opportunities.

5. Honeywell plan for double-digit annual growth in Thailand

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

Honeywell, a Fortune 100 diversified technology and manufacturing company, is aiming for double-digit growth in annual sales over the next five years in the Thai market. Briand Greer, president of Honeywell Southeast Asia, said yesterday that the company had invested heavily in Thailand on human and other resources to help it get a better understanding of the market and to continue expanding its market share. Last year, its aggregate sales for Thailand, Malaysia and the Philippines ran at about half a billion US dollars. Thailand is one of the countries and regions that the company identifies as high-growth. Others are Turkey, Central Asia, the Middle East, Indonesia, Mexico, Brazil, Malaysia, the Philippines and Africa. They all have experienced rapid urbanisation, a significant rise in the middle class, growing demand for energy and huge investment in infrastructure. All of these represent foundations for Honeywell’s growth. Over the past decade, the company has tripled revenue in the high-growth regions from US\$3 billion (Bt105 billion) in 2005 to \$9 billion last year. During the next five years, these high-growth regions are expected to contribute more than 60 per cent of its global growth, up from the present 55 per cent.

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