

## Daily Thai News Summary: 22 March 2016

### 1. Ministry sticks to 5% export growth forecast

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

The Commerce Ministry is maintaining its estimate of 5-per-cent export growth this year, focusing on product development, promoting the service sector and penetrating niche markets. Commerce Minister Apiradi Tantraporn said the ministry had not lowered its growth forecast and would focus on enhancement of Thai exporters' competitiveness. Product development will also be emphasized and the service sector will be given more promotion, given its high rate of expansion. Consumers' behaviour has changed rapidly with more concentration on e-commerce, she said, noting that more discussion on marketing for exports was required. She said agricultural products needed relief measures.

The ministry this year will lead Thai business operators to penetrate foreign markets in other countries, particularly Cambodia, Laos, Myanmar and Vietnam, whose economies are growing. Other places of interest are Iran, Africa, Central America, China and India, where cities will be particularly penetrated. On the 64th anniversary of the Department of International Trade Promotion yesterday, the department signed five memoranda of understanding with private companies as guidelines to develop the country's economy and promote exports.

### 2. Transport Ministry aims to fast track 10 mass transit train projects

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

The Transport Ministry vows to commence 10 delayed mass-transit projects while the current military-led regime is in power. The confidences stems from the consideration process via the super-fast lane, an amended environmental law, under which the state agency responsible for an investment projects can undertake the process of procurement and do not need to wait for the completion of the projects' environmental impact assessment (EIA) review. The projects are part of the country's 20 urgent infrastructure mega-projects that the government plans to start by 2017. The projects have a combined investment value of Bt1.8 trillion and come under the Transport Ministry's eight-year infrastructure development plan (2015-22).

Transport Minister Arkhom Termpittayapaisith announced the plan to commence construction of the urban-rail projects yesterday. The master plan for the development of mass-transit train projects in Bangkok covers a 10-year period. Arkhom said a long delay in infrastructure projects was affecting the country's growth and the government now employed an

infrastructure-led growth policy. He said Cabinet approval would be sought next month for many projects. They include the following mass-transit projects: the Orange Line (Min Buri-Thailand Cultural Centre), the Pink Line (Khae Rai-Min Buri) and the Yellow Line (Lat Phrao-Samrong). The bidding process for the construction of those lines is expected to be completed by August.

### **3. Automaker bank on motor show to kick start sales**

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

With 40,000 orders expected to be placed for new vehicles at the 37th Bangkok International Motor Show, automakers are hoping that the event will help kick-start a slowing market caused by the sluggish economy and political uncertainty. Organisers see orders matching last year, as many companies are launching exciting models to help whet demand. Mercedes-Benz introduced its new E-class saloon, which comes with a long list of intelligent features like parking pilot, which allows the driver to stay outside of the car and park it in tight spaces by using a smartphone app. The E-class also steers out of trouble automatically and comes to a complete stop if there is adequate braking distance. Driver-assistance systems are becoming increasingly popular among premium brands. Volvo's star at the show is the award-winning XC90 that comes with a hybrid powertrain and full safety packaging.

Japanese carmaker Mazda is embarking on the same path. Its minor-change CX-5 now comes with many warning and assistance systems similar to those in the E-class and XC90. Prachin Eamlumnow, the organiser of the show, said yesterday that more than 30 car and 10 motorcycle companies, as well as 175 accessory retailers, are taking part in the event, which serves as an opener to the auto-buying season in Thailand. Up to Bt40 billion is expected to be spent at the show for new cars and motorcycles, as well as accessories, he said. According to organisers, the Bangkok Motor Show, which starts tomorrow and goes until April 3 at Impact Muang Thong Thani, is the largest of its kind in Asia with total show area of 140,000 square metres. The theme of this year's show is "No Boundaries Mobility".

### **4. New Halal hotel aims to cash in on growing global Muslim population**

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

The Mulsap family's TS Family Group, the owner of real-estate and restaurant businesses, invested Bt1 billion to open Thailand's first 100-per-cent halal hotel to cash in on the booming Muslim market. It was admitted to "The Halal Hotel" by the Gulf Halal organisation from Dubai, which assures constant and exacting standards of high quality for visitors. The hotel aims to reach high-end Muslims and non-Muslims in Asia, the Middle East and Europe. It targets occupancy of 70 per cent and total revenue of Bt198 million this year. It plans to break even

within 10 years. Rausak Mulsap, president and chief executive of Al Meroz Hotel, said yesterday that the Muslim population was growing quickly worldwide. The 1.6 billion Muslims in the world make up 23 per cent of the global population. They are projected to increase to 2.2 billion by 2030, accounting for 26.4 per cent of the global population.

This group also claims a large share of the world's consumer spending. *"There isn't any [other] halal-friendly hotel to cater to Muslim travellers in Thailand, so we do not want to miss out on a huge opportunity in the halal tourism market,"* he said. More than 60 per cent of the hotel's staff are Muslims, led by Sanya Saengboon, managing director and general manager of the hotel. Sanya said the hotel held its soft opening in late November and now enjoyed 65-per-cent occupancy. Half of the guests come from Europe and half from Asia, including high-end Muslim guests with estimated spending of Bt10,000 per day. The hotel has allocated Bt50 million for marketing this year, aiming to promote the halal-hotel concept in both domestic and international markets. There are no competitors in Thailand, but some offer halal services in Japan and South Korea.

## **5. PMTA upbeat after Baconco success**

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

PM Thoresen Asia Holdings (PMTA) has a positive outlook for long-term growth opportunities after a new production line at its subsidiary Baconco in Vietnam has contributed to a fourfold increase in just one year in exports of specialised fertilisers to the Philippines, managing director Sigmund Stromme said. The product is NPK (nitrogen-phosphorus-potassium) fertiliser made through the steam granulation process.

Moreover, the company plans to expand its distribution channels both domestically and overseas as well as continuing to develop new high-quality fertiliser formulas, in addition to the approximately 100 formulas already produced to serve customers' individual needs. Coupled with strong sales promotions, PMTA will maintain its leading market share, he added. Meanwhile, the company's board of directors resolved to propose to PMTA shareholders at the annual general meeting on April 25 an annual dividend payment of Bt1.12 per share. The company reported sales revenue of Bt3.25 billion last year, an increase of 6 per cent year on year, and net profit of Bt233 million.

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