

Daily Thai News Summary: 30 May 2016

1. Bt 1 Billion proposal for start-up firms

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

The National Broadcasting and Telecommunications Commission (NBTC) will jump on the start-up bandwagon by proposing to its board to allocate Bt1 billion for promising telecoms start-up projects from its research and development fund. The watchdog's secretary-general, Takorn Tantasith, said the NBTC's office soon would make the proposal to the NBTC fund, which was founded to support R&D in the area of telecom and broadcasting for public benefit.

The project will cover providing training to the start-ups, giving them financial advice and necessary telecom tools to develop their businesses. The move is in line with the government's policy to promote tech start-ups as a new pillar of the digital economy. *"The NBTC fund is ready to contribute in supporting the government's policy, as it has both personnel and funds,"* Takorn added. He said the idea to create telecom start-ups was inspired by South Korea's Creative and Innovation Park in Pusan, which provides business advice to incumbent and budding business operators.

2. FTI launches master plan for firms to ride digital dream

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

The Federation of Thai Industries, the country's largest organisation for industrial-goods manufacturers, has embarked on a master plan to help members ride Thailand's digital economy dream. Director-general Jumrud Sawangsamud said that in the 4.0 industry era, to maintain competitiveness manufacturers needed to apply new technology to their supply chain, customer management and business-to-business transactions. *"The master plan was designed to drive our members in all industries to enter the industry 4.0 era,"* he said. Under the master plan, all members will be encouraged to adopt information technology and automation in the production process when renovating their businesses, which have been affected by increase in labour costs. Jumrud noted that mass customisation would be a focus of the plan. The Industry 4.0 master plan calls for manufacturers to adjust their supply chain with information technology and use a digital platform to link customers with manufacturers, paving the way for e-supply chain management and e-business.

For large-scale operators, orders could be customised to fit a particular order. Orders would be linked with a manufacturer's enterprise resource planning (ERP) system. The ERP

system will also be linked with the raw material supplier's system and the manufacturing system, allowing automatic production according to customers' orders. To support the e-business, the FTI has launched the website www.ftiebusiness.com as a business-to-business platform linking the websites of manufacturers. Some 10,000 members from over 30,000 members in 45 industries have joined the e-marketplace.

3. Plan for Bt15 Bn East-West Ferry project revealed

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

SEP GROUP has revealed its latest plan for the East-West Ferry project, linking Bang Pu and Pattaya to Pran Buri, saying the Bt15-billion investment would have a multiplier effect for the Kingdom's economy. *"Now we are ready to invest in the project, and a number of local and foreign firms have expressed interest in joining us,"* said Peerapong Prasopsukcharoen, development and planning manager for the group's Siam Eastern Industrial Park Co, who is responsible for the project. He said the project would boost not only the national tourism sector but also rural economies. The multiplier economic effect was expected to be at least Bt16.5 billion, creating jobs valued at Bt1.8 billion a year, according to a study by the company. Siam Eastern Logistics Terminal Co, one of the SEP Group's companies, was proposed as a private developer of the project. In the middle of last year, Prajin instructed the Marine Department to speed up a feasibility study on the project, and complete it in 12-13 months instead of the normal time frame of 18 months. He argued that the study should not take long, as one had already been conducted in 2012.

According to Peerapong, the SEP Group led by Anantachai Kunanantakul, a real-estate tycoon in Samut Prakan province, has revised the ferry project's investment plan, putting the estimate at around Bt15 billion. Of that, about Bt9 billion would be for building of three ports in Bang Pu, Pattaya and Pran Buri, and the remainder for four mid-sized catamaran-style ferries. The Pattaya-Pran Buri ferry service would shorten the distance between those two locations to 109 kilometres from 380km and cut the travel time to 1.5 hours from 4.5 hours, he said. Under the revised proposal, Peerapong said the group had focused more on safety and convenience, using mid-sized catamaran ferries of 120 deadweight tons. Each would have capacity to carry up to 400 passengers, 30 cars, 12 motorcycles, and shipments not exceeding 40 tonnes. At full load, the ferry would have a 2.1-metre draft.

4. War in the mobile phone sector

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

The competition among the three incumbent mobile-phone operators is set to intensify after an Advanced Info Service (AIS) subsidiary yesterday easily snatched a 900MHz licence at a “one-bidder auction” to strengthen its spectrum portfolio. It took about 35 minutes for Advanced Wireless Network (AWN), the lone bidder, to grab the licence simply by confirming it would pay the minimum price of Bt75.6 billion. The "bidding" started at 9.30am, and the telecom committee of the National Broadcasting and Telecommunications Commission (NBTC) endorsed the outcome the same day. AIS chief executive officer Somchai Lertsutiwong said the competition in the mobile-phone market would mean better service for customers and tapping the new Internet of Things segment or machine to machine communication. AIS has targeted 10 million customers on its fourth-generation network by the end of this year, up from around 7 million at the present, he said.

True Corp has targeted between 6 million and 7 million 4G customers by the end of the year, up from 4 million last year. Total Access Communication (DTAC) aims to have 6 million 4G customers at the end of this year, up from around 3.1 million at the present. Somchai said that initially AIS would deploy the 900-megahertz spectrum to serve its 250,000 2G users. Clinching the 900MHz licence will also enable AIS to widen its 4G service coverage quickly to 80 per cent of population by the end of this year, instead of 50 per cent as previously planned. As this 900MHz band is adjacent to DTAC's 850MHz band, 2.5MHz of the 10MHz AIS has acquired on the 900MHz spectrum should technically be reserved as a buffer to prevent interference. Somchai said AIS would invest in equipment to enable the company to utilise the full 10MHz. AIS will also talk with DTAC to address this issue. Somchai said AIS had not revised its 2016 capital-expenditure budget but had maintained it at Bt40 billion. He said the total regulatory cost of AWN from licences to the 2.1-gigahertz, 1,800MHz and now 900MHz spectra stood at Bt8 billion per year. This is far lower than the Bt20-billion annual fee AIS had paid to TOT during the concession period, which ended last September. Under the auction rules, AWN has to pay the first instalment of the upfront licence fee of Bt8.04 billion and provide three bank guarantees worth Bt67.614 billion within 90 days or by the deadline of August 24.

5. Bringing Buffettology to Bangkok

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

Mary Buffett, former daughter-in-law of the world's best value investor Warren Buffett, last week helped launch Jitta.com for retail stock investors in Bangkok, bringing the Buffett know-how to the fingertips of those aspiring to be as good as the legendary US stock picker. It's not often that Mary, who was a Buffett in-law for 12 years and authored the bestseller

"Buffettology" with David Clark, puts her name behind a start-up, but she did after testing Jitta and finding it to be an impressive investment tool. This raises the chances that Jitta.com from Thailand may soon make it big on the global retail investment scene. The ex-Buffett in-law met Thailand's Trawut Luangsomboon, founder of Jitta.com, about three years ago and was one of the first investors in this start-up, which began in the US in 2014. Unlike other stock investment tools in the market, Jitta makes retail investment easy for most individuals, based on the style of Warren Buffett, whose success has been primarily driven by the way he buys excellent stocks when they are undervalued. The latest example is his recent decision via his Berkshire Hathaway company to buy Apple stock worth about US\$1 billion (Bt35.7 billion) when the stock price dropped on weaker iPhone sales, betting that Apple would rebound in the long run.

According to Jitta.com, which covers US, Thai, Singapore, Hong Kong and Vietnam stocks, Apple is given a score of 8 out of 10, meaning it's a wonderful company and when its price dips below Jitta's "fair price" as happened recently, it's time to buy. In other words, you can invest like Buffett using the Thai startup's service from mobile phones or other devices. Jitta is easy to use and a good learning tool for people who are not experts in retail stock investment. By adopting the key elements of Buffettology, the tool helps lessen risks and allows users to do their homework with ease before making investment decisions, as the key features are just the Jitta Score on the quality of companies and Jitta Line on the fair prices of those stocks based on the past 10 years of their financial performance. Mary said her former father-in-law also likes strong brandnames with good earnings, as seen in blue chips such as Coke, Amex, Heinz and IBM.

6. TMBAM aims to manage assets worth Bt300 Billion

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

TMB ASSET Management Co Ltd (TMBAM) is targeting assets under management worth Bt300 billion in 2018 from Bt220 billion early this year, chief executive officer Somjin Sornpaisarn told The Nation in an interview on Friday. "The target does not mean that we have to launch more new funds. Our goal is to combine new fund launches to serve the demand of our customers and also to manage our existing fund to generate returns that match our customers' expectations," he said. Currently, the company manages 59 funds with assets under management worth Bt220 billion. In the first four months of this year, the company issued three new funds: TMB Ultra-Short Bond Fund, TMB US Blue Chip Equity Fund, and TMB Global Income Fund. The company plans to launch more new funds to cater to investor demand, he said. Somjin said the key to deciding on a new fund depended on what investors wanted and whether the existing funds were enough to meet investor demand, as the financial market had many new tools.

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