

Daily Thai News Summary: 31 August 2015

1. Indian tyre firm mulls Thai plant

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

India based Apollo Tyres is studying setting up its first tyre manufacturing operation in Indonesia, Vietnam or Thailand that will be large enough to support not only the automobile market in the region but also beyond.

"Our tyre plant in Asean will have big capacity and big economies of scale," president Satish Sharma said last week. Apollo Tyres achieved US\$2.08 billion (Bt74.6 billion) in sales for the fiscal year ended in March. Sharma - who guides strategy and oversees the implementation of key functions like manufacturing, sales and marketing, customer relations and profitability for Asia-Pacific, the Middle East and Africa - said the company's vision is to be a significant player in the global tyre industry by establishing its own footprint or taking the mergers and acquisitions route.

"The aim is to achieve both organic and inorganic growth. The company's tyres are available in more than 100 countries around the world. We have a sales and marketing subsidiary in Thailand to be in charge of the Asean bloc. We have also a subsidiary in Dubai to take care of the Middle East, East and West Africa, and in Johannesburg to look after South Africa and its neighbouring markets," he said.

2. Construction begins on second Thai-Myanmar bridge

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

A groundbreaking ceremony was held Sunday for the second Thai-Myanmar Friendship Bridge that will play a key role in the East-West Economic Corridor traversing continental Southeast Asia.

The ceremony for the bridge linking the Myanmar border town of Myawaddy and the Thai town of Mae Sot was attended by government leaders of both countries. Construction costs have been budgeted at 640 million baht, to be borne by the Thai side. It is scheduled to be completed in 2017.

3. Grand Hyatt Erawan reworks business strategy after blast

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

Grand Hyatt Erawan Bangkok has revised its marketing strategies to reclaim lost business after the deadly bomb blast at a famous shrine located next to the hotel two weeks ago. Gordon Fuller, area vice president of Hyatt Hotels and Resorts and general manager of Grand Hyatt Erawan Bangkok, said the hotel would focus more on wholesale markets, particularly from Hong Kong and Singapore, for the rest of this year. Meanwhile, it will attract independent travellers from other core markets including Middle East, the United States, and the emerging mainland China market.

The hotel is also in talks with the Ratchaprasong Square Trade Association, the Tourism Authority of Thailand and the Thailand Convention and Exhibition Bureau on how to bring tourists and business travellers back into the area.

4. Factories in Thilawa SEZ will be ready to start operations before elections

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

The Thilawa SEZ Management Committee expects factories in the first phase of the special economic zone to start operating before the general election in November. Committee secretary Than Aung and joint secretary Than Than Nwe said a ceremony to mark the start of operations was likely to be held in October.

They said that at present, some factories are ready to start operating, while others were rushing construction work, which had been slightly delayed due to the monsoon season. *"We're now waiting for /them to finish the construc-tion. Discussions are being /held for the opening ceremony. It will be organised before /the election,"* Than Than Nwe said.

The first phase of the economic zone houses 39 factories. They belong to local investors as well as foreign investors from countries like Japan, Hong Kong, Thailand, the US, France, Sweden, China and Australia. They are involved in textiles, food and beverages, plastics, pharmaceuticals and automobiles. The first phase covers 211 hectares out of a total area of 296 hectares.

5. First Policy Office supports plan to stimulate grassroots economy

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

The Fiscal Policy Office (FPO) agrees with the new Council of Economic Ministers' plan to stimulate the grass-roots economy by putting money into the hands of low-income earners via the Village Fund scheme as it will create a multiplier effect that will boost domestic consumption.

Meanwhile, the continuous decline of farmers' incomes from the drops in global commodity prices continued to hamper domestic consumption and consumer confidence in July, while slow internal and external demand led to declines in the import of capital goods and in industrial confidence.

The FPO said state spending could and should be utilised to drive the economy because the country's financial stability is strong thanks to good fiscal discipline in the past and there is low unemployment, while global demand is still weak and the country's economy is currently fragile.

By Harsha Hazarika