

THAI NEWS UPDATE: 28 MARCH 2022

1. Poll: Bank of Thailand to keep steady policy hand as growth trumps inflation

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

The central bank will not raise interest rates from a record low for more than a year in a bid to support an economy still struggling to recover from the pandemic despite a jump in inflation, a Reuters poll found. While inflation in the tourism-dependent economy hit a 13-year high in February, driven mainly by higher energy prices, policymakers expect price pressures to be temporary. But Russia's invasion of Ukraine has triggered a spike in global energy and food prices that will make it harder for the Bank of Thailand (BoT) to contain inflation, as found by other central banks who until recently said high inflation was transitory.

2. Growth outlook needs rejig

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

The Finance Ministry plans to revise its 2022 forecast for Thai economic growth next month, focusing on the impact of rising inflation and spiking energy prices, says a ministry source who requested anonymity. The ministry is worried the Russia-Ukraine war will affect its target for foreign tourist arrivals this year, the source said. In January the ministry projected 2022 economic growth in the range of 3.5-4.5%, with average growth of 4%, based on the assumption of rising domestic spending following an improvement in the global pandemic situation. That month the ministry also forecast a 4.5% expansion in private consumption for 2022 and the arrival of 7 million foreign tourists. Exports are expected to post growth of 3.6% based on recovering global demand.

3. Govt to subsidise workers' SSF contributions May-July

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

The government will subsidise registered workers' welfare payments after the cabinet agreed to reduce their contribution to the Social Security Fund (SSF) in light of economic pressures, says the Labour3. Ministry. The decision to reduce workers' contribution was among 10 measures agreed by the cabinet last week addressing the spike in cost of living prompted by increased fuel prices. From May to July, salaried employees under Section 33 of the Social Security Act will be required to contribute only 1% of their monthly income -- capped at 15,000 baht -- down from 5% previously, in order to be covered by the welfare scheme. Former employees under Section 39, who continue to contribute to the SSF after leaving their jobs, will see their payments lowered from 9% to 1.9% over the same period.

4. AIA aiming for 1bn customers by 2030

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

AIA Thailand wants to become the country's first digital insurer and achieve 1 billion customers across Asia by 2030 through the adoption of innovation and data analytics technologies to develop and provide health and life insurance products better suited to Thais' needs. Krit Chanthanotok, chief executive of AIA Thailand, said the company recorded the industry's highest gross premiums worth 23.5 billion baht last year, representing a 26% market share, and the highest new business premiums worth 157 billion, a 23% market share. For 2022, Mr Krit shared the company's "ABCDE" strategy that aims to maintain the growth momentum. The strategy consists of five aspects: agency transformation, business partner acceleration, customer-centricity, digitalisation journey, and environmental, social and governance (ESG).

5. Jungceylon - one of Phuket's largest malls - will unveil a brand new look and exciting retail concepts from end 2022

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

After 15 years in operation, Jungceylon will be embarking on a revamp. Conceptualised as the Oasis of Patong, the shopping mall will reaffirm its position as Phuket's shopping paradise with a range of exciting new lifestyle attractions to welcome the return of tourists from around the globe. Jungceylon, one of Phuket's largest malls in the vibrant Patong neighbourhood, is preparing to undergo major renovation works from 2022 to 2023, transforming the mall into the Oasis of Patong. The first phase of the work is scheduled for completion in the fourth quarter of 2022. Through the revamp, Jungceylon will be a one-stop shopping paradise encompassing fresh and immersive concepts that will enhance the shopping experience in this lively and convenient locale.

6. Global supply chain crisis a huge opportunity for Thai manufacturers, says FTI

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

The Federation of Thai Industries (FTI) says global disruption caused by the Russia-Ukraine conflict offers major opportunities for the Thai economy. The Ukraine-Russia war is hitting trade across the world including Thailand, driving up the price of fuel and other commodities. Thailand's economic recovery is now slowing under pressure from inflation, as sanctions imposed on Russia by the West threaten to make the situation even worse. On Wednesday, representatives of the Thai private sector discussed how to turn this crisis into an opportunity at "The Big Issue 2022" seminar organised by Thansettakij and Bangkokbiz. Kriengkrai Thiennukul, vice chairman of the FTI, said the conflict was affecting supply chains for many

important products. However, Thailand could turn this disruption into an opportunity by establishing industrial estates for several of the affected supply chains, he added.