

Daily Thai News Updates: 24 August 2017

1. Market nonchalant about impact of Yingluck verdict

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

The verdict for former Prime Minister Yingluck Shinawatra over her contentious rice-pledging scheme is unlikely to cause volatility in the Thai bourse because investors place greater weight on financial factors, analysts say...Ms Yingluck has denied all wrongdoing in her handling of the rice scheme, one of the flagship policies of her former Pheu Thai government. She could face 10 years in jail if found guilty. Some 1,000 supporters turned up outside the court on Aug 1, when Ms Yingluck delivered her closing statement in the trial. She is accused of dereliction of duty over her alleged failure to halt devastation from the scheme. Two rice crops during 2012-14 incurred losses of 178 billion baht. The military-led government has pursued an administrative order to seek compensation for damages from the scheme from Ms Yingluck worth 35.7 billion baht, 20% of the total damage evaluation.

2. Ministry set to revise export target to 6-6.5%

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

The Commerce Ministry looks set to revise its full-year export growth target to 6-6.5% from 5% after Thai exports rose at a double-digit pace for the fifth straight month in July. Encouraging economic data showed exports climbing 10.5% to US\$18.9 billion (630.5 billion baht), shrugging off the strengthening local currency as demand for Thai goods rose in line with the recovering global economy. Exports for the first seven months totalled 32.4 billion baht, up 8.2% year-on-year, the highest rate in six years...Pimchanok Vonkorpon, director-general of the Commerce Ministry's Trade Policy and Strategy Office (TPSO), said the recovering global economy helped improve purchasing power for major Thai trade partners, leading to more orders even though the prices of Thai goods are rising. She said the baht's appreciation has not affected Thai exports. The baht has risen more than 7% this year, making the currency the best performer in Asia...Over the same period, Thailand saw imports rise 15.5% to 25.6 billion for a trade surplus of \$6.783 billion, Ms Pimchanok said.

3. ADB urges &8bn extra annual spend

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

An additional US\$8 billion (267 billion baht) of annual infrastructure investment is needed for Thailand through 2030 to accelerate the country's economic growth pace to 4.2%, says the Asian Development Bank (ADB). "From 2016-30, Thailand will need to invest \$268 billion in infrastructure, or copy4 billion per year to keep the GDP growth rate for the period at 4.2%. But Thailand only invests \$6 billion annually in infrastructure," said Rana Hasan, director of development economics and indicators. The \$6 billion in annual investment does not include spending by state-owned enterprises, meaning the real number is likely higher. He said the required investment was calculated based on the infrastructure needed to support the country's potential growth. The Thai government is hopeful its 1.7-trillion-baht infrastructure investment scheme through 2022 will boost the country's economy to reach its growth potential of 4-5%. Mr Hasan said the \$6-billion investment is equal to 1.35% of Thailand's GDP. From 2010-14, Thailand invested 1.6% of GDP per year in infrastructure...Transportation infrastructure such as intercity rail systems and electric trains has been tacked as the first priority. "Thailand's rail system is very out-of-date so there's plenty of room for improvement and the new investment should focus on that sector," said Mr Hasan.

4. Tourism agency plugs into 4.0

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

The Tourism Authority of Thailand (TAT) is adopting a Tourism 4.0 initiative to focus promoting uniquely Thai attractions that will promote quality and niche tourists. The authority will also promote new routes connecting Thailand with neighbouring countries in CLMV (Cambodia, Laos, Myanmar and Vietnam), to cash in on the development of the government's Eastern Economic Corridor (EEC) project. Walailak Noypayak, TAT executive director for ASEAN, South Asia and the South Pacific Region, told a tourism forum hosted yesterday by Chulalongkorn University, that the government intended to apply the philosophy of the "sufficiency economy" based on the principles of traditional Thai culture into its development plan for a 4.0 economy. The model will be carried out along with innovation to develop manpower, strengthen society, sustain economic growth and ensure a more equitable distribution of wealth and opportunities. This will

enable Thailand to achieve the sustainable development goals (SDGs) of the United Nations under the 4s: Save the Planet, Secure Peace, Sustainable Growth and Shared Prosperity.

5. Industry association helps to boost ICT growth

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

Growth continues in the information and communication technology (ICT) market in Thailand as artificial intelligence (AI), cognitive services and cloud computing enable businesses to support their customers and understand fast-changing consumer behaviours in the digital era. Dhannawat Suthumpun, president of the Association of Thai ICT Industry (ATCI), said that these innovations were moving enterprises into the digital world, allowing them to improve and leverage their businesses. Technology will help businesses support customer behaviour as well as improve competitiveness and efficiency, he said.

6. OEDC to help with reforms

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

The Organisation for Economic Cooperation and Development (OECD) has agreed to lend a hand to the Thai government in undertaking the country's comprehensive reforms...OECD is a cooperation organisation among 35 developed countries. Most members are in Europe and the Americas, with two in Asia -- Japan and South Korea. Under the new Thailand CP slated for this year, the OECD will work closely with Thai authorities to support the implementation of their domestic reform agenda across four pillars: governance and transparency, business climate and competitiveness, Thailand 4.0 and inclusive growth. The OECD CP is hoped to be a change agent to support domestic policy reforms that enable Thailand to meet its ambitious development objectives. Thailand and the OECD will soon begin collaboration on supporting the digital economy. Thailand will be included in the OECD's new flagship publication "Digital Economy Outlook". Through comparative analysis, Outlook helps inform policymakers of the best regulatory practices and policy options to help maximise the potential of the digital economy as a driver for innovation and inclusive growth. The OECD will also work on a dedicated review of Thailand's digital-related policies in support for Thailand's national development strategy.

7. TAT seeks first-time guests

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

Thailand is looking to tap more first-time visitors and long-haul markets next year to boost the country's visitor base. Yuthasak Supasorn, governor of the Tourism Authority of Thailand (TAT), said first-time visitors from Central Europe, the Commonwealth of Independent States, the Middle East, the US, Canada, Latin America, India, Asean and second-tier cities in China are bountiful and ready to be served. Mr Yuthasak said the TAT is scheduled to open offices in Toronto, Canada and Sao Paulo, Brazil this year. The agency expects the number of visitors from the US alone this year to rise by 14% to 1.03 million. The TAT earlier signed an agreement with Taiwanese airline Eva Air to promote long-haul tourism between Asia and North America. The deal will help boost air connectivity between Thailand and the US market. Eva Air alone operates 92 flights a week between the US and Taiwan, which offers easy connectivity to Thailand...The agency has modified its marketing campaign with a new concept, "Open to the New Shades of Thailand", for 2018.

8. HSBC heralds ASEAN spending upsurge to foster digital age

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

Asean has pledged to double its investment on infrastructure to more than US\$700 billion over the next five years to support connectivity in the region, as the market is being shaped by the adoption of digital technologies, says HSBC. Mr Kobsak said the US already invests more in Asean than in China, Japan, and South Korea, reflecting its important role in the world. In 30 years Asean will be the fourth-largest economy in the world, he said. The role for banks and international organisations is to attract investment commensurate with the importance of the region, said Mr Kobsak. Kevin Tan, chief executive of HSBC Thailand, said large Asean players such as Thailand are shifting to transport infrastructure in an effort to capitalise on China's Belt and Road initiative (BRI)... He said Thailand is strategically located in the middle of Southeast Asia, with increased infrastructure investment helping the country better connect with its neighbours and position itself as a regional logistics hub.