

Daily Thai News Updates: 3 May 2017

1. Thai export forecast given upgrade

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

The business sector has revised up the growth outlook for Thai exports this year to 2-3.5% amid the global economic recovery that has helped boost demand, says the Joint Standing Committee on Commerce, Industry and Banking (JSCCIB). The revision up from an earlier forecast of 1-3% is based on expected GDP growth of 3.5-4%, said the chairman of the Thai Chamber of Commerce, Kalin Sarasin, who chaired the JSCCIB meeting yesterday. In the first quarter of 2017, Thai export rose 4.9% from the same period last year to US\$ 56. In the first quarter of 2017, Thai exports rose 4.9% from the same period last year to US\$56.5 billion (1.95 trillion baht) due to rising demand in several industries such as electronics, rubber, plastics, petrochemicals and auto parts. "Thailand's economy is growing in line with the recovering global economy. Our forecast for rising exports is based on major importers such as China, Japan, the EU and Britain bringing in more good," he said.

2. Belt and Road initiative and the bonds

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

Perhaps it's inevitable that interest in China's Belt and Road Initiative tends to revolve around the railway lines, ports and highways that will be constructed in its name. But sometimes it is the financial dimension of infrastructure in Asia that stands out – because of the sheer scale of what is required. In late February, the Asian Development Bank said it expected emerging Asia to need about US\$26 trillion of infrastructure investment between 2016 and 2030. That's US\$1.7 trillion a year - more than twice what the ADB had forecast in 2009. And this is just in Asia, while the Belt and Road encompass Africa and Europe as well. Financing this colossal need for transport, telecoms and energy infrastructure is going to require all available sources of private and public sector capital. But it will also generate a broad spectrum of opportunities for local and international investors - and stimulate capital markets development in Asian markets like Thailand.

3. Thai-American ties to be 'closest'

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

US President Donald Trump promised in his phone call that Thai-American ties would be unprecedentedly close and that he would visit Thailand, Prime Minister Prayut Chan-o-cha said on Tuesday. "Mr Trump told me that although ties between the two countries were slightly remote in the past, he assured that from now on the relations will grow unprecedentedly," Gen Prayut said, referring to their phone conversation Sunday night. The prime minister said he asked the US president to support bilateral trade and investment and the president promised to see to trade expansion. He would send his trade representatives to talk with the Thai government and accepted an invitation to visit Thailand when the time was right, Gen Prayut said. "Mr Trump invited me to have discussions in the US. He also inquired about Thailand's relations with Japan and China... and mentioned security on the Korean Peninsula," the prime minister said.

4. B6bn budget approved for bus and train services

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

A budget of almost 6-billion-baht has been approved by the cabinet to subsidise public train and bus services, according to government spokesman Sansern Kaewkamnerd. Of the budget totalling 5.8 billion baht, 3.5 billion baht has been given to the State Railway of Thailand (SRT), significantly lower than the agency's initial request of 6.8 billion baht. The rest of the budget was apportioned to the Bangkok Mass Transit Authority (BMTA) to fund non-air conditioned public buses. The agency had asked for 3.3 billion baht. Lt Gen Sansern said the cabinet did not approve a request for 2.6 billion baht for air-conditioned buses because the scheme was not part of the government's public transport policy. "We want to ease public transport for Thai commuters," focusing on the most essential aspects of transport, he said.

5. EDC terminal installation race heats up

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

Competition among banks to install electronic data capture (EDC) devices is intensifying, with some offering lower merchant fees than the ceiling 0.55% set under the government's EDC pool, as well as cashback to attract business operators to use their card-swiping terminals. Krungthai Bank (KTB) and TMB Bank (TMB) set their merchant fees at 0.3% of transaction value, well below the ceiling of 0.55%, while Kasikornbank (KBank) and Bank of Ayudhya (BAY) are providing cashback to shops which install their EDC terminals. Gridsn Nuengsigkapien, executive vice-president at KTB, said the bank was offering its 0.3% merchant fee until the end of this year. Even though banks have grouped into two camps to install EDC terminals under the government's EDC pool scheme, those within the same group are still competing with each other to install their point-of-sale terminals to boost fee income. The Finance Ministry recently granted approval to two banking consortiums to install 557,055 credit and debit card swipe terminals under the government's national e-payment scheme by March next year.

6. PromptPay on track for 30m users this year

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

Thirty million people are expected to sign up for the PromptPay money-transfer service by the end of this year. The projection coincides with findings that the number of users of mobile-banking services reached 21 million last year. Veerathai Santiprabhob, governor of the Bank of Thailand, said the field for mobile banking transactions had high growth potential. With 21 million people using mobile banking services by the end of last year, that represents a jump of 50 per cent from 2015. Registrations for the PromptPay electronic transfer service stand at 27 million. In an effort to boost consumer confidence in electronic payment methods, Veerathai said the BOT had signed an agreement with the Thai Bankers Association (TBA), the National Broadcasting and Telecommunications Commission and the Telecommunications Association of Thailand (TCT) that allows telecom operators and banks to exchange information on mobile-phone users who register at their telecom provider for the payment services. The banks will be able to check the accounts of PromptPay users in the same database, with the aim of giving customers greater confidence in the security of mobile-based payments.