

## Thai News Update: 12 July 2019

### **1. Private sector sees economic light**

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

Although oil and gas remain PTT's core competencies, the national energy firm is trying to revamp its business and diversify into renewable energy. Technology disruption is invading the fossil-based energy world, and renewable sources are showing strong potential as alternative fuels for power generation. At 1.4 trillion baht, PTT is the largest company by market capitalisation on the Stock Exchange of Thailand. Chansin Treenuchagron, president and chief executive, discussed disruption issues with the Thai media during site visits to Aspern Smart City in Austria and Grenoble in France.

### **2. Foreign aircraft maintenance investors to be set conditions**

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

A royal decree will be issued to lay down conditions for foreign parties wanting to set up maintenance, repair and overhaul (MRO) operations in Thailand, according to the Civil Aviation Authority of Thailand (CAAT). CAAT director-general Chula Sukmanop said these conditions will include terms regarding the transfer and import of technology and micro-investment in MRO businesses. The decree is being mooted after the Civil Aviation Committee (CAC) invited national carrier Thai Airways International (THAI) to explain its plan to establish a 10-billion-baht MRO centre at U-Tapao airport in Rayong.

### **3. Fruit sales reach record high**

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

Sales of four major fruits, including durian, have reached record highs this year, with sales totalling over 7.4 billion baht. The increase in sales has been driven by bullish markets, especially in China. Chinese buyers appear to have an "indefinite demand" for durian while the other three fruits (mangosteens, rambutans and longkong), are also flying off the shelves, said

Mongkhon Chomphan, an agriculture official in Trat. Durian is the most valuable fruit, with over 48,000 tonnes sold for a total of 3.8 billion baht, or 79,000 baht per tonne. This makes up more than half of the total sales revenue of the four fruits.

#### **4. Bank of Thailand introduces measures to mitigate non-resident short-term speculation**

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

The Bank of Thailand (BOT) has decided to enhance measures to mitigate impact of short-term speculative flows and increase the reporting requirements for non-residents' holdings of debt securities, BOT's Assistant Governor for Financial Markets Operations Group Vachira Arromdee said on 12 July. The BOT will continue to closely monitor the Thai baht movements as well as non-resident behaviours, and stand ready to use additional measures if undesirable speculative behaviours persist. The Bank of Thailand (BOT) has been closely monitoring the Thai baht as well as non-residents' capital flow movements, and is concerned about the rapid appreciation of the Thai baht relative to its regional peers, as it could lead to unfavorable macroeconomic repercussions.

#### **5. PTTEP announces 5-year investment**

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

PTT Exploration and Production Public Company Limited (PTTEP) has revised its 5-year investment plan (2019-2023) and sales volume target to accommodate value-added creation from recently acquired businesses as well as newly awarded oil and gas blocks in Thailand and overseas. It will next focus on the smooth transitions of operations from the successful acquisitions to ensure continuity of petroleum production and sustain the company's long-term growth. PTTEP has therefore revised 2019 expenditure to take account of these business expansions. The estimated total expenditure for 2019 is US\$3.577 billion (equivalent to Bt116.246 billion), up from the previous figure of US\$3.256 billion. However, the newly estimated total expenditure excludes the acquisition cost of \$2.086 billion.