

Thai News Update: 1 April 2020

1. Thailand, Japan sign local currency swap arrangement

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

The central banks of Thailand and Japan on 31 March signed a bilateral local currency swap arrangement (BSA) to enhance the financial stability of the two countries, the Bank of Thailand said in a statement. The arrangement allows for the exchange of local currencies between the two central banks of up to 240 billion baht or 800 billion yen, enabling them to provide baht or yen liquidity to eligible financial institutions in support of their cross-border operations, it said. The BSA is effective as of March 31, for a period of three years.

2. No more shutdown announcements in Bangkok, for now

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

“Bangkok will not announce any further measures or continue to shut down the city.” This, from Taweessin Visanuyothin a spokesman of the government’s Centre for [Covid-19](#) situation Administration. “Due to the daily number of confirmed cases remaining at a stable level, Bangkok officials have come to an agreement that they will not announce any more measures or force people to stay at home.” But he asked the public to cooperate with the government to help control the curve of confirmed new cases. Taweessin pointed out that tomorrow will be April Fool’s Day. But he asked the public not to post fake news or even attempt humour about Covid-19, otherwise, this could increase panic levels.

3. February exports rise 3.6% y-o-y, trade surplus widens: BoT

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

Thailand's current account surplus was \$5.4 billion in February, up from a surplus of \$3.44 billion in the previous month, the Bank of Thailand (BoT) said on Tuesday. Exports rose 3.6% in February from a year earlier, after rising 3.5% in January. Imports fell 7.8% year-on-year in February after January's 0.1% drop. February saw a trade surplus of \$5.4 billion, up from a \$0.38 billion surplus in January.

4. Confidence index drops to nine-year low

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

The tourism confidence index plunged to the lowest level in nine years, though the industry is optimistic about the final quarter of 2020, which could lead to a total of 26.6 million international arrivals this year, according to the Tourism Council of Thailand (TCT). The survey was conducted Feb 20 to March 10, before some provinces imposed travel restrictions,

but companies are bracing for a more extreme impact that will last longer, said TCT president Chairat Trirattanajarasporn. The index polled 650 local operators, who assessed the glum prospects of the industry at 57 in the first quarter, a sharp drop from 98 in the same period last year, and lower than 88 in the last quarter of 2019.

5. Cabinet allows BAAC B6bn more in capital

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

The cabinet approved a proposal on 31 March from the Bank for Agriculture and Agricultural Cooperatives (BAAC) to raise registered capital by 6 billion baht this year. Rachada Dhnadirek, a government spokeswoman, said the BAAC's new capital will be available from the Specialized Financial Institutions Fund (SFIF), to which all SFIs make contributions based on their deposits. After the cabinet's approval, the BAAC will see registered capital rise to 62 billion baht. On Jan 21 this year, the cabinet approved the BAAC's five-year capital increase plan, allowing it to increase authorised capital by a total of 20 billion baht until 2024. From 2021 to 2024, the bank's registered capital will be increased by 3.5 billion baht a year.

6. PM Prayut hints at suspending public transport to curb virus spread

Source: Thai PBS World ([Link](#))

Thailand's Prime Minister Prayut Chan-o-cha hinted on 31 March that he might order a scale-down or suspension of public transport if the rate of new COVID-19 infections does not show a sustained decrease. He said that he might have to prevent people from travelling, even though intra and inter provincial travel has reduced by about 40%, following the declaration of a national state of emergency last week. The Prime Minister and senior health officials believe that reduction in commuting and travel should be around 90% in order to have a significant impact on the infection rate. Prayut also insisted that the state of emergency will stay and a weekly review is being made. He also suggested that if the situation doesn't improve, the state of emergency could be extended for three months.

7. Bangkok Airways scraps all domestic flights from April 7

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

Bangkok Airways will cancel all its scheduled domestic flights from April 7-30, the company reported to the Stock Exchange of Thailand (SET) on Wednesday (April 1). Tresarun Sitakalin, vice president of corporate secretary of the company, said the flights that will be halted are Bangkok-Chiang Mai, Bangkok-Phuket, Bangkok-Trat, Bangkok-Sukhothai, Bangkok-Samui and Samui-Phuket. "The company had earlier decreased flight frequencies on these routes and

used smaller ATR aircraft instead of normal aircraft,” she added. “From April 7 onwards until April 30, we will cancel all flights.”

8. Central Food Hall gets innovative with UV-C disinfection robots

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

Central Food Hall has adopted an innovation method to ensure the safety of employees and customers, with the launch of UV-C Disinfection Robots, according to a company's statement today. The robots will help disinfect the stores and mitigate the risk of Covid-19 infection. Operated by staff, they are now being used at Central Food Hall Central Chidlom , during non-opening hours. There are plans to introduce the robots at other Tops Market and Central Food Hall branches.

9. Emergency could be extended

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

The government, if need be, will extend the state of emergency for another month or two depending on the Covid-19 situation, Prime Minister Prayut Chan-o-cha said today (March 31) after a cabinet meeting. He said the government is reviewing the situation each week. The premier announced the state of emergency, which took effect from March 26 and goes on until April 30. Prayut said that at the moment the government is unlikely to lift the state of emergency soon. He added that some rules under the emergency can be relaxed if the situation gets better. State agencies will consider tightening some rules in areas that show no improvement.

10. Panel to meet next week on crisis impact

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

The Joint Standing Committee on Commerce, Industry and Banking (JSCCIB) will discuss the coronavirus pandemic's effect on GDP and exports next week, as the nation braces for an estimated 5.3% GDP contraction and 8.5-10% drop in exports this year. The panel in February cut its economic projection to 2-2.5% growth, down from 2.5-3% estimated in January. It maintained its export growth view of -2% to flat and its inflation target of 0.8-1.2%. Kriangkrai Tiannukul, vice-chairman of the Federation of Thai Industries (FTI) and chairman of monitoring and evaluation of the trade war crisis and Covid-19 outbreak for the committee, said the wider spread of the virus is the latest risk putting pressure on the economy. The JSCCIB will discuss the issue on April 8. "The panel is concerned that economic growth could shrink for the full year if the Covid-19 pandemic is prolonged until late 2020," Mr Kriangkrai said.

