

Thai News Update: 23 January 2018

1. Thai Export Grows 9.9% in 2017

Source: Thailand Business News ([Link](#))

The Ministry of Commerce revealed figures of export growth for last year at 9.9%, the highest in the past six years. Pimchanok Vonkorpon, director of the Commerce Ministry's General Trade Policy and Strategy Office, said Thai exports continue to grow steadily for the past 10 months last year with export in December growing 8.6% worth US\$19,741 million, while imports also increasing 16.6% worth US\$20,019 million, a trade deficit of US\$278 million. Exports for the full year in 2017 showed the highest growth in six years at 9.9% amounted to US\$ 236,694 million, a trade surplus of US\$ 13,930 million, she said. The high growth was attributed to economic recovery of Thailand's major trading countries, and satisfactory growth in Thai farming and agro-industrial products, she said.

2. Central Pattana Teams up With Six Banks for QR Code Payments

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

Leading mall developer Central Pattana (CPN) has partnered with six banks to promote the transition to a cashless economy. Customers will be able to start paying for products and service fee charges via QR code technology at some 4,000 shops in CPN properties in the first quarter of this year. Pakorn Pattanapat, chief operating officer of CPN, said the company had linked with Bangkok Bank, Bangkok of Ayudhya, Government Savings Bank, Kasikornbank, Krungthai Bank and Siam Commercial Bank to provide the QR code payment services. The firm expects that the shops will generate revenue via online transactions this year of around Bt300 million, or 10 per cent of the total revenue posted last year. The firm also expects that the retail market in Thailand this year will grow by 10-20 per cent. CPN operates branches of Central World, Central Plaza and Central Festival across the country.

3. BAAC Mulls Bt5 Bn Equity Fund to Hasten Switch to ‘Smart Farming’

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

The Bank for Agriculture and Agricultural Cooperatives (BAAC) is considering setting up a Bt5 billion fund for equity investment in potential ventures undertaken by so-called smart farmers, small and medium-sized enterprises (SMEs) and agricultural cooperatives. The state-owned bank also aims to tackle the accumulated debts of up to Bt200 billion owed by one million of its customers, Apirom Sukprasert, president of the BAAC, said in an exclusive interview with Nation Multimedia Group. The BAAC is consulting with the Bank of Thailand about project financing and direct equity investment in the operations of smart farmers, SMEs and agricultural cooperatives that are identified to have business potential, he said.

4. Train Track to Cambodian Border Completed

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

Refurbishing of the train track from Aranyaprathet to the border is now completed, but the planned reopening of the rail link between Thailand and Cambodia will not happen soon. Aranyaprathet station master Sutthipoj Suwanchawee said the 6.5 kilometre line between Aranyaprathet station and Khlong Luek at the border, adjoining Cambodia's Poipet township, is now ready for use. The Thai-Cambodian train link is part of the regional network to improve transport among Southeast Asian countries and China in a bid to increase trade, investment and contacts. Trade between the two countries was valued at US\$5.5 billion in 2017, a 10% increase year-on-year. The two prime ministers last year pledged to triple bilateral trade to copy5 billion by 2020.

5. SCB Seeks to Trim Staff in Digital Era

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

Siam Commercial Bank (SCB) plans to downsize from 27,000 employees to 15,000 over the next three years and transform more than 600 branches to ready itself for the digital banking era. The bank is also poised to reduce its traditional branches from 1,153 to 400 between 2018 and 2020, said chief executive Arthid Nanthawithaya. Thailand's second-largest lender by assets has been gradually closing its traditional outlets, while rotating and offering a training programme for branch staff, he said. The bank still recruits new employees to fill needs in some areas. The bank plans to close 99 traditional branches this year and open a new branch model called Express-an

automated branch with a handful of employees. Between 150-200 Express outlets are targeted to be opened by year-end, up from 15 at present.

6. Experts Urge Bangkok to Keep Developing

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

Bangkok must leverage its tourism and hotel business if it wants to become a megacity in the next five years, industry experts told a panel on Jan 22. Jesper Palmqvist, area director for Asia-Pacific at global research firm STR, said Bangkok will continue to grow in terms of hotel performance and infrastructure development. Positive investor and consumer sentiment will strengthen the tourism and hotel business in Bangkok and other major tourist destinations in the country. As the East becomes the new West, access to the three international interconnected airports- Suvarnabhumi, Don Mueang and U-tapao will become essential. “Bangkok will become the world's third accessible megacity after Beijing and Shanghai in the next five years,” he said.

7. Business Registrations Hit Five-Year High

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

The number of new businesses registered with the Commerce Ministry last year hit a five-year high thanks to the recovering economy, growing tourism, the government's massive investment in infrastructure projects and the state welfare scheme. “The number of new business registrations in 2017 outstripped the department's forecast of 70,000,” she said. “It was largely because of the government's tax incentives to support individual entrepreneurs especially for gold trading, drug stores and real estate, to establish their businesses through juristic persons. The government's massive investment in myriad transport infrastructure projects also helped build up the confidence of the private sector.”