

Thai News Update: 23 January 2020

1. Dusit Foods unit takes majority stake in leading catering company in Vietnam

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

Epicure Catering Company Limited has further expanded its presence in the region with the acquisition of a 51-per cent stake for Bt61.2 million in The Caterers Joint Stock Company (The Caterers), a leading catering company for schools and events in Vietnam. Epicure Catering is a subsidiary of Thailand's Dusit Foods Co Ltd. Established in 2006, The Caterers employs more than 700 full-time staff and provides over 15,000 fresh meals a day to over 36 leading international and bilingual schools in Vietnam. The company also caters for more than 640 private events per year. There are approximately 120 international schools in Vietnam, of which 20 per cent outsource their catering, valued at Bt2 billion a year.

2. MoU signed for pilot 5G service at airports

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

The National Broadcasting and Telecommunication Commission (NBTC) on January 22 signed a memorandum of understanding (MoU) with Airports of Thailand Pcl (AOT) for cooperation in a feasibility study and operation of 5G telecommunication service at airports. NBTC secretary-general Thakorn Tanthasit said that the MoU aims to increase the convenience of passengers and airport users by seeking suitable operators to provide 5G service via bidding methods. Currently five operators have already submitted their envelopes, while other interested operators can still apply for the bidding before February 4.

3. Govt plans tax on polluting construction sites to tackle dust particles crisis

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

Construction sites that produce too much dust will now face a tax as the government tries to tackle the dust particles crisis, the Minister of Finance Uttama Savanayana said. Patchara Anuntasilpa, director-general of the Excise Department, said that the department is working on this matter, especially a carbon tax that the government can charge from owners of motorcycles. The aim is to encourage entrepreneurs to invest more in electric vehicles. Moreover, the diesel

excise tax structure is going to be reformed by expanding the range of diesel types from two to six. The measure will be a long-term solution, he said. The Excise Department will soon propose to the Minister of Finance an act for an electric vehicles fund to manage battery waste disposal.

4. SET sees 2020 as key year to lure investors

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

With a cautiously optimistic view of the global and domestic economies, the Stock Exchange of Thailand (SET) contemplates 2020 as another challenging year for its development blueprint and preparing new infrastructures where digital technology and decentralisation will play a greater role. In a new market environment where globalisation has enhanced interconnectivity and shortened the business cycle, bourses, intermediaries and investors all have to adapt to constant changes in the capital market. "Stock exchanges and intermediaries must have global asset classes with different risk levels -- from fixed-income securities and equity instruments to infrastructure funds, property funds and real estate investment trusts -- to serve investors' diversification needs in the domestic capital market," SET president Pakorn Peetathawatchai told the Bangkok Post in an exclusive interview.

5. Online grocery sees surge

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

Online grocery competition in Thailand is expected to intensify this year as major super apps -- Line, Grab and Lazada -- are jumping into the market worth almost US\$1 billion (30 billion baht). Serious air pollution, free delivery and unavailability of plastic bags at stores are giving added impetus to online grocery business. Line Man, an on-demand service under Line Thailand, on 22 January announced it is joining hands with HappyFresh, an online grocery platform, to compete in the market. HappyFresh is a mobile application and website that allows users to shop for groceries online, using supermarkets located near the customers. The cooperation will see HappyFresh using the Line Man platform, which has a large base of customers in Thailand.

6. Bank of Thailand panel likely to cut policy rate

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

The Bank of Thailand's rate-setting committee is expected to cut the policy rate by 0.25 percentage points to a record low of 1% this quarter to shore up the country's economic growth and slow the baht's appreciation, says Standard Chartered Bank (Thai). Monetary policy remains

the main tool to steady the economy, given that fiscal stimulus will not be significant with the 2020 budget bill still under Senate deliberation, said Tim Leelahaphan, Thailand economist at Standard Chartered Bank. "This rate cut is a non-consensus call, as the market expects the policy rate to remain unchanged," he said. "We predict a further rate cut is still possible after the first quarter if the economy remains in the doldrums." The Bank of Thailand slashed the benchmark rate twice last year to a record low of 1.25% to boost growth.

7. Thailand, India reach trade agreements worth over THB2.78 billion

Source: Pattaya Mail ([Link](#))

Thai and Indian business operators have reached trade agreements worth over THB2.78 billion during a high-level visit led by Thailand's Deputy Prime Minister and Minister of Commerce JurinLaksanawisit to Bengaluru and Hyderabad. Jurin revealed on 19 January, the last day of his five-day visit to India, that Thai private companies and their Indian counterparts successfully agreed on trade deals in business-matching events in the two cities. Private sector representatives from over 80 Thai companies took part in the tour to Bengaluru and Hyderabad to expand trade opportunities and boost export. It is one of the India visits organized by the International Trade Promotion Department after sending a trade delegation to Mumbai and Chennai in September last year. The Ministry of Commerce under Jurin has consistently looked for new markets to replace current export markets during a global economic slowdown.

8. Electric vehicle registrations in Thailand rose 380% in 2019

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

Electric cars (EVs) are on the rise in Thailand. The Electric Vehicle Association of Thailand (EVAT) reports a sharp increase in the number of electric vehicles registered in 2019. Department of Land Transport statistics show that, as of December 31, there were 2,854 electric vehicle registrations, including 1,572 new cars, up 380% from 2018 when only there were only 325 registered. Hybrid electric vehicles and plug-in hybrid electric vehicles reached a total of 153,184 vehicles. (Hybrids are electric vehicles with a back-up conventional petrol engine, and switches between the two power trains). EVAT's president says that the growth of PHEV and EV is up more than 51% from a year earlier.