

Thai News Update: 26 September 2019

1. Chinese tourists are heading back to Thailand at last

Source: The Star Online ([Link](#))

The number of Chinese tourists visiting Thailand topped one million in August for the first time in six months, brightening an otherwise dim outlook for the nation's economy. Chinese arrivals surged almost 19% to 1.03 million during the month compared with a year earlier, Tourism Ministry data showed Wednesday. Overall visitor growth of 7.4% was the strongest this year. "It's a positive surprise for the Thai tourism industry, especially with Chinese arrivals reaching a million," said Kampon Adireksombat, Bangkok-based head of economic and financial market research at Siam Commercial Bank Pcl. Tourism on some measures accounts for about a fifth of Southeast Asia's second-largest economy, but the sector's boom faltered earlier in 2019. Officials rolled out steps such as waiving visa fees to revive interest, and some analysts think Thailand may benefit as travelers skirt Hong Kong because of protests there.

2. Border trade contracts 0.07%

Source: NNT ([Link](#))

Trade growth in Thailand's border areas has slowed down due to the struggling global economy and the ongoing trade war between China and the United States of America. In the first eight months of this year, Thailand's border trade was valued at 915 billion baht, up by only 0.07%. The Director-General of the Department of Foreign Trade, Adul Chotinisakorn, said today that Thailand's border trade with four neighboring countries accounted for 720 billion baht, down by 1.16%. Malaysia, one of Thailand's top trading partners, saw its trade value drop by 4.78%. Thailand's exports of para rubber, rubber products and combustion engines to Malaysia continued to contract. The bilateral trade value between Thailand and Laos also contracted. However, Thailand's trade figures with Myanmar and Cambodia still experienced growth.

3. SME digitisation platform GlobalLinker signs MoU with Thailand

Source: The Economic Times ([Link](#))

GlobalLinker, a Mumbai-based digitization platform for SMEs signed an MoU with Thailand India Business Council (TIBC) on 25 September for creation of a customized platform to facilitate digital business networking between SMEs from India and Thailand and to connect SMEs to the members of the platform across Asia. The company estimates that the MoU will bring over 40,000 SMEs from Thailand & India on board the platform. According to the company, the MoU was signed by Prashant Shetty, COO of GlobalLinker and Khun Prim Jitcharoongphorn, Chairperson of Thailand India Business Council, in the presence of the Deputy Prime Minister of Thailand and Minister of Commerce in Thailand H.E. Jurin Laksanawisit .

4. \$18.4B worth of homes on sale in Thailand's EEC

Source: The Phnom Penh Post ([Link](#))

Property firms have built 561.21 billion baht (\$18.4 billion) worth of residences in the area of Thailand's fast-developing Eastern Economic Corridor (EEC) spanning Rayong, Chonburi and Chachoengsao provinces, where half a million more people are expected to settle this year through 2023. A survey by the Government Housing Bank's Real Estate Information Centre found that, as of June, 30,954 residential projects were for sale in the three provinces, representing 185,179 units and a combined worth of 561.21 billion baht. Chonburi had the most – 664 projects with 136,273 units worth 435.92 billion baht, followed by Rayong (34,596 units worth 84.51 billion baht) and Chachoengsao (14,310 units worth 40.78 billion baht). Several property firms have unveiled more residential project in the EEC area in the third quarter of this year. Origin Property Plc and Dusit Thani Plc announced a condominium project for Chonburi's Sri Racha district named Hampton Sriracha, worth 1.4 billion baht.

5. ADB seeks co-financing of Thai projects

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

The Asian Development Bank (ADB) is looking to co-financing deals of mass transit, double-track rail and renewal energy projects with the Thai companies, said Hideaki Iwasaki, the bank's

country director in the Kingdom. He said Thai government is in a strong fiscal position and has not borrowed much from the ADB. However, The ADB has provided loans to private companies in recent years, citing co-financing of the yellow and pink mass transit lines in Bangkok. The bank is keen on co-financing mass transit projects in Bangkok. Although Thailand has started investing in double-track rail projects, the bank can still provide financial support to some sections of the systems, he said.

6. King Power eyes hotel industry in UK

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

Duty-free giant King Power Group is looking into entering the hospitality business in the United Kingdom, now that property prices in Europe and UK are dropping due to the global slowdown, the group's chief executive officer Aiyawatt Srivaddhanaprabha told the press on Wednesday (September 25). "Our deal will be finalised next year or in 2021," he said, adding that King Power will continue focusing on the duty-free business in Thailand. He added that though Thailand's economy has shown slight growth, King Power has still been hurt by a slump in the number of tourists. However, the company has continued maintaining its Creating Shared Value (CSV) budget at Bt200 million annually by focusing on music, sports and communities.

7. Sugar industry projected to lose B10bn as baht rises

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

The Office of the Cane and Sugar Board (OCSB) projects the sugar industry will lose 10 billion baht in the upcoming sugar-crushing season because of the baht's appreciation and the global oversupply. The season usually starts in late November and ends in early May. "Thai farmers and millers will suffer from these negative factors," said Warawan Chitaroon, the OCSB's secretary-general. "The baht's strength will cause 6 billion baht in losses for sugar exports this season." Ms Warawan said the currency has gained two baht against the US dollar from the same period last year. She said the global sugar price is flat because of a glut, causing the Thai sugar industry a 4-billion-baht loss. Thailand's sugar cane output in the upcoming crushing season is projected at 119 million tonnes, down from 131 million last season. The board expects a widespread drought in the country will reduce plantation areas.