

Thai News Update: 27 November 2019

1. New govt stimulus targets grassroots, homebuyers

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

The cabinet on 26 November approved more economic stimulus measures, including money for village funds, 50-billion-baht in loans for local people's organisations and a 50,000-baht subsidy on a home purchase down payment. Finance Minister Uttama Savanayana said his ministry proposed the measures for the approval to stimulate domestic demand to maintain growth in the fourth quarter of this year and generate momentum for economic expansion next year. If approved, 71,742 funds of villages and urban communities will each receive up to 200,000 baht for community-based infrastructure such as barns, mills, fertiliser plants, reservoirs and machinery to process farm produce. About 14.35 billion baht was allocated for the purpose.

2. China to dominate CLMV as Thailand set to lose out

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

China is expected to dominate the CLMV market, with Thailand estimated to lose as much as 187 billion baht by 2022 as Cambodia, Laos, Myanmar and Vietnam are inundated with Chinese goods. According to Aat Pisanwanich, director of the Center for International Trade Studies at the University of the Thai Chamber of Commerce, a study of trade and investment impacts on Thailand and Asean from Chinese products in CLMV markets found that China has played an important role in trade and export volume in the last 15 years -- both before and after the Asean Economic Community (AEC) took effect in 2015. Between 2004 and 2018, the proportion of intra-Asean trade dropped to 24.1% of the bloc's total trade from 24.8% in 2004. According to Mr Aat, Thai goods at higher risk of losing market share to China include yarns, textiles, synthetic fibres, shrimp, lobster, wood, wooden tiles, steel and components, corn, leather goods, travel products, tea, coffee, lead sheet, dried fruits, chemical products, concrete, sugar, tapioca, batteries and fireworks. China's direct investment in the CLMV is also expected to surge over the next three years after expanding by 124% in 2018, notably in Cambodia, Laos and Vietnam, he said.

3. Thailand to export additional 1 million tonnes of rice to China

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

The Agriculture and Cooperatives Minister says he aims to increase exports of Thai rice to China by another 1 million tonnes. The Nation reports that Chalermchai Sri-on says a second list of approved Thai rice manufacturers has been provided to China, with officials there pledging to finalise the country's import scheme registration as soon as possible. Minister Chalermchai confirms an increased demand in China for Thai rice, his announcement coming in the wake of a meeting with China's Deputy Minister of the General Administration of Customs, Zhang Jiwen. China's commitment to consider a second list of rice manufacturers is seen as a positive development, which could lead to an additional one million tonnes of Thai rice – valued at around 27 billion baht – being exported to China.

4. Thailand and Singapore emerge top performers in total funds raised via IPOs in South-east Asia: Deloitte

Source: Business Times ([Link](#))

Thailand is the top performer in South-east Asia with the largest total funds raised through initial public offerings (IPOs) in 2019, accounting for 39 per cent. Singapore contributed 33 per cent to the total funds raised, followed by Indonesia. The Stock Exchange of Thailand netted US\$2.63 billion in IPO proceeds as of Nov 15, making it the biggest market for IPOs in South-east Asia. This was thanks to the listing of Asset World Corp Public Company Limited, which topped the South-east Asia leaderboard with US\$1.38 billion funds raised. This marks the third consecutive year that Thailand has raised more than US\$2 billion from IPO listings. Meanwhile, Singapore's initial public offering market saw a four-time increase in funds raised this year notwithstanding the deferral of several IPOs on the Singapore Exchange (SGX), with companies citing timing issues as economic uncertainties continue to weigh in.

5. SEC asked to shut out large foreign entrants

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

A local cryptocurrency exchange has asked the Securities and Exchange Commission (SEC) to protect local digital asset businesses by refusing entry to major foreign business operators as the latter have an edge in technological know-how and capital. These advantages could hurt the business operations of domestic firms operating in the digital asset industry, said Jirayut

Sruprisopa, co-founder and chief executive at Bitkub Capital Group Holdings. There are several global cryptocurrency exchanges interested in launching in Thailand and some of them are in the process of applying for digital asset licences, said Mr Jirayut. Two digital asset exchanges have been granted operating licences, Bitkub and Satang Corporation, while Bitcoin, the operator of the now-defunct bx.in.th, ceased operations at the end of September to focus on other business opportunities.

6. Thailand signs 3 MoUs with South Korea during PM's visit

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

Thailand has signed three MoUs (Memorandum of Understanding) with South Korea during PM Prayut Chan-o-cha's official visit, taking place from November 24-27 for the 2019 ASEAN – Republic of Korea Commemorative Summit. Thai PBS World reports that the three agreements were signed yesterday, the first being between Thailand's Ministry of Higher Education Science, Research and Innovation and South Korea's Ministry of Science, Technology and Communications. The PM met with the South Korean President, Moon Jae-in in Busan, South Korea on 25 November, where he acknowledged South Korea's increasing role in Southeast Asia and its support during Thailand's ASEAN chairmanship this year.

7. New measures out to boost economic growth

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

The Cabinet on November 26 approved three new stimulus packages to prop up the softening economy, said Finance Minister Uttama Savanayana, adding that the measures aim to support small farmers, SMEs and property developers. Uttama expects the new measures to generate Bt80 billion to the economic system, which would in turn lift GDP growth to 2.6 per cent this year. The first package targets grassroot economy under the 2020 fiscal budget. The second package will help farmers reduce harvesting cost and improve rice quality. The third package "Good House with down payment" aims to reduce home-purchase costs.

8. CPF wins 'Highly Commended' Award, keeps place in THSI

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

Charoen Pokphand Foods PLC (CPF) won the "Highly Commended in Sustainability Award" at SET Awards 2019 November 26, keeping its place in the Thailand Sustainability Investment

Index (THSI), in recognition of its comprehensive good governance that takes into account the benefits of all stakeholders. The company has applied best practices for sustainable business growth and balanced development in economic, social and environmental dimensions. Prasit Boondoungprasert, chief executive officer of CPF, said that winning the award in “Best Sustainability” and maintained its place as a sustainability company in THSI, affirmed CPF's success in driving the enterprise towards sustainability under the three pillars of “Food Safety, Self-Sufficient Society and Balance of Nature”.