

## Thai News Update: 27 September 2019

### **1. MPC keeps policy rate unchanged**

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

The Bank of Thailand's Monetary Policy Committee (MPC) held the policy rate steady on 25 September but again slashed its economic growth forecast, from 3.3% to 2.8%. The rate-setting committee voted unanimously to leave the policy rate untouched at 1.50% after a surprise 25-basis-point cut in August. The MPC estimates that the economy will expand less than previously assessed because of the effect of lower exports on domestic demand, said Titanun Mallikamas, secretary of the MPC. The panel believes that the 1.50% rate is already accommodative, contributing to economic growth and supporting the rise of headline inflation towards the target, he said.

### **2. 90-day visas floated for medical tourists**

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

The Medical Hub Policy Administration Committee has proposed granting a 90-day visa-free stay to Japanese and US nationals who enter the country for medical services, according to Deputy Prime Minister and Public Health Minister Anutin Charnvirakul. He said the decision is intended to promote medical tourism as part of the government's policy of developing Thailand into a medical centre. The medical tourism sector last year generated about 28 billion baht in revenue. Thailand currently grants 90-day visa-free entry to medical tourists from 11 countries, including China, Cambodia, Laos, Malaysia and Vietnam.

### **3. Chinese company rewards 10,000 employees with trip to Pattaya**

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

Chinese firm Aurance has celebrated its 10th anniversary by taking its employees on a trip to Pattaya – all 10,000 of them. And apparently, it's not the first time they've rewarded their staff so generously. Sontaya Khunpluem, mayor of Pattaya welcomed the visitors to a cultural show at

Nong Nuch gardens, followed by a bit of Muay Thai and of course, lots of tasty Thai food. Mayor Sontaya says the money spent by the Chinese visitors, including booking meeting and banquet facilities, will benefit the local economy. He adds that the choice of Pattaya for such a large group indicates that the city is viewed as a safe destination.

#### **4. Industry Minister: Mitsubishi Motors to expand investment in Thailand**

**Source:** NNT ([Link](#))

The government's investment roadshow in Japan went well on the first day, with Mitsubishi Motors Corporation affirming its intention to expand its investment in Thailand. The Industry Minister, Suriya Juangroongruangkit, had a discussion with the Chief Executive Officer (CEO) of Mitsubishi Motors, Osamu Masuko, on investment opportunities in Thailand. Mr. Suriya said the CEO had confirmed that Mitsubishi Motors will expand its investment in Thailand due to the country's readiness in all respects and low operating costs as well as its status as the regional transportation hub.

#### **5. Thailand slips a place in digital competitiveness ranking**

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

Thailand's world digital competitiveness ranking dropped one place to 40th in 2019 from 39 the previous year, according to an IMD World Digital Competitiveness Ranking (WDCR) report released late on 26 September. The WDCR said that Thailand dropped one place to 40th as a result of a mixed performance across three digital factors while future readiness (50th), knowledge (43rd) and technology (27th) improved compared to 2018. Several indicators related to public investment in education, agility of companies and the use of big data and analytics in firms declined.

#### **6. 4 categories under review for FBA List 3 elimination**

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

The government is mulling removal of four business types from List 3 of the Foreign Business Act (FBA) as it tries to reduce obstacles to foreign investment. Poonpong Naiyanapakorn, deputy director-general of the Business Development Department, said the four businesses types are telecommunication services for licence type 1 (telecommunications business operator without its

own network for services); treasury centres; aviation/aircraft maintenance; and software development. "A panel tasked with revising the FBA, chaired by Vuttikrai Leewiraphan, director-general of the Business Development Department, met on Wednesday and agreed to propose to the Foreign Business Commission removal of four businesses from List 3," Mr Poonpong said. "The move will help reduce redundancy on the part of state officials, as those four businesses are already supervised by specific acts."

### **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.