

Thai News Update: 28 December 2020

1. Growth forecast for 2021 upheld at 4%

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

Despite a surge of new infections in Thailand, the government is maintaining its forecast for economic growth at 4% next year. Deputy Prime Minister Supattanapong Punmeechaow said the government expects the new surge of infections will be short-lived. Mr Supattanapong said international arrivals are projected to return to normal in April after the successful introduction of vaccines in many countries. He said the government's economic policy next year will focus primarily on accelerating the disbursement of fiscal 2021 budget expenditure of 3.2 trillion baht and infrastructure development projects.

2. THG poised to seal \$2bn medical deal

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

Thonburi Healthcare Group Plc (THG) expects to conclude a US\$2-billion deal with its foreign business partner early next year to invest in a healthcare business and build an R&D centre. THG owner and chairman Boon Vanasin said negotiations with an investment group are 70% complete and he expects to wrap up talks within 2-3 months in 2021. The foreign investor is interested in a healthcare project here because Thailand sits in a prime location in Southeast Asia and has good facilities to serve the healthcare industry. THG hopes the deal will be successful, leading to a long-term investment project in Asean.

3. New Covid-19 outbreak in Thailand still in early stages, expert warns

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

The current Covid-19 outbreak in Thailand was still in its early stages, a medical expert warned, adding many infected people would have little symptoms or be asymptomatic so they could spread the infection. Dr Yong Poovorawan, head of the Centre of Excellence in Clinical Virology at Chulalongkorn's Faculty of Medicine, said that the cycle threshold in the outbreak is low, meaning asymptomatic patients or those with little symptoms could spread the virus very well. All suspects now need to test for the virus with RT-PCR method, including those without symptoms. The government also needs to hasten proactive search in the outbreak areas as quickly as possible, while private hospitals should lower testing price.

4. Investors to spend more on IPOs next year, say experts

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

Prasert Tantayawit, managing director of investment banking for Maybank Kim Eng Securities, said investors are paying attention to IPO shares as the stock market is moving into positive territory. “Businesses related to aviation and retail have postponed plans to launch IPO shares owing to the Covid-19 impact, but we believe they will start raising funds once the pandemic is resolved,” he said. “Meanwhile, businesses related to healthcare, construction and industrial estate which have been able to escape the Covid-19 fallout are ready to launch their IPO next year.” He added that many leading Thai firms plan to expand into neighbouring countries next year.

5. Government needs to hike budget for vaccine to prevent economy taking bigger hit
Source: The Nation ([Link](#))

The Thai stock market is expected to face sell-offs in the final week of the year, as new cases of coronavirus infections soar, Anusorn Tamajai, former dean of Rangsit University’s Economics Faculty, has warned. A new round of coronavirus infections globally and the threat of new virus variants may force many countries to impose ban on foreign arrivals, and such restrictions would disrupt recovery of the global economy, he said. The Stock Exchange of Thailand (SET) may plunge below 1,400 from Friday’s close of 1,486.31, he predicted. The SET’s new barrier may be at 1,380. The baht will not change much in the final week of the year but it could have a tendency to appreciate in the first quarter of next year due to large contraction in imports, he said.