

Eh natThai News Update:5 June 2020

1. Covid-19 fund bill passes first reading

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

The House of Representatives on 4 June kicked off a debate on a bill seeking to transfer about 88 billion baht from the fiscal 2020 budgets of each ministry to a central fund to fight the Covid-19 pandemic and rehabilitate the economy. The first reading was approved with 264 votes while four MPs rejected it, 185 MPs abstained and one MP failed to vote. Earlier, the opposition called on fellow MPs to reject the bill, saying it contained no detail about how the money would be spent and approving it would be tantamount to issuing a blank cheque to the prime minister.

2. Stocks up, foreign inflows returning

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

Local stocks rallied on 4 June as ample global financial liquidity moved into equities to chase higher yields amid hopes of an economic recovery and further loosening of lockdown measures. The Stock Exchange of Thailand (SET) index rose by 36.83 points or 2.7% to close at 1,411.01 points in turnover worth 122.7 billion baht. Shares in the banking sector and segments related to the country's lucrative tourism industry saw substantial gains. KBANK shares rose the most (+15%), followed by SCB (+14.7%), BBL (+10.8%), MINT (+8.3%) and AOT (+6.3%). Although year-to-date foreign fund outflows total nearly 190 billion baht, there have been foreign inflows into local equities worth 8.9 billion baht from the end of May to early June, said Apichat Poobunjirdkul, senior strategist at Tisco Securities.

3. Exporters urged to use privileges

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

Exporters are being urged to make more use of free trade agreement (FTA) privileges and the Generalized System of Preferences (GSP) during the coronavirus crisis, especially in high-demand categories like food, drinks and processed farm products. Keerati Rushchano, director-general of the Foreign Trade Department, said that while use of FTA privileges and the GSP by Thai exporters fell by nearly 10% year-on-year during the first quarter of 2020 to US\$16.24 billion, strong demand was seen in the above categories. "We advise exporters to make use of the privileges under FTAs and the GSP before exporting," Mr Keerati said.

4. Tourism, FDI to revive EEC property view

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

The Eastern Economic Corridor (EEC), the government's flagship infrastructure project, and a tourism recovery following the pandemic will be the key factors for the property market in the three eastern provinces, according to developers. Meesak Chunharuckchot, president of the Chonburi Real Estate Association, said many foreign investors, particularly from China and Japan, were interested in investing in the industrial sector of the EEC, comprising Chon Buri, Rayong and Chachoengsao. "Within the EEC, opportunities will be tremendous," he said. "The US-China trade war will cause some production bases to shift to Thailand while government spending in megaprojects like high-speed trains linking three airports and an expansion of U-tapao airport will boost the potential of the three provinces."

5. Over 250 trade activities planned to boost Thai exports

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

The Commerce Ministry's Department of International Trade is getting ready to launch more than 250 trade activities in a move to boost Thailand's exports, director-general Somdet Susomboon said. He added that the department has been closely monitoring the market situation and will launch these activities during favourable periods. The planned activities include the promotion of Thai goods via online platforms of its foreign partners including China's Tmall, India's BigBasket and global Amazon.com as well as in shopping malls overseas.

6. Renewable energy giants BCPG, TPIPP forecast big rise in profits

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

Thai renewable energy generators BCPG and TPI Polene Power forecast their profits will grow this year despite the economic impact of the Covid-19 pandemic. BCPG expects its earnings before interest, taxes, depreciation, and amortisation (EBITDA) to grow by 20 per cent this year, but plans to reduce its investment budget from Bt15 billion to Bt8 billion since the virus crisis had affected construction of its power plants. BCPG president Bundit Sapianchai said that the company was targeting a 20 per cent rise on the Bt2.58 billion it earned last year, with profits boosted by the 114 megawatts generated by its power plants in Laos.