

Thai News Update: 9 January 2020

1. TAT aims to steer Indian visitors to up-and-coming destinations

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

The Tourism Authority of Thailand (TAT) plans to spice up demand in the Indian market by adding the fresh taste of new destinations in the western and northeastern regions. To make hay while the sun shines, as some Indian travellers opt for excursions far away from the Mideast, the agency will introduce a new range of tourism products linking major cities with lesser-known destinations. Those targeted areas, led by Kanchanaburi in the west and Khao Yai in the Pak Chong district of Nakhon Ratchasima, have abundant natural resources, especially fresh air, said Chattan Kunjara Na Ayudhya, the TAT's deputy governor of marketing for Asia and South Pacific. Mr Chattan said Indian tourists nowadays are keen to experience other cities, which is made possible by the ability to communicate in English and use smartphones avidly.

2. SET foresees foreign return

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

Despite heavy equity sell-offs earlier this week, foreign funds are expected to return to invest in Thailand's stock market, buoyed by the strong fundamentals of listed companies and return on investment as well as foreign exchange gain, says the Stock Exchange of Thailand (SET). The SET index can still attract foreign fund inflows as it is the most liquid in Southeast Asia, while listed firms have more sustainable growth than in the past, said SET president Pakorn Peetathawatchai. Thailand's economy still has good growth potential and the strong fundamentals of SET-listed firms can generate greater profit, said Mr Pakorn. Some 30% of foreign funds have invested in passive assets and track equity investment based on the MSCI benchmark indices, he said. SET-listed firms listed on the MSCI Thailand index total 41 companies, with nine on the MSCI ESG.

3. Thailand-Bangladesh FTA agreed in principle

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

Thailand and Bangladesh have agreed in principle to establish a free trade agreement (FTA), aiming to double bilateral trade to US\$2 billion by 2021. According to Commerce Minister Jurin Laksanawisit, who chaired the 5th Joint Trade Committee (JTC) meeting between the two nations on 7 January, Thailand is ready to kick off FTA talks with Bangladesh and conduct a joint feasibility study as soon as possible. Bangladesh is Thailand's third-largest trade partner in South Asia, trailing India and Pakistan, with annual two-way trade worth \$1.25 billion in 2018, down 4.4% from the previous year. Thailand has enjoyed a huge trade surplus, with exports to Bangladesh amounting to \$1.2 billion and imports worth just \$59.24 million.

5. Alibaba's Taobao Global kicks off world initiative in Thailand

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

Taobao Global, under Alibaba's Taobao Marketplace that enables overseas merchants to sell cross-border to Chinese consumers, on January 8 announced the launch of its latest global initiative "Project Magellan" in Bangkok. Taobao Global creates business for SME brands from around the world through its community of buyers – online personalities who use social media posts and livestreams to engage with and promote items to their followers in China and generate sales for various brands. Taobao Global buyers, made up of influencers in different fields, delve deeply into overseas lifestyles and curate quality overseas products for Chinese consumers.

6. Top business groups see GDP growth of 2.5%-3% this year

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

Leading business associations on 8 January projected economic growth of 2.5%-3.0% this year in the face of a global slowdown and volatile exchange rates amid heightened Iran-US tensions. Exports, a key driver of growth in Thailand, may not post an increase or could even contract as much as 2% this year, according to a joint statement of the Joint Standing Committee on Commerce, Industry and Banking. The committee comprises the Federation of Thai Industries, Thai Bankers' Association, Thai Chamber of Commerce and Board of Trade of Thailand. "In 2020, the economy still faces several negative factors, such as a global slowdown, with tensions in the Middle East and severe drought adding to the pressure," Kalin Sarasin, president of the joint business group, told reporters.

7. Direct air route links China's Xining, Thailand's Phuket

Source: Xinhua Net ([Link](#))

A new direct flight was launched on 8 January between Xining, capital of southwest China's Qinghai Province, and Thailand's largest island Phuket. The route was operated by Thailand's VietJet Air with a round-trip flight every Wednesday. The inbound flight arrives in Xining at 06:20 a.m., and the outbound flight departs Xining at 07:30 a.m., both Beijing time. The flight time is about five hours. Previously, Xining has already opened 12 international and regional air routes to cities like Bangkok, Seoul, Tokyo, Taipei and Hong Kong.

8. OSMEP says Thai SMEs to grow in 2020

Source: National News Bureau of Thailand ([Link](#))

The Office of Small and Medium Enterprise Promotions (OSMEP) has reported that the Thai economy is showing positive signs in early 2020, as startup entrepreneurs are learning ways to apply innovations and technology to enhance their business operations. The acting Director-General of the OSMEP, Wimonkan Kosumas, said on 8 January her agency expected the country's economic growth to be 2.7 to 3.2% this year, while Thai SMEs are expected to grow 3.0 to 3.5%, thanks to the government's economic stimulus measures and major infrastructure investments. Tourism and e-commerce are also expected to grow this year. Risk factors for Thai SMEs include the global economic slowdown, the trade war between the United States and China, the baht's appreciation, the high level of household debt and the problem of financial accessibility. However, businesses are adapting to the digital economy by creating new products, and this is a positive sign.