

Daily Thai News Summary: 28 July 2015

1. June exports blamed for SEET slump

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

Stock Analysts blamed poor June export figures and the decline of Asian stock markets for a big drop in the SET Index yesterday, which plunged to the lowest level in more than seven months. The Stock Exchange of Thailand's main index slipped 25.53 points or 1.78 per cent to close at 1,412.55. It plunged to the lowest level of 1,410.72 during yesterday's trades. Trading volume exceeded Bt40 billion.

Padermpob Songkroh, managing director of Kasikorn Securities, said two main factors contributed to the SET's drop: the sell-offs in nearly all stock markets in Asia due to a sharper-than-expected decline of China's economy, and Thai export figures released by the Commerce Ministry. First-half exports, especially from the agricultural sector and industry, slid by 4.8 per cent to US\$106.85 billion (Bt3.72 trillion) because of weak overall global trade, despite the depreciating baht, according to the ministry.

"Because of the large decline in Thai exports in June and the gloomy global economic recovery, the ministry will need to revise down the 1.2-per-cent export-growth target soon," said Somkiat Triratpan, director of the ministry's Policies and Trade Strategies Bureau.

2. Retail industry sees growth of 3.2%

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

The Retail industry will see only thin growth of 3.2 per cent this year, as there are no encouraging signs for the remaining months, according to the Thai Retailers Association.

Jariya Chirathivat, the association's president, said that households were still weighed down by heavy debt. Middle-to-lower-income earners have less money to spend. The drought has dried up the purchasing power at the grass roots, particularly among farmers. The government should promote a spending atmosphere, especially through stimulus campaigns for tourism and services, he said.

Such measures would persuade middle- and upper-income earners to spend more on domestic travel. Import duties on luxury fashion brands should be slashed to attract foreign shoppers, Jariya added.

3. Finansia Syrus, partners seeks securities licence in Myanmar

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

FINANSIA Syrus Securities (FSS), one of the top five brokerages in Thailand, has formed a joint venture with local partners to apply for a securities licence in Myanmar.

The move is part of its plan to become a leading full-service brokerage in the Greater Mekong Subregion after expanding into Cambodia last year through a joint-venture format and operating in Vietnam since 2007 via a cooperative arrangement. FSS chief executive officer Chuangchai Nawongs said yesterday that the company had joined with Tun Foundation Bank and Myanmar Investment, a private-equity firm, to form a joint-venture brokerage with paid-up capital of US\$15 million (Bt523 million).

4. THAI Airways to withdraw from US

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

Thai Airways International Plc plans to cut 1,401 jobs through voluntary retirement this year and suspend its loss-making flights to Los Angeles and Rome as it pushes ahead with a restructuring plan, its president said on Sunday.

Thailand's national carrier aims to reduce operating costs and capacity by 20 per cent under the two-year plan, which also calls for aircraft sales and a reduction in staffing. The firm is one of several state-controlled companies that the military government has targeted for reform since seizing power in May 2014.

The flight suspension will reduce THAI's capacity by 5 per cent, President Charumporn Jotikasthira said. The company aims to cut capacity by 15 per cent during the second half. *"It's normal that we have to cut costs and adjust flights to suit the changing situation,"* he said. The airline has set a budget of Bt5.3 billion for the voluntary retirement scheme.

5. Iflix comes to Thailand, targets 20m subscribers in Asia within five years

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

Iflix, an Internet TV service under the management of the Catcha international investment group, and Evolution Media Capital, a merchant bank focused on the media, sports, and entertainment industries, is set to arrive in Thailand after successes in Malaysia and the Philippines, with 100,000 subscribers just six weeks after launch.

Pricing and quality will be the primary areas of focus in iflix's strategy for Thailand as it seeks to achieve a subscriber base of 20 million users across Asia within five years. *"The digital world has a greater role to play in today's society, and consumer behaviour has changed,"* said Mark Britt, iflix group chief executive officer. *"Instead of relying on their television sets at home for news, information and entertainment content, they now turn to their smart devices for this content whenever and wherever they want it. We expect the number of smartphone users in Asean countries to reach 240 million in 2018, with 14-38 per cent regularly using their phones to watch long videos and Thailand ranking among the top nations in this regard."*

By Harsha Hazarika