

Daily Thai News Summary: 29 July 2016

1. Singapore: Market, gateway for Thai Rice

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

Singaporean traders are ready to import more Thai rice, including for re-export to third countries, as long as its quality is good, its prices are stable, and the Thai government does not implement any more farmer-subsidy programmes, according to Commerce Minister Apiradi Tantraporn. After leading a mission to promote Thai rice in Singapore this week, she said the island republic could be a strategic partner as a major market for Thailand's Hom Mali (jasmine) rice and speciality rice grains. Singaporean consumers have good purchasing power and prefer healthy food like Thailand's brown rice, red rice, Riceberry and unpolished rice. Moreover, as Singapore is a centre of regional trading, it could help Thailand distribute its rice to third countries. For all these reasons, the ministry will continue to promote rice exports to this market, she said.

Each year, Singapore imports about 420,000 tonnes of rice for domestic consumption, of which Thailand is a major supplier, exporting about 130,000 tonnes to the country each year. Singapore also has many international traders, shipping about 10 million tonnes of rice to many countries, mostly in Africa and the Middle East. Apiradi said that after hearing opinions from Singaporean traders, she found that they wanted the Thai government to ensure good-quality rice for export and not return to a subsidy project that would damage the market mechanism and make the rice harder to sell. She said her ministry would cooperate with exporters to promote the sale of Thai rice in Singapore, focusing on Hom Mali and speciality rice grains and value-added products made from rice. In an attempt to increase the value of rice export, the government has a strategy to promote rice in various markets. Singapore is one of the targeted markets for increasing sales of Thai rice as it is a main staple there, while its consumers have high purchasing power.

2. Siam Hardware partners with Japan painting tool maker

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

SIAM HARDWARE Industry Co yesterday officially announced a partnership with Maru-T Ohtsuka Corporation, introducing a premium range of painting equipment under the Maru-T brand, targeting homeowners, architects and professional painters. Maru-T is an established brand in Japan with a 100-year history. It claims to be a trusted brand among Japanese professional painters for high quality and standards, durability, versatility and

innovation. Maru-T says it continually develops its technology to enable professionals to achieve a flawless painting finish. This is the first time Maru-T has entered a market outside its home country, entrusting Siam Hardware Industry to launch the brand in the Thai market, to source sales and distribution channels and to engage in marketing activities. *"There are a lot of choices in the home paint market. Paint manufacturers are constantly using technology and innovation to improve the quality and finish of their paint, but not the painting tools," said Pimpida Achariyasilp, business development executive of Siam Hardware Industry. "In past years, we have not seen any new innovative painting tools to be used with all these new paints. We see that there is a market for more customised and high-grade brushes and rollers to produce a much better paint finish."*

Pornthep Achariyasilp, president of Siam Hardware, said: "Both Siam Hardware and Maru-T Ohtsuka are family-owned businesses that have passed through successive generations from strength to strength. Maru-T has been in Japan for 100 years, while Siam Hardware Industry has been a trusted brand among consumers for decades. "We follow a very strict quality-control process. We believe that Maru-T is fully confident in our high working standard and the potential there is in the Thai market.

3. Developers target M&A route to diversify their businesses

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

A number of leading developers have set aside investment budgets worth more than Bt100 billion combined for this year through 2022 to fund merger-and-acquisition deals for office, hospitality and other non-residential projects in Thailand and abroad, as they seek to diversify their business to generate recurring income for the long term. For example, TCC Land Asset World, a property arm of beverage tycoon Charoen Sirivadhanabhakdi, plans to invest more than Bt74.2 billion for hotel development in the Kingdom through to the end of 2022. The investment will be for the development of new hotels and also acquiring hotels for renovation. Country Group Holdings (CGH), owned by the Taechaubol family, has reserved Bt6 billion to acquire businesses and invest in potential opportunities both locally and overseas. Singha Estate, meanwhile, has set aside an investment budget of Bt18.8 billion to acquire major stakes in hotel and office businesses in Thailand and abroad this year.

Land & Houses has earmarked Bt7 billion for investment this year, with Bt4 billion set aside for buying undeveloped land for the development of residential projects for sale in 2017, and the remainder to take over serviced apartments in the US and for the acquisition of hospitality projects in Thailand. Pruksa Real Estate has set aside Bt1.5 billion to acquire major stakes in the hospitality sector next year, after its restructuring into a holding company is completed by the end of this year. Tommy Taechaubol, chief executive officer of CGH, said this

week that the group had completed a two-year restructuring process turning it from a securities brokerage firm into an investment holding company.

4. Magnolia plans to provide property design service in China

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

MAGNOLIA Quality Development Corporation plans to take its real-estate design arm for both commercial and residential projects to China. "China is a huge market with a population of about 1.4 billion, 20 times as big as Thailand. Such a huge market holds great potential for the real-estate industry," chief executive officer Visit Malaisirirat said yesterday. The company will set up a joint venture to provide the design services in China next year, he said. *"We have strong experience in China from operating our wholly owned subsidiary in the country to provide construction management services for more than 10 years. We have a customer base as well as good connections with local real-estate developers in China. That will allow us to expand into China quite easily,"* he said. *"We're also interested in developing property projects in China in the future, both commercial and residential. However, the company has no concrete plan for the expansion,"* he said.

In China, land is owned by the government. It casually opens bidding for certain plots to private companies that want to develop real-estate projects. Foreigners who want to develop real-estate projects need to form a partnership with those private companies that win the bids, he said. Magnolia is also looking at other highly populated markets, such as Indonesia, where the real-estate market is not yet fully developed. For Thailand, Magnolia has set a three-to-five-year plan to focus on the development of both mixed-use and single-use projects at prime locations in Bangkok and other major cities.

5. Luxury condo demand still strong

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

Demand for luxury condominiums remains strong although the overall property market is currently experiencing only slight growth, a Magnolia Quality Development Corp executive said this week. As the price of land lots in downtown Bangkok has been increasing year by year, the company is convinced that investors are still looking for an opportunity to invest their money in high-end properties in the city, said Magnolia's assistant vice president for marketing and sales projects, Peachpattha Pakakan. Entering the second quarter, sales obviously improved as the company saw buyers take shorter cooling-off periods in buying luxurious residences, she said. Therefore, more developers were prepared to launch new projects in the latter half of the year,

and this is a new challenge for project owners in responding to customers' needs to gain more share in the high-end property market, she added.

At present, Magnolia has three luxury projects under construction. The first is the mixed-use Magnolias Ratchadamri Boulevard, which offers luxurious residential units conjoined to the Waldorf Astoria Bangkok, a prestigious hotel in the Hilton chain located on the lower levels of the building. Magnolias Ratchadamri Boulevard has reached 80-per-cent sales completion with prices at Bt230,000-Bt270,000 per square metre, and the expectation is to reach sales of 90 per cent by the end of this year. The residences will be ready for transferring of ownership to clients very soon, Peachpattha said.

6. Harley Davidson launches first shop in Pattaya

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

Legendary US motorcycle manufacturer Harley-Davidson says the launch of its Pattaya dealership has reinforced the brand's commitment to Thailand. The Pattaya dealership is the fourth authorised dealership for Harley-Davidson in Thailand, and is owned and operated by Eastern Thai Riders Co. Harley-Davidson owners from Pattaya and throughout Thailand joined Sontaya Kunplome, former tourism and sports minister, and the Harley-Davidson Owners Group and others at the opening.

Peter Mackenzie, managing director of Harley-Davidson Asia Emerging Markets, said: "Pattaya is undoubtedly the heart of Chon Buri and arguably one of the most famous cities in Thailand. *"Not only is it a tourism hub but its also acts as the business centre of many industries such as financial, entertainment, and sports. At Harley-Davidson, our goal is to develop a trusted network of independently owned dealerships, offer great experiences that draw more people into the sport of motorcycling, and fulfil the riders' dreams of personal freedom. The launch of the latest dealership here in Pattaya will give riders access to unrivalled products and services direct from the legendary brand, while adding their own welcoming local touch."*

The new dealership offers Harley's entire range of bikes, including the Dark Custom line, featuring the Roaster, Iron 883, Forty-Eight, and Harley-Davidson Street. Also available are "best-in-class" after-sales services and original parts, as well as apparel and riding activities. Harley says the business will serve as a platform for local Harley enthusiasts to share their passion for riding together across Thailand's many breathtaking destinations.

