

## Daily Thai News Summary: 2 July 2015

### 1. New “Digital Economy” master plan in works

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

The Information and Communications Technology Ministry will launch the first national digital-economy master plan (2016-2020) within six months. It will replace the current ICT master plan.

The ministry, which will be renamed the Digital for Economy and Society Ministry in August or September, is holding focus-group hearings on the draft of the digital-economy master plan. It is expected to submit the first draft to the Cabinet in October or November, said ICT Minister Pornchai Rujiprapa.

The new master plan focuses on development in several areas, including physical infrastructure to support the digital economy. The ministry will encourage the private sector to be the main driver of the digital economy, while the government will provide regulatory support.

### 2. Central Pattana to accommodate IKEA’s second store in Thailand at Central WestGate Complex

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

Central Pattana, Thailand's largest shopping-mall developer, said yesterday that it would cancel its plan to develop residential and commercial real-estate projects at its Central WestGate shopping complex in order to accommodate space for Ikea, which will set up its second Thai store there.

Wallaya Chirathivat, Central Pattana's senior executive vice president for business development and project construction, told a press conference held to announce the upcoming opening of the Central WestGate complex at Bang Yai, in Nonthaburi province in the outskirts of Bangkok, that Ikea - the world's largest furniture retailer - would be one of the key anchors of the developer's 28th shopping complex.

With an investment of Bt14 billion, the 500,000-square-metre Central WestGate is the largest outlay ever by Central Pattana, and its first to be developed with the aim of being a "super-regional mall".

### **3. More Indian cities appear on TAA radar**

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

Thai AirAsia (TAA) is set to boost its presence in the subcontinent's vast air travel market. Thailand's largest low-cost carrier will spread its wings further into India with the launch of regular service from Bangkok to Bengaluru, formerly known as Bangalore, on Sept 1.

Apart from India's third-largest city in terms of population, TAA's revived expansion will include a couple more as-yet-unnamed Indian cities early next year. *"We're ready to come back to India with new vigour,"* chief executive Tassapon Bijleveld told a press briefing on Monday in this southern Indian city, dubbed the Silicon Valley of India

TAA debuted in India in December 2010 with the simultaneous launch of Bangkok-Kolkata and Bangkok-Delhi routes, followed by Chennai in July 2012.

### **4. GM Thailand engines North America bound**

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

General Motors Thailand has begun the production of engines for export to the US and Canada for the first time. Up to now, the US automaker's Rayong facility made engines solely for locally built vehicles.

The plant is making 2.8 litres, four cylinders Duramax Diesel engines for shipment to the two countries by the third quarter, said the managing director Marcos Purty. The engines will be installed in the US and Canadian versions of Chevrolet Colorado and GMC Canyon mid-sized pickup trucks, production of which is scheduled to start in November.

*"The engines shipments from the Thailand facility are expected to increase our output and improve GM Powertrain Thailand's economies of scale"* Mr Purty said.

### **5. Agriculture: El Nino to erode Thai output by 2%**

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

The government expects drought from the El Nino weather phenomenon to shave Thai rice production for this year's main crop by 2% to 26 million tonnes, though this could mean a rise in prices. The estimate from the Agriculture Ministry is based on a delay in rice farming for two months until August. However, if the drought is prolonged, the rice yield may be much lower.

The ministry expects El Nino will cut global rice production by 1% from 476 million tonnes last year. Commerce Minister Chatchai Sarikulya said yesterday at the meeting of the National Rice Policy Committee chaired by Prime Minister Prayut Chan-o-cha that rice prices have risen since the middle of last month, as importers are wary about potential higher rice prices thanks to lower supply from India, Vietnam and Cambodia.

## **6. Sharp improvement in fundamentals strong shield against external events**

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

Eighteen years have passed since the financial crisis erupted in 1997. Looking both at the past and ahead, the private sector is confident that Thailand will not experience a similar crisis in the near future, thanks to the sharp improvement in its economic fundamentals, which should shield the economy against hiccups - including the ongoing Greek crisis.

Kasikorn Research Centre (KResearch) has said the basic fundamentals of the Thai economy all meet the "above-average criterion", despite the current weakening state of the economy following a period of political instability and the slowdown in global demand. The 1997 crisis was sparked by massive inflows, which were channeled into unproductive sectors, and into property development in particular. Speculative buying was rampant, boosting the developers' balance sheets. Yet, the short-term gains were wiped out - and that was the lesson learnt by all.

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