

Daily Thai News Summary: 5 June 2015

1. South Korea proposes \$4.8 bn “dry canal” to carry ships by rail

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

South Korea will propose a US\$4.8-billion (Bt160-billion) "rail canal" project for Thailand's consideration, aiming to provide a new trade lane via this country's land bridge.

The project would entail the new concept of a "dry canal" for conveying ships by rail. The 57-kilometre route would run from Ranong province's Kra Buri district on the west to Chumphon on the east, Jinyu Choi, director-general of the Korea Railroad Research Institute (KRRI), said after at a seminar.

He said the rail canal would be able to cut 2,000km and two days off the shipping route through the Strait of Malacca. The construction cost would also be cheaper than that of a conventional canal, estimated at \$7.1 billion.

"Our research team will present this project in detail to Thai Transport Minister Prajin Juntong during the second 'Thailand Rail Academy Symposium' to be held in Phitsanulok in August," Choi said.

2. Government sees positive signs for export

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

With the weakening baht and the economic recoveries in many countries, Commerce Minister General Chatchai Sarikulya says exports are trending to go into positive territory in June after contracting for four consecutive months this year.

"Thailand's exports should grow in the remaining months, making the total shipments this year grow by 1.2 per cent as targeted," he said. Moreover, the ministry's export strategies should be able drive growth in the third quarter.

Markets with strong economic growth potential are mainly in ASEAN, especially Cambodia, Laos, Myanmar and Vietnam, as well as the United States.

3. Thailand Post's logistic arm aims to be Indochina hub

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

Thailand Post Distribution, a new subsidiary of the Kingdom's postal service, aims to provide total logistics solutions throughout Indochina and make Thailand the regional logistics hub by 2019.

Warakan Srinualnad, chief executive officer of Thailand Post Distribution, said that the company aimed for Bt 400 million in revenue in 2015 and expected to keep growing at 10 per cent per year. The company will expand to cover the whole Indochina region by 2017.

The main target customers include providers of medicines and medical supplies, e-commerce and home shopping, banks and financial institutions, multinational companies and border traders.

4. Boutique Group, Cloud Dynamics link up to develop data centres

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

The Boutique Group of Companies, one of Thailand's leading hospitality and real-estate developers, recently formed an alliance with Cloud Dynamics Inc, a Canada-based cloud service provider and enterprise software company, to develop data centres.

The two companies yesterday met with Deputy Prime Minister Pridiyathorn Devakula to express their interest in the national cloud-based data-centre project and exchange ideas on the development of the "digital economy" in Thailand.

Prab Thakral, chief executive officer of Boutique, said the government's project had drawn great interest from both local and foreign investors.

5. S Group to launch capsule room zone

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

Local hotelier S Group will open a new zone of 21 en-suite capsule rooms at S Box Hotel on Sukhumvit Soi 31 next month, the first of its kind in Bangkok.

Sarun Limsawaddiwong, managing director of S Group, said all 21 en-suite capsule rooms were now being decorated and each room with bathroom facilities will cover only seven square metres, half the normal space of rooms at S Box Hotel, which opened early this month.

"We created the concept of en-suite capsule hotel rooms to attract foreign tourists, mostly from Hong Kong and Singapore, who want to enjoy shopping in Bangkok and stay in affordable hotels," Mr Sarun said.

6. U-tapao airport draws interest

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

Long overlooked by airlines, navy-operated U-tapao airport is getting fresh attention from carriers seeking to develop new destinations. Malaysian low-cost carrier AirAsia is due to inaugurate four weekly scheduled flights from Kuala Lumpur to the eastern Thai airport on July 16.

Sister carrier Thai AirAsia (TAA) has a grander plan to make U-tapao its new hub by linking it with China and other Thai cities, possibly starting in September or October. Preceding the foray by AirAsia and TAA was Thai commuter carrier Kan Air's April 10 launch of five routes out of U-tapao.

By Harsha Hazarika