

Thai News Update: 17 July 2019

1. Super apps to the rescue

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

Super apps like Grab, Go-Jek and Line are partnering with banks to provide online-to-offline (O2O) services, whereby traditional banks give the tech startups credibility and a sense of trust with users while the startups offer banks a gateway to the frontier of digital banking. The super apps leverage their strong user base and big data analytic technologies. And it's not just ride-hailing apps: Facebook shook up the financial industry with the announcement that it would launch its own "global" currency, Libra, which it claimed would keep a stable value unlike most cryptocurrencies. Facebook sought talks with the Monetary Authority of Singapore and the Bank of Thailand about its plans.

2. CGIF aims to boost Thai firms' credit grade

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

Thai corporations issuing debentures could be given higher credit ratings if their debentures are guaranteed by the Credit Guarantee and Investment Facility (CGIF), says the Thai Bond Market Association (TBMA). The CGIF was established by the 10 member states of Asean with China, Japan, South Korea (Asean+3) and the Asian Development Bank. The organisation is a key component of the Asian Bond Markets Initiative of the Asean+3 cooperation, aimed at providing credit guarantees for bonds denominated in the local currency issued by investment-grade companies in Asean+3 countries. By having the CGIF as a guarantor for debentures issued to raise funds in Asean+3 countries, these debentures will be awarded higher credit ratings, said TBMA president Tada Phutthitada.

3. THAI close to sale of used aircraft to US firm

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

Thai Airways International (THAI) expects to sign an agreement this month with a US logistics firm on the sale of eight used A340 aircraft worth between Bt4 billion to Bt4.5 billion, said President Sumeth Damrongchaitham. The company is in the process of examining the contract before closing the sale deal of THAI aircraft to the private US company, he said adding that it also depends on the acceptance of the buyer. "We are studying details of the contract, especially in the area of pre-operational maintenance activities," Sumeth said. In regard to THAI's plan for the purchase of 38 new aircraft, Sumeth said it had submitted the proposal to the Transport Ministry, pending consideration as a policy matter, before seeking approval from the Cabinet.

4. Thailand eyes expansion of exports to Asean nations

Source: ElevenMyanmar ([Link](#))

Thailand is looking to expand its exports by selling electrical and electronic products to Asean countries, especially Laos. The export value of electrical equipment from January to May this year stood at 326,934 million baht, an increase of 0.92 percent compared to the same period last year, the Electrical, Electronics, Telecommunications and Allied Industry Club (EETIC) told Lao and Vietnamese media in Thailand last week. The export value of electronics products hit 444,216 million baht, a drop of 9.93 percent compared to the same period last year. The major markets for electrical equipment are Japan, USA, Vietnam, China, India, Malaysia, Australia, and Indonesia, while the main market for electronic products is the USA, China, Japan, Malaysia, the Netherlands, Singapore and Germany.

5. Thailand and world prepare for cryptocurrency challenges

Source: Thai PBS News ([Link](#))

The Libra project has shaken the global financial scene since Facebook, with a group of founding members, announced the proposed cryptocurrency last month. The plan to launch a new currency next year is ambitious and controversial, as Libra is scrutinized by central banks around the globe, including the US Federal Reserve. The cryptocurrency concept is not far-fetched, as evidenced by the success of Bitcoin. It is a result of an evolving monetary system, which is

moving toward digital payment systems backed by blockchain technology. Thailand is moving toward a cashless society. Bank notes and coins are set to become obsolete while transactions via electronic payments have increased over recent years. Backed by the Geneva based Libra Association, Libra will not only trigger changes in payments, but its impact will ripple through the global financial system. Some are concerned over the privacy of personal accounts in Facebook, as it remains unclear how the social media platform will be related to the new currency system.

6. Saha Group to open first unmanned store in Thailand

Source: Nikkei Asian Review ([Link](#))

Thai consumer products manufacturer Saha Group plans to open the first unmanned store in the country by October. Group Chairman Boonsithi Chokwatana said his company will invest in new technologies including artificial intelligence and internet of things as well as big data analysis to attract young consumers."It's a must. We still need to invest more in order to respond to the new demand of new generations," the 81-year old tycoon told the Nikkei Asian Review, adding he wants to transform a traditional retail store into an unmanned store that uses technologies and digitalization. Saha's first unmanned store will be opened under the brand "His & Her" offering around 300 items, including cheap products such as instant noodles, lingerie and T-shirts to branded clothes, in 100 sq. meters operated by ICC International, a retail arm of the group.

7. Thailand seeking endorsement for 5 international airports

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

The meeting of the International Civil Aviation Organisation (ICAO) in Phuket next week marks a new phase in aviation development in Thailand, with authorities planning to ask the UN agency to endorse five more international airports. The three-day Third Global Aviation Cooperation Symposium, from July 22-24, is partly a result of the ICAO seeing potential in the Thai aviation industry, according to Civil Aviation Authority of Thailand (CAAT) chief Chula Sukmanop. Thailand had continued to improve its aviation standards since the ICAO in 2017 lifted the "red flag" it gave the country for its failure to address safety concerns. CAAT will also ask the ICAO

to approve the upgrading of five more airports -- Krabi, Surat Thani, Udon Thani, Hua Hin and Samui -- to international airports, Mr Chula said.