

## Thai News Update: 21 May 2020

### **1. Baht is Asia's top outperformer on tourism rebound bet**

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

After lagging other Asian currencies for most of the year, Thailand's baht has staged a sharp rebound to outperform its peers. The baht has rallied almost 1.5% in May after dropping over 7% in the first four months of 2020. The catalyst? Traders are betting Thailand's tourism-dependent economy will recover swiftly from the virus-induced slump as economies begin to reopen. "The sooner availability of a vaccine will mean a quicker recovery in industries such as retail and tourism, and as such currencies relying more on these sectors may respond more," said Frances Cheung, Singapore-based head of Asia macro strategy at Westpac Banking Corp. Yanxi Tan, a foreign exchange strategist at Malayan Banking Bhd. expects the baht to rise to 31.7 per dollar by year-end as the pandemic dissipates. The currency rallied as much as 0.5% to 31.872 per dollar on 19 May, with sentiment bolstered by signs of progress in developing a vaccine against the virus.

### **2. Organic rice gets trade boost**

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

The Commerce Ministry has registered a domain for Thai farm and food products, TraceThai.com, with local organic rice chosen as the pilot product given its high value, strong market demand and export potential. Pimchanok Vonkorpon, director-general of the Trade Policy and Strategy Office under the Commerce Ministry, said the registration is part of an ongoing project of the office in supporting Thai farmers and Thai organic rice exporters. A blockchain system will shorten the processing time for obtaining licences, facilitate trade and promote trust among foreign partners, she said. According to Ms Pimchanok, the office picked organic rice as the pilot product because of its high value and export potential, as well as its well-established verification and standardisation processes.

### **3. Alibaba lures Thais with overseas sales**

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

Chinese e-commerce giant Alibaba is encouraging Thai businesses to use its platform to boost their sales in overseas markets as online sales have jumped during the pandemic. "We have worked with local dealers the past 10 years, demonstrating Thailand has potential for global trade opportunities," said Stephen Kuo, Asia-Pacific head at Alibaba.com, a business-to-business (B2B) trading platform, in an online seminar. More than 170,000 products from

Thailand are on the platform and over 40,000 of them received inquiries over the past 30 days. The country's top five product categories are food and beverage, agriculture, beauty and personal care, apparel, and home and garden. The top buyer countries on the platform are the US, India, Britain, Australia, Canada, Russia, Mexico, Brazil, Germany and France.

#### **4. 2020 online trade set to hit B220bn**

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

Thailand's e-commerce, excluding business-to-business engagement, is expected to grow 35% to 220 billion baht in 2020, driven by the coronavirus outbreak, says Priceza, a price comparison shopping website. Meanwhile, the competition between social commerce and e-marketplaces is expected to intensify. "In the post-Covid-19 world, the online channel and e-commerce are no longer an alternative option, but rather a means of survival," Thanawat Malabuppha, chief executive of Priceza and president of Thailand e-Commerce Association, said in an online press conference. The country's e-commerce through business-to-consumer and consumer-to-consumer is projected to jump to 220 billion baht in 2020, accounting for 4-5% of total retail.

#### **5. Chamber of Commerce to launch job app to solve unemployment problem**

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

The Thai Chamber of Commerce will next week launch a smart-phone app for job seekers after many lost their jobs amid the Covid-19 outbreak, its chairman Kalin Sarasin said. Chamber of Commerce to launch job app to solve unemployment problem. The Thai Chamber of Commerce will next week launch a smart-phone app for job seekers after many lost their jobs amid the Covid-19 outbreak, its chairman Kalin Sarasin said. The app will feature companies that are members of the chamber. If any of the members have laid off workers, the app will match the laid-off employees with other members who are looking for workers. He added that companies of all sizes that are members are keen to join the app. He added that since the fallout of the Covid-19 crisis will last for a year or two in Thailand, the chamber has called on its members to allow at least 50 per cent of the employees to work from home. He added that many members have allowed up to 90 per cent

#### **6. Thailand leads SE Asia markets higher on rate cut**

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

Most Southeast Asian stock markets rose on 20 May, with Thailand leading the pack, after the Bank of Thailand cut its benchmark interest rate to a record low to cushion the economy from the coronavirus impact. Other markets in the region also clocked gains on locally driven

news, even as broader Asian stocks and currencies lacked direction after scepticism over Moderna Inc's Covid-19 trial vaccine dented hopes of a quicker rebound from the crisis. The Thai benchmark rose 0.9% to its highest closing level since March 6, as the central bank cut its benchmark interest rate for the third time this year to help the region's second-largest economy, which slipped into a recession in the first quarter. Thailand's sixth-largest lender, TMB Bank jumped 7.2%, while financial services company Srisawad Corporation added 5.1%.

### **7. Bangkok Bank completes acquisition of Indonesia's Bank Permata**

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

Bangkok Bank today (May 20) completed its landmark acquisition of Astra International and Standard Chartered's aggregate 89.12-per-cent shareholding in Bank Permata, Indonesia's 12th largest bank by total assets. The transaction was completed at the agreed valuation of a 1.63 times Permata's book value as of March 31, or approximately 33.662 trillion rupiah (US\$2.282 billion, Bt73.722 billion). Permata, with an asset base of 167.394 trillion rupiah, 3.75 million customers and 312 branches across Indonesia, is now Bangkok Bank's most significant investment.

### **8. Museums, historical sites to reopen from Friday**

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

Museums, historical parks, archaeological sites and national archives will reopen from Friday (May 22) in line with the government's second phase of easing lockdown measures, the Fine Arts Department said. The sites that will reopen include the Prem Tinsulanonda Archives and the Banharn-Jamsai Tower in Suphanburi, which was built in honour of late former PM Banharn Silpa-archa and his wife Jamsai, said Prateep Pengtago, the Fine Arts Department's director general. Prateep said every venue will register with the "Thai Chana" platform to get a QR code, which visitors can use to leave their phone number as part of a contact-tracing exercise. The platform also allows venues to keep track of the number of visitors as well as collect ratings.

### **9. Thailand Post restores international services to some countries**

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

Thailand Post will resume international postal services to selected destinations as the Covid-19 situation in many countries has been improving and local governments have eased lockdown measures. Thailand Post announced the resumption of the service on its Facebook page on Wednesday (May 20). EMS World service will be available in 11 countries: Bhutan,

China, Hong Kong, South Korea, Portugal, Russia, Singapore, Sweden, Switzerland, Taiwan and Vietnam, while e-packet service will be available in five countries: Bhutan, China, South Korea, Russia and Singapore. Courier Post service will be available to 107 destinations while Logispost World will be available to 31 destinations.