

June 1, 2020

Thai Enquirer Summary

Political News

- The Parliament voted to pass 3 executive decrees backing the borrowing of 1.97 trillion baht to finance economic support packages to ease the impact of the coronavirus on the country.
 - ❖ The big issue that came out of this meeting was the fact that even the coalition members (Democrat and Bhumjai Thai party) came out to warn that the there should be a scrutinizing committee that looks into the spending of this passage of the bill.
 - A signed letter by key members of Bhumjai Thai and Democrat party has been handed
 - Chada Thaiseth, a key member of the Bhumjai Thai party from Uthai Thani, went as far as to warn the possible misuse of these funds and the Prime Minister being prosecuted for malfeasance.
- The Public Sector Anti-Corruption Commission (PACC) has come out to say that it
 would volunteer to scrutinise the transparency of the execution of the 1.9 trillion baht
 COVID-19 rehabilitation scheme but most MPs want a more independent body to
 scrutinize the transparency.

- ❖ Deputy Prime Minister Wissanu Krea-ngam insisted that the loan bills will be subject to anti-graft mechanisms through several anti-graft bodies including the National Anti-Corruption Commission (NACC), the PACC and the Anti-Money Laundering Office (Amlo).
- ❖ Deputy Agriculture and Cooperatives Minister Thammanat Prompao is the one who raised a strong objection to the Opposition's call for an independent committee. Capt. Thammanat came under fire from the Kao Klai [Move Forward] Party for his objection for the setting up of a loan scrutiny committee. The controversial minister said he was worried that the loan scrutiny committee's work will overlap with the already existing anti-graft bodies' actions.
- On the last day of the marathon debate, Opposition chief whip Suthin Klangsaeng criticise Prime Minister Prayut Chan-o-cha for his inability to provide details of where his government plans to secure the 1.9-trillion-baht loans from, noting that the public has the right to know.
 - ❖ Mr Suthin said there was no need to borrow as much as 1 trillion baht, which will be a burden on the Thai people for several generations to come.
 - ❖ He suggested the Government allocate budget from the Central Fund and rearrange current public sector spending plans to cope with the economic impacts of the pandemic. By this way, it could reduce the borrowing requirement by as much as 15%.
 - ❖ Kao Klai [Move Forward] Party MP Pijan Chaopattanapong, also criticised the lack of transparency in how the money will be allocated as he said he was worried that what should be used to stimulate the economy will turn out to be for projects that lead to corruption.

- > "Instead of using money to benefit the people, it will become a benefit for specific groups," Mr Pijan said.
- ❖ In addition, Mr Pijan claimed that the government promised to reward each Phalang Pracharat MP 80 million baht from a 400-billion-baht budget set aside for economic and social rehabilitation if each MP can come up with a project to spur the economy at the grassroots level. The Kao Klai MP raised concerns that the offer will lead to kickbacks, bribery and collusion in bidding for government contracts to benefit their cronies.
- ❖ This report has caused an uproar among the coalition parties. In the latest response, Paradorn Prissanananthakul, a Bhumjai Thai Party MP for Ang-Thong, lobbied hard for the government to set up an independent committee to check transparency on 1.9 trillion baht expenditure. Mr Paradorn said he had the support of more than 20 MPs from Pheu Thai, Bhumjai Thai, Kao Klai and Democrat parties.
- ❖ Meanwhile, Deputy Prime Minister Somkid Jatusripitak in charge of economic affairs insisted that the government needs to borrow 1 trillion baht to cushion the economic impacts of COVID-19 because existing funding will dry up in July or August.
- ❖ He reiterated that a bond stabilization fund, the subject of another executive decree, is needed to stabilize the bond market following ominous signs emanating from the market, citing the "Tom Yum Kung" financial crisis in the late 1990s. Mr Somkid said Thailand must take pro-active measures to prevent a repeat of the collapse of the financial markets.
- ❖ He assured Parliament that all the funds including the 400 billion baht for economic rehabilitation will be used wisely and effectively.

- After Parliament's vote in favour of the 3 executive loan decrees passed, factions inside the Phalang Pracharat Party (PPRP) reported called meetings of MPs in their factions to do a head-count in a bid to push for a leadership change.
 - ❖ There are reports that prior to the vote on the loan bills yesterday (May 31), 3 factions inside the party which support Deputy Prime Minister Prawit Wongsuwan to take over the PPRP's helm called meetings of 60-70 MPs to check their support.
 - The 3 factions are
 - Saam Mitr Group
 - Government chief whip Wirat Rattanaset's group
 - Bangkok faction led by Education Minister Nataphol Teepsuwan.
 - ❖ The 3 factions are expected to join forces to push for the leadership change to replace Finance Minister Uttama Savanayana as the current party leader.
 - ❖ Meanwhile, Mr Uttama himself and Energy Minister Sontirat Sontijirawong, as the PPRP's secretary-general, also called a meeting of MPs to secure support of MPs at Room 417 in Parliament complex while Deputy Agriculture and Cooperative Minister Thammanat Prompao is reported to convene a meeting of nearly 30 MPs in the next room.
 - Afterwards, leaders of all these factions were reported to take turn to meet Gen Prawit. The meetings took place ahead of the PPRP's planned general assembly to select a new executive board scheduled in June, which is expected to be last month that the state of emergency will be imposed. The PPRP is expected to undergo a full restructuring in the wake of leadership squabbles.
 - ❖ Previously, Sira Jenjaka, a PPRP MP for Bangkok, came out to make a loud call for Mr Sontirat to resign as the party's secretary-general. However, Mr Sontirat said he took no notice of Mr Sira as he said "Mr Sira is Mr Sira".

- Army chief General Apirat Kongsompong is reported to order a committee to be set up to look into alleged corruption in solders' allowances at the army's Ordnance Department after Sergeant Narongchai Intarakawee came out to blow the whistle on the issue.
 - ❖ However, the situation has turned upside down as Gen Apirat has threatened to impose severe penalties on Sgt Narongchai as he said the latter had deserted the military for more than 16 days. Sgt Narongchai could be charged with absence without leave and face a jail term of up to 7 years if found guilty.
 - ❖ If the soon-to-be set up committee finds sufficient evidence to support Sgt Narongchai's allegation of corruption in solders' allowance, it is required to submit the findings to the National Anti-Corruption Commission (NACC) for further investigation.

Economic News

- On the progress of Thai Airways International Plc (THAI)'s rehabilitation plan, reports said the carrier's chairman Chaiyapruk Didyasarin, acting president Chakkrit Parapuntakul along with 3 newly appointed board members, namely, Piyasvasti Amranand, as well as Boontuck Wungcharoen and Pirapan Salirathavibhaga, consultant EY Corporate Advisory Services along with legal consulting firm Baker McKenzie and Finansa Securities (FSL) are set to meet a 9-member committee which will oversee the bankruptcy process led by Deputy Prime Minister Wissanu Krea-ngam today (June 1).
 - ❖ However, reports have come out that currently figures inside and outside THAI are trying to lobby some members of the 9-member committee to appoint another legal consulting firm, which is said to be owned by a former THAI executive director, to participate in the rehabilitation process.

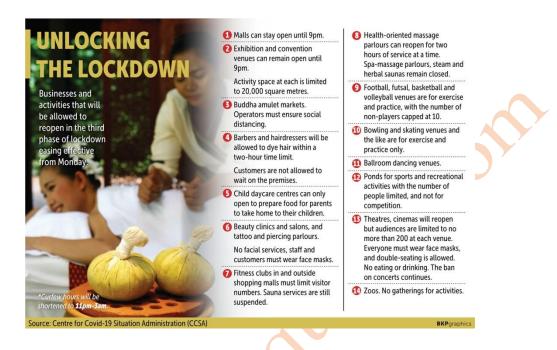
- ❖ Upon this report, Baker McKenzie has threatened to withdraw immediately as a legal consultant to represent THAI domestically and overseas if the committee appoints another legal firm. There is a report that Baker McKenzie already appointed a team of 30-40 lawyers to represent THAI in dealing with creditors overseas and domestically.
- In a related development, Thai Airways International Plc (THAI)'s 3 new board members, namely, Boontuck Wungcharoen, Piyasvasti Amranand and Pirapan Salirathavibhaga, announced that they would not accept any salaries and other allowances of executives. The announcement came after the new board's meeting chaired by airline chairman ACM Chaiyapruk Didyasarin.
 - ❖ In a related issue, there are reports that THAI acting President Chakkrit Parapuntakul sent letters to inform all 20,000 employees that salary cuts by 10-50% will remain in place for another 3 months for them from June 1 to August 31 among other measures.
 - ❖ THAI workers' union president Nares Peung-yaem warned that the rehabilitation plan for THAI may collapse if the airline keeps salary cuts for employees in place after Mr Chakkrit's move to extend salary cuts for another month or 3 months, citing that the THAI acting President Thailand's action may violate Thailand's Labour Relations Act B.E. 2543 which defines specific "unfair labour practices" that violate employees' rights. He said employees have the right to take the case to a court.
- The National Economic and Social Development Council (NESDC, formerly known as the National Economic and Social Development Board (NESDB)) is set to revise the 20-year national strategy as the country's economy has been hard hit by the COVID-19 pandemic, Tossaporn Sirisamphan, the NESDC chief, said, citing the need for a revision.

- ❖ The government's economic think-tank will hold a public hearing to weigh public feedback on the issue before its annual meeting on September 21, 2020 when it will raise the revision of the 20-year national strategy. The agency is required to complete the revision within September and forward the amendment version to a committee to drive the 20-year national strategy chaired by Prime Minister Prayut Chan-o-cha in early October. ■
- The new Bank of Thailand (BOT) governor is expected to be revealed in July.
 - ❖ The selection committee, headed by former Minister of Finance permanent secretary Rangsan Srivorasart, will submit 2 names to the ministry before July 2. After that, the cabinet will have to approve the ministry's final selection before the new governor's term begins on October 1.
 - Currently, 5 names emerged on the list, with 2 "insiders" and 3 "outsiders" considered to be the leading candidates. The list includes:
 - ✓ 1) Paiboon Kittisrikangwan, current BOT's deputy governor of Corporate Development;
 - ✓ 2) Ronadol Numnonda, current BOT's deputy governor of Financial Institutions Stability;
 - ✓ 3) Kobsak Pootrakool, deputy secretary-general to the prime minister for political affairs;
 - ✓ 4) Sethaput Suthiwart-Narueput, current member of the BOT's Monetary Policy Committee;
 - ✓ 5) Ekniti Nitithanprapas, director general of the Revenue Department.

- Hoteliers in several tourist destinations are planning to put up hundreds of hotels in several provinces for sale as businesses have been hard hit by the COVID-19 crisis, according to a source with the hotel industry.
 - ❖ Hundreds of 4-5 star hotels worth between 1-10 billion baht and 3 star hotels worth 500-1 billion baht have now been put on the market are in Phuket, Samui, Surat Thani, Krabi and Pattaya in Chon Buri.
 - Many local and overseas capital groups from Singapore and China have showed interests in taking over such these troubled hotels but most of them are trying to push down prices as the pandemic crisis continues.
 - ❖ Major hotel chains operated by overseas and Thai companies are said to dump their sale prices by 15-30% compared to prices during normal circumstances.

General News

- More businesses are expecting to reopen starting from today (June 1) and shortening curfew hours in the 3rd phase of relaxation as COVID-19 restrictions are to be eased.
 - ❖ National Security Council (NSC) secretary-general Somsak Roongsita said the 23:00 hrs-04:00 hrs curfew will be shortened by 1 hour, to 23:00 hrs to 03:00 hrs.
 - At least 17 types of businesses and leisure activities can resume from today (June 1) with strict social distancing regulations and limits on the numbers of visitors in the 3rd phase lockdown easing including spas and massage parlours, cinemas and theatres, zoos, exhibition centres, amulet shops and playhouses.
 - ❖ Shopping malls will be allowed to extend their daily operations by one hour until 21:00 hrs beginning today (June 1).



- The Centre for COVID-19 Situation Administration (CCSA) reported 4 new COVID-19 case and no deaths over the last 24 hours.
 - ❖ The 4 cases include a 37-year old Thai woman who worked as a masseuse in the United Arab Emirates; 2 Thai students who returned from Turkey and a student arriving from Saudi Arabia via Kuala Lumpur.
 - Thailand's cumulative COVID-19 cases now stands at 3,081, and the national death toll remains 57. These include 2,444 locally transmitted infections; 637 cases from those who returned from overseas and 144 infections in state quarantine.
- Data released by the Bank of Thailand on Friday for the month of April 2020 indicated that the data was one of the worst seen since Bank of Thailand has been collecting the data.

- ❖ In the 4-months of 2020, International tourists dipped by 52.2% to 6.69 million
- ❖ Exports contracted by 3.3% year-on-year, excluding gold it was down by 15.9%
- ❖ Private consumption dropped by 15.1% year-on-year amid rising unemployment, lower income and lack of consumer confidence.
- ❖ Unemployment benefit seekers numbers rose to 465,218 from 96,264
- If one thinks that the impact is the only for the working class, well think again
 - ❖ The latest data indicates that European luxury vehicle sales in April stood at staggering 'zero' units.
 - Mercedes Benz, BMW, Audi, and Volvo all reportedly saw no sales in April 2020
 - Mercedes Benz had 1,495, BMW had 1,056 and Volvo had 288 units sold in April 2019 but 'zero' in April 2020.

Political News Headlines in Thai Media

- Army personnel throughout the country are pretending to be citizen groups and putting
 up propaganda posters thanking the government for its speedy coronavirus pandemic
 response and other government measures, local sources said on Monday.
 - Link- https://www.thaienquirer.com/13785/the-army-is-pretending-to-be-various-citizens-groups-and-putting-up-posters-thanking-the-government-for-its-covid-response/
- Former Foreign Minister Kasit Piromya has criticised the current government for being as corrupt as previous administrations and undermining the country's democratic system.

- o Link- https://www.thaienquirer.com/13706/exclusive-former-foreign-minister-blasts-prayut-government-for-being-corrupt-undermining-democracy/
- Thailand's parliament passed, on Sunday, a 1.9 trillion baht stimulus package aimed at boosting an economy that has been badly hit by the coronavirus pandemic.
 - Link- https://www.thaienquirer.com/13788/parliament-approves-1-9-trillion-baht-coronavirus-pandemic-support-package/
- Thailand's Ministry of Public Health said that it had discovered four new coronavirus
 cases in the past 24 hours. All four new cases were Thais returning from abroad and in
 state quarantine.
 - o Link- https://www.thaienquirer.com/13768/thailand-discovers-four-new-coronavirus-cases-in-past-24-hours/
- Thai officials at Sa Kaeo detained 54 Cambodian migrants being smuggled into Thailand on Thursday, local officials told Thai Enquirer.
 - o Link- https://www.thaienquirer.com/13758/54-undocumented-cambodian-workers-detained-at-thai-cambodia-border/
- Progressive Movement co-founder Piyabutr Saengkanokkul yesterday accused the National Anti-Corruption Commission of undermining anti-graft mechanisms.
 - o Link- https://www.bangkokpost.com/thailand/politics/1926844/piyabutr-says-nacc-bungled-prawit-case
- The Communicable Diseases Control Act is likely to be used to battle a second wave of Covid-19 infections, according to Deputy Prime Minister Wissanu Krea-ngam.
 - o Link- https://www.bangkokpost.com/thailand/general/1926868/wissanu-clutches-at-legal-straws

- Shares of a mid-market catering property developer, L.P.N. Development Plc (LPN) surged 13 per cent during the early morning trade as media reports suggested that the company was a possible target for a takeover.
 - o Link- https://www.thaienquirer.com/13743/lpn-shares-surge-amid-market-talks-of-possible-takeover-but-fundamentals-remain-weak/
- The incoming Bank of Thailand (BOT)'s governor will have to get creative and come up with unique solutions to help the country recover from the coronavirus pandemic, experts told Thai Enquirer.
 - o Link- https://www.thaienquirer.com/13700/new-bank-of-thailand-governor-will-have-to-get-creative-to-stimulate-the-economy/
- As Thai Airways International (THAI) flies into an uncertain future, so too is the ruling Palang Pracharath Party (PPRP), and their fates may well be intertwined, according to a political analyst.
 - Link- https://www.bangkokpost.com/thailand/politics/1926680/testing-times-for-thai-and-pprp
- The Foundation for Consumers has demanded authorities protect the rights of customers affected by Thai Airways International (THAI)'s financial woes.
 - Link- https://www.bangkokpost.com/thailand/general/1926876/group-demands-help-for-troubled-thai-customers
- Mostly state-owned energy firm Bangchak Corporation Plc plans to sell a subsidiary, Nido Petroleum Pty Ltd, which operates oil and gas drilling in the Philippines.
 - Linkhttps://www.bangkokpost.com/business/1926568/bangchak-to-sell-nidosubsidiary
- The Federation of Thai Industries (FTI) has issued a dire warning to the government, saying the state must provide substantial assistance to the automotive sector and related supply chains or the sector risks collapse.
 - Linkindustry
 https://www.bangkokpost.com/business/1927372/fti-sounds-alarm-on-autoindustry
- The government may use the tools of the Finance Ministry to increase promotional privileges for investment in bio-economic corridors to entice investors.

- Link- https://www.bangkokpost.com/business/1927376/finance-ministry-seeks-waysto-boost-bio-economy
- Charoen Pokphand Group (CP), the country's biggest agribusiness conglomerate, is scheduled to file documentation for the group's deal to acquire 86.9% of the Thai business of Tesco and 100% of the UK retailer's Malaysian business in a deal valued at US\$10.6 billion with the Office of Trade Competition Commission (OTCC) for consideration this week or next.
 - Link- https://www.bangkokpost.com/business/1927388/cp-to-file-tesco-deal-with-trade-panel
- The government is able to borrow an additional 100 billion baht to offset a budget deficit if state revenue collection for fiscal 2021 misses its target, says the Budget Bureau.
 - o Link- https://www.bangkokpost.com/business/1927404/budget-bureau-gives-nod-to-further-b100bn-in-borrowing
- MAI-listed Forth Smart Service Plc (FSMART), the country's largest top-up machine provider under the Boonterm brand, is set to launch fuel vending machines this month to tap low-income people living far from petrol stations.
 - Link- https://www.bangkokpost.com/business/1927412/fsmart-lines-up-fuel-vending-machines-for-grassroots

Issues to be watched out for

- ➤ May 28-June 10, 2020 The government's "Rao Mai Thing Kun" bond sale will be made available to the general public and non-profit entities.
- May 26-June 16, 2020 The application period for the next governor of the Bank of Thailand (BoT).
- May 29, 2020 The deadline for those who missed out on the government's 5,000-baht cash handout scheme who wish to appeal their case to the Finance Ministry.

- ➤ Mid-June, 2020 The Phalang Pracharat Party (PPRP) is set to hold a general assembly to select a new executive board after the House's reading on 3 executive decrees on borrowing to fight COVID-19.
- ➤ June 20, 2020 A by-election on the Constituency 4 of Lampang is expected to be held.
- ➤ June 30, 2020 The Civil Aviation Authority of Thailand (CAAT) is expected to lift ban on incoming flights.
- ➤ June 30, 2020 The government is expected to lift lockdown restrictions imposed under the emergency decree.
- ➤ July 2020 The Expressway of Thailand (EXAT)'s planned opening schedule of the new Motorway Route 7 Section from Pattaya to Map Ta Phut.
- ➤ July 2, 2020 The shortlist of candidates for the new governor of the Bank of Thailand (BoT) will be concluded.
- ➤ July 15, 2020 The House is set to deliberate on the draft budget bill for the 2021 fiscal year.
- August, 17, 2020 The first day of hearings for Thai Airways International Plc (THAI)'s bankruptcy case.
- ➤ September 30, 2020 The Stock Exchange of Thailand (SET) is set to extend the revised equity short-selling regulations from June 30 to September 30 as stock market volatility remains high in the wake of the Covid-19 pandemic.
- ➤ October, 2020 The bidding for construction and operation for the 140-billion-baht Orange Line western extension linking the Thailand Cultural Centre with Bang Khun Non.
- ➤ October, 2020 The Thailand Grand Prix was rescheduled after being postponed due to the coronavirus outbreak.

Key Data

• Link - https://www.set.or.th/en/company/ipo/upcoming-ipo_set.html

Global Commodities

- ➤ Metal -Link http://www.bloomberg.com/markets/commodities/futures/metals/
- Energy -Link http://www.bloomberg.com/energy/
- ➤ Baltic Dry Index (BDI)-Link http://www.bloomberg.com/quote/BDIY:IND

Global Equity Market's Movements

Link - http://www.bloomberg.com/markets/stocks/world-indexes/asia-pacific/

Asian Equity Markets Movement

➤ Link - http://www.bloomberg.com/markets/stocks/world-indexes/

Information on May 29, 2020

Buying, Selling or Transfer of shares by Owners/Management

Stock Code	Volume	Value	Action	
BKD	3,595,100	0.11	Sale	
BSM	10,000,000	0.25	Purchase	
BSM	9,000,000	0.25	Purchase	
ECL	5,000,000	0.18	Sale	
EP	50,000	3.68	Purchase	
GULF	490,000	-	Transfer	
JAS	1,000,000	3.74	Purchase	
MJD	69,200	1.88	Sale	
MJD	151,600	1.89	Sale	
MJD	50,000	1.9	Sale	
MBAX	68,300	4.21	Purchase	
M	262,800	-	Transfer	

OSP	50,000	43	Sale
PR9	20,000	6.75	Sale
PR9	20,000	7.05	Sale
PPS	739,200	0.44	Purchase
S11	5,000	5.6	Sale
SPC	229,699	58.09	Purchase
SPC	20,000	57.25	Sale
SPC	51,636	58.09	Sale
SKY	40,000	16.4	Sale
STARK	402,500,000	1.85	Sale
SUSCO	50,000	2.2	Purchase
TU	100,000	13.7	Sale
TSR	71,200	1.92	Purchase
TSR	28,800	1.92	Purchase
UAC	10,000	3.46	Purchase
UVAN	77,700	4.23	Purchase

XD, XE or XM or other notifications

For list of Companies that have dividend payment and AGM meeting schedules click on http://www.set.or.th/set/calendarofevents.do

Trading Breakdown on the Stock Exchange of Thailand

Daily as of 29 May 2020						
				Unit: M.Baht		
Investor Type	Buy		Sell		Net	
	Value	%	Value	%	Value	%
Local Institutions	5,828.21	6.06	6,588.24	6.85	-760.03	-
Proprietary Trading	5,503.57	5.72	5,996.21	6.23	-492.64	-
Foreign Investors	54,061.17	56.2	48,556.87	50.48	5,504.29	-
Local Individuals	30,793.70	32.01	35,045.32	36.43	-4,251.62	-
Monthly Cumulative between 1 - 29 May 2020						
	Unit: M.Ba				M.Baht	
Investor Type	Buy		Sell		Net	
	Value	%	Value	%	Value	%
Local Institutions	126,915.93	11.01	109,077.92	9.46	17,838.01	-
Proprietary Trading	96,253.72	8.35	95,945.59	8.32	308.13	-

Foreign Investors	387,303.30	33.59	418,901.63	36.33	-31,598.34	-
Local Individuals	542,569.06	47.06	529,116.87	45.89	13,452.20	-
Yearly Cumulative since 1 Jan - 29 May 2020						
	Unit: M.B.				M.Baht	
Investor Type	Buy		Sell		Net	
	Value	%	Value	%	Value	%
Local Institutions	809,101.49	11.98	741,515.40	10.98	67,586.09	-
Proprietary Trading	688,100.67	10.19	690,630.18	10.23	-2,529.51	
Foreign Investors	2,419,136.09	35.83	2,613,065.19	38.7	- 193,929,11	
Local Individuals	2,835,672.54	42	2,706,800.01	40.09	128,872.53	-

Total Trading Value 96,186.64 Million Baht.

Background Information –

The strength of each party in the Thai Parliament as of May 8, 2019 as per the report by the Election Commission of Thailand. Elections took place on March 24, 2019

- https://www.ect.go.th/ect_th/news_all.php?cid=24
- List of MPs https://www.ect.go.th/ect_th/download/article/article_20190508184334.pdf

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