

June 2, 2020

Thai Enquirer Summary

Political News

- Reports suggest that the battle of power grab in the ruling Phalang Pracharat party (PPRP) is not over after reports suggested that party leader and Finance Minister Uttama Savanayana has come out to say that he would reveal the details going forward.
 - ❖ The embattled party leader – Mr. Uttama, has about 10 members of the executive committee with him (out of the 34).
 - ❖ A total of 24 executive committee members have resigned although only 18 had handed in their resignation letters so far.
 - ❖ Mr. Uttama and his mentor – Deputy Prime Minister Somkid Jatusripitak, are set to fight back because any major change in the PPRP could lead to a change in the Cabinet positions that are also controlled by this faction.
- The Phalang Pracharat Party saw 18 members of the committee resign amid growing rumours of internal discord.
 - ❖ 18 out of 34 executive members had quit the board with an immediate effect on June 1, 2020. This will result in the dissolution of the board, PPRP deputy leader

Paiboon Nititawan said. The party is required to hold a general assembly to pick a new board members within 45 days of the dissolution of the incumbent executive board.

- ❖ The resignation of the 18 Phalang Pracharat executives automatically forced Finance Minister Uttama Savanayana, as the party leader and Energy Minister Sontirat Sontijirawong as the party's secretary-general to lose their posts.
 - ❖ Mr Sontirat himself came out to slam the resignation, saying that it is not the right time to make any changes while the government is focusing on solving the country's problems.
 - ❖ Prime Minister Prayut Chan-o-cha responded to the resignation news, "It is not time to think about this. I have said this repeatedly. There is tremendous suffering out there.
 - ❖ Interestingly, the names of PPRP list MP and government chief whip Wirat Rattanaset, Suchart Chomklin, chief of MPs, and Anucha Nakhasai, a member of the Saam Mitr Group, are not on the list of 18 executives who resigned despite previous reports that they were the ones that lobbied for party executives to step down from the board.
 - ❖ Another report said Deputy Prime Minister Prawit Wongsuwan, as the PPRP chief strategist, is tipped to become the new leader of the party while Santi Prompat, leader of the Phetchabun faction, and Mr Anucha, the PPRP's deputy chief strategist, emerged as candidates for the secretary-general's post, according to a source close to them.
- One of the key members of the executive committee - Samrith Tansap, who also resigned yesterday, came out to say that they were not satisfied with the working of Mr. Uttama and his team and that this change is likely to have an impact on the composition of the Cabinet ministers.

- Meanwhile House Speaker Chuan Leekpai said he received a motion demanding the formation of an independent committee to scrutinise the spending of the 1.9-trillion-baht COVID-19 expenditure. The motion is part of opposition and government MPs' effort to keep the massive budget spending in check.
 - ❖ Mr Chuan stressed that the House of representatives is required to pass a vote to allow a special committee to be set up. He said he has yet to put a motion proposing a special panel on parliament's agenda as the House is scheduled to debate a bill on the transfer of unused budgets to fight the Covid-19 pandemic on June 4. He is unsure if the budget transfer bill might be extended until June 5.
 - ❖ In addition, Mr Chuan downplayed concerns about Kao Klai [Move Forward] Party list MP Pijan Chaopattanapong's claim about the offering of an 80-million-baht cash reward to each government MP in exchange for them to vote "yes" for the loan bills. Mr Chuan said the truth would eventually come out and there is no need to set up a special committee to look into the issue.
- The opposition whips cried foul over the fact that independent bodies including courts and Parliament and Senate secretariat offices are exempted from 10% budget cuts while all ministries are subject to the cuts to create a central pool for use to battle the outbreak.
 - ❖ Opposition chief whip Suthin Khlangsaeng said he will call a meeting with opposition parties to discuss plans to invite representatives of the Office of the Council of State to clarify the issue on why these organisations are not subject to the 10% budgets cut.

- Kalin Sarasin, Chairman of the Thai Chamber of Commerce and Board of Trade of Thailand, hailed the government's move to ease the 3rd stage of the easing of the lockdown to allow more businesses and activities to reopen, paving the way for the economy to move forward.
 - ❖ The TCC expects money flows between 100-200 billion baht to be generated in the 3rd step of easing the COVID-19 restrictions.
 - ❖ According to the TCC, around 200 billion baht cash have been circulated in the economy during the 1st and 2nd stage of the easing of Covid-19 curbs. The TCC predicted that Thailand's GDP growth will contract by 5% this year.
- The COVID-19 pandemic continues to pose a severe impact on the automotive and auto parts sectors. A sharp drop in car production of at least 80% pushed automotive parts supplier Summit Auto Body Industry Co., Ltd. (SUMMIT) to offer early retirement packages for employees.
 - ❖ The company owned by the family of Thanathorn Juangroongruangkit, came out to say that it was going to pay up to 18.3 months of severance package for anyone who volunteers to retire amid the ongoing crisis.
 - ❖ The crisis has forced SUMMIT and its subsidiaries to cut costs by taking measures like reducing workers' shifts from 2 to 1 as well as offering a voluntary early retirement program to workers employed as subcontractors, said President Kornkrit Jurangkool, also deputy chairman of the Federation of Thai Industries (FTI).
 - ❖ Following the move, Thai Summit PKK Co., Ltd., announced an early retirement scheme to employees with payments in return under Thai labour law.

- ❖ According to latest information of 2019, the automotive and auto parts sectors employed around 550,000 workers; divided into 100,000 in the auto industry and 450,000 in the auto parts industry.
- Airports of Thailand Plc (AOT) boss sent a strong signal that the company will not pay bonuses to employees this year after seeing a sharp drop in operating results attributed by decreased numbers of passengers passing through six AOT airports.
 - ❖ President Nitinai Sirismatthakarn said the COVID-19 pandemic had direct impacts on performances of the 6 AOT airports including Suvarnabhumi, Don Mueang, Phuket, Chiang Mai, Hat Yai in Songkhla and Mae Fah Luang airport in Chiang Rai.
 - ❖ Mr Nitinai said the AOT saw a continued contraction of its operating results since last year. He said it is impossible to pay bonuses to employees as he expects the impacts of the COVID-19 pandemic on the aviation industry to prevail through 2022.
 - ❖ The AOT has offered a bonus for staff worth 7.5 months' salary.
- Thai Airways International Plc (THAI) said it does not have to pay off corporate bonds outstanding worth 71.6 billion baht in total at the moment because it is now under a rehabilitation process via the Central Bankruptcy Court.
 - ❖ THAT owed savings cooperatives nationwide making up 35 billion or nearly half of the debenture creditors, according to the Thai Bond Market Association.
- Thai Airways is also in hot water for various issues
 - ❖ Reports suggest that during the current situation the airline is having difficulty getting funding to pay for the salaries to the staff as the airline is under rehabilitation process and it has lost its title as a state-owned enterprise (SOE)

after the Ministry of Finance transferred just over 3% to Vayupak Fund late last month thus the airline will not have the guarantee of the sovereign for its lending anymore.

- ❖ Another report suggested that the ‘Financial Advisors’ such as Ernest Young, Baker Mckenzie, and Finansa have reportedly been paid up to 3-billion baht for their ‘advisory fees’

- This report was neither denied or confirmed by its latest board member – Pirapan Salirathavibhaga who said that this issue needs to be investigated.

- ❖ Mr. Priapan came out to say that he also was looking at a base salary of 30,000 baht a month for all employees. He meant that anyone below that salary would not be subject to cut in their salary and those above the 30,000 baht a month would see their salary cut by whatever percentage but the floor of the salary would not be below 30,000 baht a month.

- This comes after reports suggested that some of the cuts in salaries would come for all and it may impact everyone and some may end up with salaries less than 20,000 baht a month, prompting fears among the employees.

- The Bank of Thailand (BoT) voiced concern over a swift appreciation of the baht in the past 2 weeks which could worsen Thailand’s weak economy.

- ❖ The Central Bank vowed to impose extra measures to address short-term inflows just as the currency rose again yesterday (June 1).

- ❖ BoT Deputy governor Mathee Supapongse said that the baht has been rising faster than economic fundamentals in the past 2 weeks due to the Covid-19

situation in Thailand being better than other countries and as economic numbers in the first quarter were better than markets had expected.

- ❖ The increased gold price is another key factor that contributed to the strengthening baht, Mr Mathee said, adding that the bank will monitor transactions by gold traders to see whether trading is in line with BOT guidelines to reduce the impact on the baht exchange rate.
 - ❖ He noted that Thailand's success in fighting Covid-19 may encourage investors to buy baht and regional currencies as a means to park their short-term funds.
 - ❖ The BoT told investors not to use the baht as a tool for parking their short-term funds and we are ready to introduce extra measures to guard the fragile economy, which will suffer more by a baht appreciation.
 - ❖ The baht is expected to move between 31.50 and 32 this week, Krungthai Bank's money market strategist Jitipol Puksamatanan said.
- The Rubber Authority of Thailand (RAOT) agreed to launch the second phase of rubber price guarantee scheme, which will be limited to 30 billion baht.
 - ❖ The RAOT initially proposed a limit of 43 billion baht but only 30 billion baht was approved, RAOT chairman Praphan Boonyakiat said, adding that these funds will be distributed widely, with growers getting 40% and tappers 60%, as they did in the 1st phase.
 - ❖ In the 2nd phase, the price of rubber will be guaranteed at 60 baht per kilogram at least for 6 months from July to November.
 - ❖ The scheme will be proposed to the Cabinet at its next meeting on June 9.
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- The government's Centre for Covid-19 Situation Administration (CCSA) reported 1 new confirmed Covid-19 case and no deaths in the past 24 hours.
 - ❖ The number of Covid-19 patients has now increased to 3,082 and a death toll of 57, according to CCSA spokesman Taweessin Visanuyothin. The new case is an asymptomatic woman who returned from Russian on May 24. She was found positive yesterday (June 1) although her initial test result came back negative.
 - ❖ Globally, the total number of confirmed cases is around 6.36 million, with about 377,000 deaths.
 - On the global front the United States continues to be in state of unrest. This has prompted US President Donald Trump to come out to warn that the military will be called in to disperse the ongoing riots and protests all across the United States.
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Political News Headlines in Thai Media

- Ruling Party Palang Pracharat announced on Monday that 18 members of its executive committee had resigned triggering a leadership vote within 45 days, the deputy party leader said.
 - Link- <https://www.thaienquirer.com/13814/18-executive-committee-members-of-the-palang-pracharat-party-resign/>
- Thailand's government said on Monday that it had discovered only one new coronavirus case in the past 24 hours.
 - Link- <https://www.thaienquirer.com/13801/one-new-coronavirus-case-discovered-in-thailand/>
- All eyes are on Deputy Prime Minister Prawit Wongsuwon who is expected to be nominated to become the new leader of the ruling Palang Pracharath Party (PPRP)

following the resignation of 18 members of the party's executive committee amid speculation of ongoing internal conflict among factions within the party.

- Link- <https://www.bangkokpost.com/thailand/politics/1927824/prawit-tipped-to-take-pprp-helm>
- The New Palangdharma Party on Monday petitioned the Central Administrative Court over the Office of Attorney General's (OAG) decision not to appeal the lower court's acquittal of Panthongtae "Oak" Shinawatra, son of former prime minister Thaksin Shinawatra, in connection with a money-laundering case linked with the Krungthai Bank (KTB) loan scandal.
 - Link- <https://www.bangkokpost.com/thailand/politics/1927908/petition-lodged-over-acquittal-of-oak-shinawatra>
- The ruling Palang Pracharath Party (PPRP) has no objection to calls for a special House committee to be formed to scrutinise the Covid-19 economic recovery spending, said chief government whip Wirach Ratanasate yesterday.
 - Link- <https://www.bangkokpost.com/thailand/general/1927840/govt-to-allow-scrutiny-panel>
- On-going moves to form new political parties by key individuals within the Pheu Thai Party and its offshoot, the now-defunct Thai Raksa Chart, only prove one thing – the rifts inside the top opposition party may be too deep to heal.
 - Link- <https://www.thaipbsworld.com/power-struggle-within-pheu-thai-sign-of-thaksins-grip-weakening/>

Economic News Headlines in Thai Media

- We are now almost halfway through 2020. Actually, it seems as if it were longer than that. As individuals, we may feel overwhelmed by the disruptions that have beset us since early this year. Regarding the business sector, most businesses continue to face hardships as they have had to take extraordinary measures to stay afloat.
 - Link- <https://www.thaienquirer.com/13839/the-business-sector-and-the-new-normal/>

- The Bank of Thailand (BOT) said on Monday that the central bank is worried about the rapid strengthening of the Thai baht as it does not reflect the country's current economic condition.
 - Link- <https://www.thaienquirer.com/13822/bot-concerned-with-the-strengthening-of-the-thai-baht/>
- Thai people may, belatedly, be able to celebrate the traditional Thai New Year, or Songkran, in July if the third phase of the easing of lockdown restrictions this month goes smoothly.
 - Link- <https://www.thaipbsworld.com/july-songkran-celebrations-a-possibility/>
- Pattaya beaches are now open to tourists, but the business community is sceptical that it will revive the tourism industry when other related businesses remain closed.
 - Link- <https://www.bangkokpost.com/thailand/general/1927820/pattaya-firms-unsure-partial-opening-will-reel-in-visitors>
- People took in a movie and enjoyed foot massages in a welcome return on Monday to some pampering and popular pastimes as coronavirus restrictions further eased and new infection numbers remained low.
 - Link- <https://www.bangkokpost.com/thailand/general/1927792/people-head-for-movies-massage>
- The government is being urged to fine-tune the country's national strategy to keep abreast of changing social and economic trends caused by the global economic slowdown and the pandemic.
 - Link- <https://www.bangkokpost.com/business/1927948/national-strategic-plan-requires-revamp>
- The Finance Ministry is gearing up to launch both financial and non-financial measures aimed at revitalising the economy once the pandemic is under control.
 - Link- <https://www.bangkokpost.com/business/1927960/recovery-stimulus-coming-together>
- Thailand's stock market is projected to decrease over the next 1-3 months, with the net profit of SET-listed firms bottoming out this quarter from the Covid-19 impact, say analysts.

- Link- <https://www.bangkokpost.com/business/1927880/set-poised-to-dip-over-1-3-months>
- The Small and Medium Enterprise Development Bank of Thailand (SME D Bank) is speeding up disbursement of soft loans worth 40 billion baht to help SMEs cope with the pandemic.
 - Link- <https://www.bangkokpost.com/business/1927876/sme-d-bank-hastens-giving-out-b40bn-to-small-firms>
- SET-listed B.Grimm Power is designing a business action plan for wholly owned B.Grimm LNG, which received a licence to import 650,000 tonnes of liquefied natural gas (LNG) annually.
 - Link- <https://www.bangkokpost.com/business/1927932/b-grimm-prepares-for-lng-trade-debut>
- With no more flights to the US, THAI may not need to seek protection under Chapter 11
 - Link- https://www.nationthailand.com/business/30388897?utm_source=category&utm_medium=internal_referral
- The Thai Chamber of Commerce will present its study on the economic cost of banning chlorpyrifos and paraquat to the prime minister, in a bid to have the ban suspended for a year.
 - Link- https://www.nationthailand.com/news/30388891?utm_source=category&utm_medium=internal_referral

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 25, 2020 – The deadline for the Office of Attorney General (OAG) whether to appeal or not appeal the lower court's acquittal of Panthongtae "Oak" Shinawatra, son of former prime minister Thaksin Shinawatra, for alleged money laundering.
- 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.
- August 29, 2020 – The deadline for farmers to return the banned agri-chemicals, paraquat and chlorpyrifos, in their possession to sellers.
- September 21, 2020 – The National Economic and Social Development Council (NESDC, formerly known as the National Economic and Social Development Board or NESDB) is to revise the 20-year national strategy at an annual meeting to respond to the COVID-19 crisis.
- 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

SET Index	1,352.37	+9.52
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- 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 June 1, 2020

Buying, Selling or Transfer of shares by Owners/Management

Stock Code	Volume	Value	Action
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BM	500,000	0.09	Sale
EP	250,000	3.62	Purchase
EMC	4,707,200	0.16	Purchase
GULF	10,000,000	37.75	Purchase
JMART	18,700,000	8.65	Purchase
JMART	5,819,479	9.18	Purchase
MJD	20,000	1.84	Sale
MJD	133,200	1.85	Sale
MJD	70,000	1.86	Sale
MJD	20,000	1.87	Sale
MJD	50,000	1.88	Sale
MJD	20,000	1.89	Sale
MJD	20,000	1.9	Sale
MBAX	23,500	4.22	Purchase
MBAX	20,000	4.2	Purchase
RJH	60,000	22.02	Sale
S11	3,472	5.95	Purchase
S11	7,222	5.95	Purchase
S11	6,201	5.95	Purchase
S11	4,238	5.95	Purchase
S11	7,222	5.95	Purchase
S11	3,472	5.95	Purchase
S11	4,426	5.95	Purchase
SPC	30,220	57.43	Purchase
SEAFCO	100,000	5.3	Purchase
SINGER	4,000	8.41	Purchase
SKY	70,000	16.76	Sale
SKY	60,000	17.03	Sale
SKY	10,000	16.7	Purchase
SMT	30,000	1.13	Purchase
ERW	150,000	3.48	Purchase
THG	4,921,301	17.8	Sale
TPBI	5,000	3.48	Purchase
WP	532,100	4.98	Sale

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 1 Jun 2020						
Unit: M.Baht						
Investor Type	Buy		Sell		Net	
	Value	%	Value	%	Value	%
Local Institutions	7,572.77	11.62	6,174.35	9.48	1,398.41	-
Proprietary Trading	6,050.33	9.29	5,633.97	8.65	416.36	-
Foreign Investors	22,721.11	34.87	21,327.19	32.73	1,393.92	-
Local Individuals	28,810.46	44.22	32,019.15	49.14	-3,208.70	-
Monthly Cumulative between 1 - 1 Jun 2020						
Unit: M.Baht						
Investor Type	Buy		Sell		Net	
	Value	%	Value	%	Value	%
Local Institutions	7,572.77	11.62	6,174.35	9.48	1,398.41	-
Proprietary Trading	6,050.33	9.29	5,633.97	8.65	416.36	-
Foreign Investors	22,721.11	34.87	21,327.19	32.73	1,393.92	-
Local Individuals	28,810.46	44.22	32,019.15	49.14	-3,208.70	-
Yearly Cumulative since 1 Jan - 1 Jun 2020						
Unit: M.Baht						
Investor Type	Buy		Sell		Net	
	Value	%	Value	%	Value	%
Local Institutions	816,674.25	11.98	747,689.75	10.97	68,984.50	-
Proprietary Trading	694,151.00	10.18	696,264.15	10.21	-2,113.15	-
Foreign Investors	2,441,857.20	35.82	2,634,392.38	38.64	-192,535.18	-
Local Individuals	2,864,483.00	42.02	2,738,819.17	40.18	125,663.83	-

Total Trading Value 65,154.66 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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